

POWER

GROUP

Times of change

SWISS

25 years of empowering people,
developing communities,
enhancing lives



Our courage, our thoughts, our initiatives spur actions - actions that trigger events that shape the future: for ourselves and those whose lives we touch.

As we look back over 25 years of making a difference to the lives of the people of this continent, we are reminded once again of our "100-year dream".

In this commemorative year it is time, once more, to reflect on the value this dream holds - for us and for those who will succeed us. It is perhaps equally apt to consider how our dream fits in with God's plan for Africa, and what the role is that we have to play in the transformation of our continent.

The "100-year dream" is a commitment, a promise which our leadership made in 2001 to the prolonged existence of our Group. It is an undertaking that this Group and its culture and ethics will continue to thrive long after our time.

This pledge to perpetuate everything that Power stands for is an actual long-term business objective, with definite processes and courses of action put in place to ensure its fulfilment long after passing this great milestone that we are celebrating this year.

This commitment to uphold our purpose, our vision and our values, guides us in our daily tasks. It reminds us, encourages us and motivates us to do everything in an "Unashamedly Ethical" way.

For this is - and always will be - the Power way.

Proverbs 12:19-20

"Truth lasts; lies here today, gone tomorrow.

Evil scheming distorts the schemer;

peace-planning brings joy to the planner."

Time itself does not change things;
it is people who change things –
over time



Message from our Chairman **time to celebrate,** **time to contemplate**

Dear Friends

As we celebrate the Group's 25th year in operation, I thank GOD for His special "blessing" that we as a group have been privileged to receive over the years – two and a half decades without ever having to retrench a single one of us – a track record unheard of in our industry.

It is appropriate and opportune that we were able to enter this celebratory year as a newly revitalised and restructured Group. The excitement and optimism that marked the announcement of the "new" Power with 420 first-time shareholders (all of them long-serving staff members), will continue as we commemorate a quarter of a century of helping to make a change to the lives of our people.

As you will see in the pages that follow, this has indeed been a time of change: personally, spiritually, politically, socio-economically and corporately.

I am grateful and heartened that we are able to make the most of the present upswing in the construction industry in South Africa, regardless of some political uncertainties prevailing in our special nation and in the rest of Africa. My prayer and hope for each person and family linked with the Group is that this will be a new era filled with passion, love and care for

one another, and that it will be an exciting time as each one of us continues to grow in knowledge and in gaining further experience and understanding, while we strive to "improve the lives of those living in Africa".

Thank you to our clients, our management, every single staff member (and their families), our consultants, suppliers and other friends in the industry for your invaluable contribution to making this such a dynamic and special celebration.

I am optimistic that GOD has great plans for the African continent over the next 25 years, and that we can play our part as He continues to bless South Africa and Africa. May He "hear our prayers, forgive our sins and heal our land." (2 Chronicles 7:14).

Richest Blessings

Graham Power
Executive Chairman



Message from the CEO of Power Construction

Contemplating the past and looking back especially at our early days, one realises with absolute amazement the quantum of growth that Power Construction has enjoyed over the last 25 years.

It is with a great deal of pride, as well as humility, that we can today weigh up the quality of our staff, and evaluate the robustness of the organisation.

This has been achieved despite some very bumpy patches and difficult times; on the whole, it has been a wonderful journey of which I am privileged to have been part.

The commitment of our people is gratifying: their ability to take on daunting challenges has been amazing. We are continuing our focus on internal training and development to an even greater extent than before. This emphasis on the development of our people has, to a large degree, facilitated our 25 years of successful growth.

Our culture has been strengthened over time by the values on which it had been built. These values are ethics, quality, professionalism, reliability and caring for people. This inherent value system has also been a deciding factor in the successes of the past, and it will continue to strengthen the business.

We are tremendously excited to be role players in an industry (a very gratifying one to say the least) in which we can build "monuments" designed to stand the test of time.

Our versatility allows us to capitalise on almost any opportunity that the industry can offer. We will remain focussed on, and align ourselves with, opportunities that will provide growth for our people, opportunities that at the same time have the ability to deliver returns for our shareholders.

Although there are a few concerns over the economy's ability to withstand some short-term challenges, we remain optimistic about the future of our country and its capacity to provide a better life for all.

I would like to thank all our stakeholders (employees, suppliers, financial institutions, professionals, as well as our valued Clients) for their ongoing loyalty and support. Your commitment is greatly appreciated, and we are fortunate to be able to count on each one of you. Such surety enables us to face the future with much confidence.

This year is an important milestone in the life of the Group. Not only will it give recognition to the past, it will also provide momentum for the future.

André du Preez
Chief Executive Officer

A handwritten signature in dark ink, consisting of a large, stylized 'A' and 'P' with a smaller 'du Preez' written in a cursive script below the 'A'.



Message from the MD of Power Construction

There can be few things in life, or business, more rewarding than being a part of a true success story. And when you look back over the past years, there can be no doubting the fact that we have indeed enjoyed the privilege of helping to write exactly that – a compelling success story.

What makes this story so compelling is not so much the achievements and stellar growth of the company over the years, but more so the unbelievable development of its main characters – the people who work here and who remain so integral to the company's continued success.

At Power Construction we strive to turn success into significance and therefore aspire to improve the quality of life for people in Africa. To this end, while we're civil engineers and construction specialists by trade, our real business is people. I sincerely believe that it is this unwavering focus on making a difference in the lives of people – whether our clients, business partners or staff – that lies at the heart of Power Construction's impressive track record thus far, and will continue to drive our company towards the achievement of its 100-year dream.

I consider it an immense privilege to be a part of a company with this type of commitment to building a better future. I am reminded, on a daily basis, of the exceptional quality and commitment of the people with whom I work.

When you look at it like that, the success story to which I alluded earlier is not so much a completed work as it is an opening chapter. And I, for one, am greatly looking forward to helping to write the rest of the Power Construction success story in the months and years to come.

My heartfelt thanks go to every person and organisation that has played a part in bringing this business to the point at which it now finds itself.

Poens Venter

Managing Director: Power Construction

A handwritten signature in black ink, appearing to read 'Poens Venter', with a stylized flourish at the end.



Message from the MD of Power Developments

Making a difference to the lives of people is our aim as we strive to understand and meet our clients' needs.

Power Developments, the property division of the Group, was formed in 1991, starting off with small residential developments. Our strength is imbedded in our relationship with Power Construction, whose support helps us to fulfil our role as turnkey developer.

We have been privileged to receive various awards from Local and National Government as well as the South African Institute of Housing (South African Housing Foundation).

Power Developments focuses on various market segments: affordable housing, upmarket residential, middle income residential, lifestyle estates, industrial and commercial developments.

It has been a natural progression for Power Developments to broaden our focus from the execution of multi-million Rand housing projects to the building of high income, upmarket projects that include some of the country's most sought after residential developments. One of South Africa's prime Coastal Developments is Thesen Islands in Knysna, a 96-hectare development that was turned into a glamorous 19-island marina.

We thank all the councillors, political leaders, professional teams, bankers and – of course – staff members who have supported us over the years.

Stefan Bothma

Managing Director: Power Developments

A handwritten signature in black ink, appearing to read 'Stefan Bothma', written in a cursive style.



Board of Directors

G.A. POWER
Chairman



A.H. DU PREEZ
CEO



A.J. VENTER



A.V.N. ABRAHAMS



M.P. CRONJE



G.D. CULLUM



C.R. DREYER



G.A. GILBERT



L.F. HUGHES



A.F. VOIGT



M. HARDING



A. ZANDBERG

Acknowledged to be one of South Africa's largest civil engineering contractors in the field of township infrastructure, Power Construction has developed specialist expertise in the installation of civil services, road works, pipelines, earthworks and concrete works.

The company is active in the Western, Southern and Eastern Cape as well as in Gauteng. Its civil engineering divisions include Power Construction West, based in Cape Town, Power Construction Coastal with offices in Knysna and Port Elizabeth and Power Construction North, operating in Gauteng.

Power Construction's hands-on management style is one of the major reasons for its success. The company manages each project with a core management team on site and where necessary is supplemented by community members who receive training. Local and specialised contractors are employed and often joint ventures are entered into with emerging contractors.

Power Construction's Building Division, specialises in building services that include affordable housing, institutional housing, high-income residential projects, high-density townhouse complexes, single freestanding units and

multi-level high specification buildings, industrial and commercial development: industrial buildings, retail centres, office blocks, clinics and hospitals.

Power Construction's Plant Division has as its aim to deliver a good service, to maintain the Power fleet in excellent condition, keep up with technology, be competitive on the open market and be innovative in the designing and building of equipment for their internal clients.

The company's Roads Division has well-balanced and highly efficient road-building units to satisfy all our customers' road construction, reconstruction and rehabilitation needs throughout South Africa.

Power Construction is closely linked to the labour-intensive construction initiatives, and to strategies for the promotion of emerging contractors.

Power Construction's Services Division includes the Finance, Technical and Organisation Development departments. Based at the head office in Cape Town the Services Division is also represented at each regional office. Its staff members are committed to supporting all the companies and to the long-term survival of the Group.



Board of Directors

G.A. POWER
Chairman



F.S. BOTHMA
CEO



A.V.N. ABRAHAMS



M.P. CRONJE



C.R. DREYER



T.S. DUBE



G.A. GILBERT



P. KNIGHT



F. LOMBARD



H.E. LOUW




A. SEPTEMBER

The establishment of Power Properties in 1991 - later re-named Power Developments - laid the groundwork for a property development and management company that grew to become one of the most accomplished niche developers of affordable housing schemes under the State's Housing Subsidy Scheme in South Africa.

Power Developments initiates and manages multi-million Rand Turnkey developments - developing and building residential, industrial and commercial properties within a wide-ranging portfolio: from high-density housing projects, to prestigious developments (such as Thesen islands in Knysna) and various golf course developments

Power Developments operates nationally from the Group's head office in Cape Town and from the regional office in Gauteng.

"We strive to glorify God through our relationships with our stakeholders and to leave behind sustainable products in all the communities where we operate."



Steadfast through the changes of time:

the **purpose** of power
purpose

Proverbs 20:18

*"Form your purpose by asking for counsel,
then carry it out using all the help you can get."*

Guided and braced by the hand of God, our purpose as a Group is both simple and enormously complex: To improve the quality of life in Africa through infrastructure development.



Experienced people – committed to the long-term success of Power – form the backbone of the Group. Our past informs us. It guides us. And it equips us to perform. But a willingness to embrace the future drives us and spurs us on to enhance the ways in which people work, play, move about and live their lives in an ever-changing Africa. Changing landscapes and lifestyles has always been a theme in everything we do. And while monuments in concrete, bitumen, bricks and steel serve as measures of our growing success, we are committed to leaving behind a legacy that is even more enduring: a growing body of people who have been empowered through our conscious and consistent outreach efforts.

Reaching out,
embracing change

We're actively involved right there in the communities from where we draw many of our dedicated workers – our colleagues and our leaders of tomorrow. Our strong sense of social responsibility, an acknowledgement of past inequalities and a robust belief in the future of this country have led us to contribute to the advancement of those communities and to play a supportive and pro-active role in grassroots issues.

Sport is another arena in which we have been able to make a change.

With financial assistance from the Group, 15 rugby clubs from the townships – mostly playing in the Sunday League – received a welcome injection of much needed equipment and medical supplies. The assistance – for a minimum of five years – is a joint initiative between the Power Group and Western Province Rugby Football Union.

women women in power

In what has traditionally been a man's world, more and more women are entering the civil engineering, building services and construction industries. Increasingly, our employee complement is reflecting the gender as well as the racial diversity of our country.

The empowerment of women is taken seriously at Power and substantial progress has been made in diversifying the workforce.

Approximately 50% of the women employed are operational staff, working as engineers, technicians and surveyors, and the rest are employed in the services professions such as human resources, accounting, and secretarial.

Previously disadvantaged women are given preference and they bring fresh perspectives and skills to the workings of our Group.

Our female workforce is very committed to the company; they are determined to make a difference and to prove that their special attributes can advance the performance of the company even further. Women are also well represented on both boards of directors.

Towards ensuring an equal chance

The Department of Public Works and Transport runs its Masikhi'Sizwe bursary programme with the cooperation of Power Construction and other construction companies. The programme provides bursaries to disadvantaged students in construction, and, in particular, rural black women. On completion of the training period, they are well equipped to enter a promising career in the industry.

Emerging contractors

One focus area of our Industry Charter is enterprise development. We have embarked on a strong drive to engage with previously disadvantaged individuals and enterprises and to involve promising entrepreneurs in making their mark in our industry.

Through this programme young entrepreneurs are given exposure to business opportunities they may not otherwise have had.

These dynamic young engineers are encouraged to learn every aspect of business, from finances to management, human resources and, of course, construction itself.



Looking ahead through time:

power

the vision of power

Our vision is to be recognised and respected as the first choice supplier of civil, development and building services as we lay the foundation for growing successful business partnerships in realising our 100-year dream.

Over the course of 25 years our Group has built a reputation for being ethical, reliable, attentive to quality, responsible towards our people and their communities and insistent on professionalism. What we have established during our past will lead us into our future.

PURPOSE

To improve the quality of life in Africa through infrastructure development.

VISION

To be recognised and respected as the first choice supplier of civil, development and building services as we lay the foundation for growing successful business partnerships in realising our 100-year dream.

VALUES

Our vision shall be achieved through dedicated adherence to the following values:

ETHICS

We display high levels of honesty, fairness and integrity in the way we conduct our business. Our business practices are in line with relevant

legislation and agreements. We continuously focus on ethical issues and believe that ethical behaviour will give us an inner peace, better quality of life and will contribute towards our long-term survival and growth.

ABSOLUTE RELIABILITY

We are totally committed to fulfilling the promises we make to our stakeholders. We can be relied on to provide the agreed product and service on time and according to specification.

QUALITY

We are proud to produce work of high quality, within the programmed time, to standards greater than expected by our Clients, Consultants and Communities. We adopt the principle of "First Time Right" and we produce products that are free of latent defects. We are commit-

ted to ongoing learning and will continuously improve our standards and work processes.

CARING FOR PEOPLE

Our diverse people are our greatest asset. We employ above average people, expect above average performance and provide above average rewards. We are committed to maximising our people's potential through ongoing development and coaching. We build a passionate, loyal and proud workforce with a great team spirit.

PROFESSIONALISM

We believe that high standards of professionalism should be demonstrated at all times. This is lived out through the competence of our people, our integrity, our leading edge technology, as well as the appearance of our plant, equipment and workstations.



Serengeti Golf & Wildlife Estate



Power carpenters at Fisherman's Village



Pearl Valley Golf Estates



Zevenwacht Shopping Centre



Helderberg Coastal Sewer

Booksite and City Couriers Warehouses



la Clémence Retirement Village



Burgundy Estate



Chapman's Peak



Pezula Private Estate



Bella Rosa



Saxenburg Park 2



N2 Gateway



Thesen Islands

Fedics House



Century City



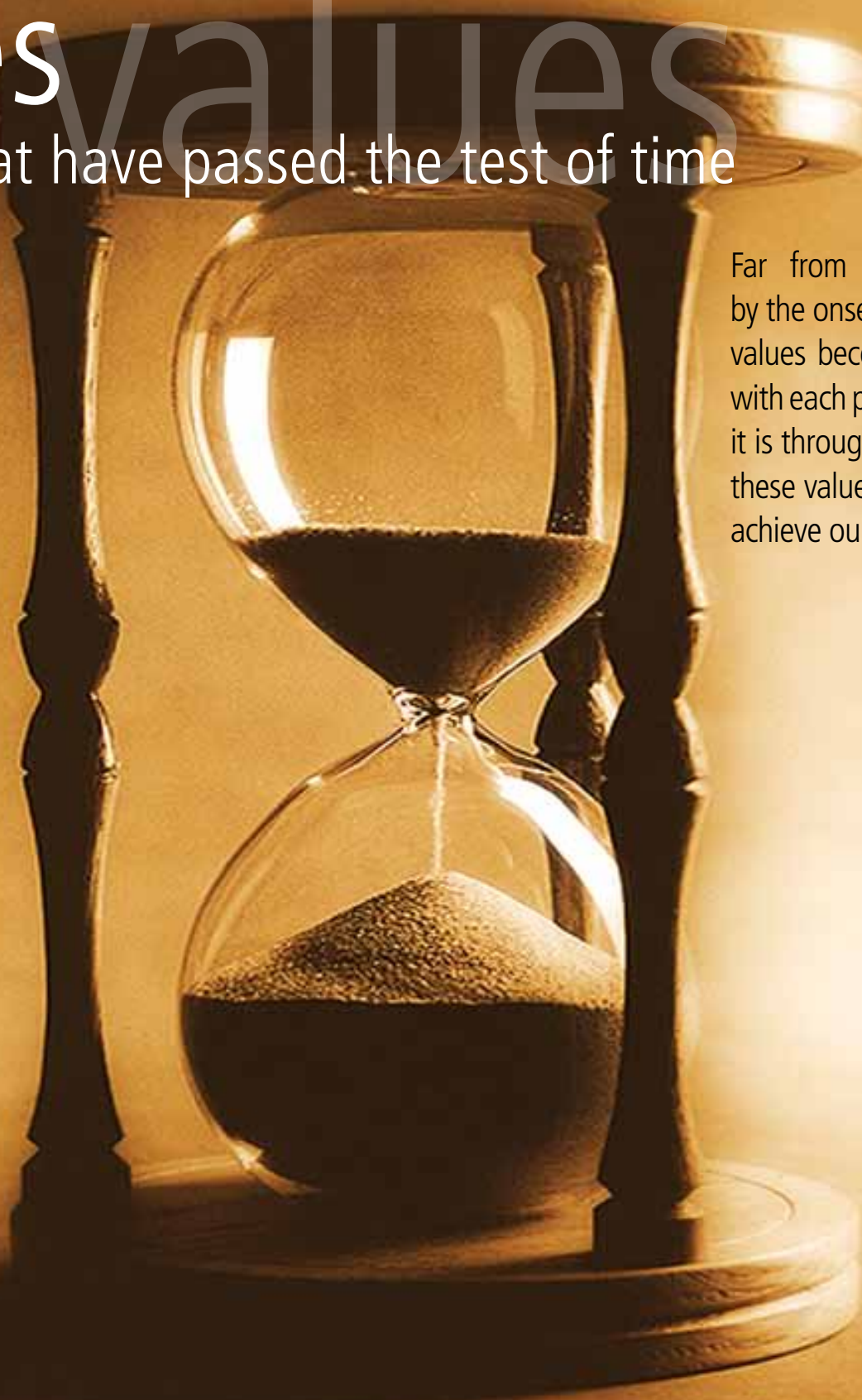
Langebaan Retirement Village



Featherwood Estate

values

values
that have passed the test of time



Far from being eroded by the onset of time, our values become reinforced with each passing year. For it is through adherence to these values that we shall achieve our vision.

CULTURE STATEMENT

PEOPLE FIRST

Ethics

We are honest in the way we do our business.
We confront unethical behaviour.
Our business practices are in line with relevant legislation and agreements.

Caring for people

We treat people as individuals and with respect.
We embrace diversity.
We train and develop our people to their full potential.
We have a passionate, loyal and proud workforce with a great team spirit.
We are firm, but kind.
We encourage a holistic lifestyle.
We employ above average people, expect above average performance and provide above average rewards.

ACHIEVEMENT

Reliability

We are output focused.
We hold people accountable.
We adhere to systems.
We keep our promises and deliver on time and according to specification.
We accept responsibility.

Quality

We perform to the expectations of our clients.
We do things right the first time.
We learn from our mistakes.

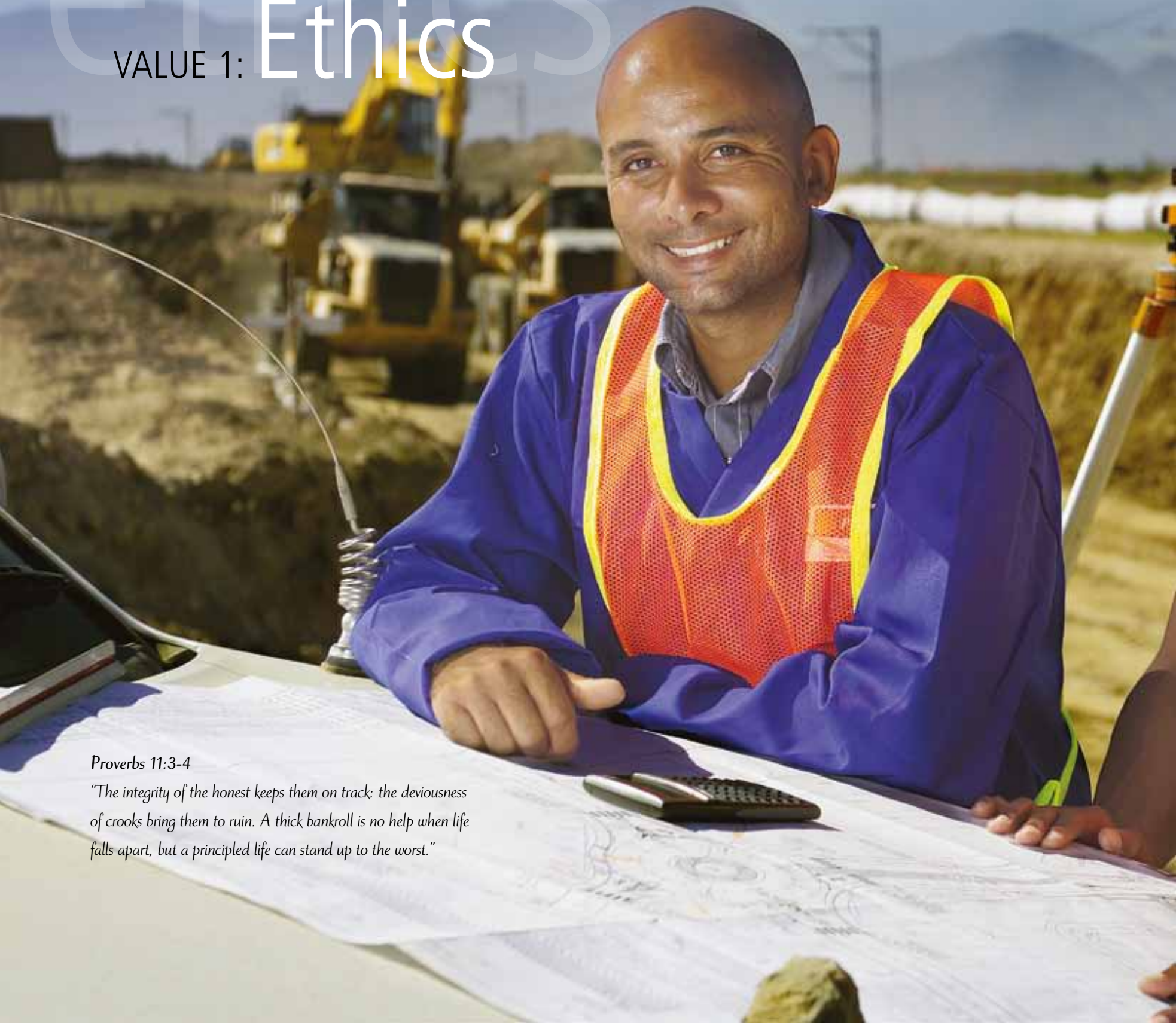
Professionalism

We maintain high standards.
We are solution based.
We are competent in what we do.
We achieve challenging targets.
We are pro-active.
We continuously improve what we do.



ethics

VALUE 1: Ethics



Proverbs 11:3-4

"The integrity of the honest keeps them on track; the deviousness of crooks bring them to ruin. A thick bankroll is no help when life falls apart, but a principled life can stand up to the worst."



We display high levels of honesty, fairness and integrity in the way we conduct our business. Our business practices are in line with relevant legislation and agreements. We continuously focus on ethical issues and believe that ethical behaviour will give us an inner peace, better quality of life and will contribute towards our long-term survival and growth.

Being ethical is one of our stated values. The specific behaviour expected forms part of our culture statement. All staff members attend annual culture workshops, where teams evaluate themselves and where very practical case studies are discussed to ensure that all employees are aware of how being ethical affects them directly.

Our Ethics Committee consists of employees from different disciplines and levels. An annual "stock take" is done to identify and address potential ethical issues. Furthermore, ethics features as an agenda point at all management meetings, ensuring that our progress is evaluated and discussed regularly.

Ethics is part of our performance management system. In Power, ethical dimensions are measured in leadership assessments, internal customer evaluations, external evaluations and culture and climate surveys. These instruments form part of the performance contracts, which affect bonuses.

The importance of ethics is also addressed in leadership development initiatives.

We have an ethics hotline with a whistle-blower facility in place. All stakeholders, including staff, suppliers and sub-contractors can use the line and all incidents are investigated. Information sessions on the Hotline take place regularly, and information posters are displayed in all areas of the workplace.

Pledge to be Unashamedly Ethical

Flying in the face of the scourge of corruption and crime, the Unashamedly Ethical campaign is an independent initiative founded by Graham Power to promote ethical, professional and values-based trading in South Africa - both in business and in one's private capacity.

All CEOs, company directors, principals, shareholders and companies who value ethical, honest and fair business practices are encouraged to sign a pledge to be ethical in all their dealings and actions. (See www.itnafrica.com) It is also open to any other person who recognises the need to encourage and practise sound business principles: people who have an interest and investment in the future of South Africa either by way of family, grandchildren and/or simply through having made a financial investment in this country.



As a corporate entity, the Power Group has aligned itself irrevocably with the philosophy and sentiment behind the Unashamedly Ethical campaign. So closely has the Group become associated with the values underlying the initiative, the company's new corporate identity also includes the positioning line, or credo: "Unashamedly Ethical".

This tagline is Power's unique brand promise. Extending beyond mere marketing communications, it underlines the integrity, attitude and philosophy of the Group. It communicates what drives us as a group in our daily tasks. It serves as a reminder of the integrity expected of us. And, it helps reinforce confidence among all of our audiences.

VALUE 2: Absolute reliability

Deuteronomy 8:17-18

"You may say to yourself, 'My Power and the strength of my hands have produced this wealth for me.' But remember the Lord your God, for it is He who gives you the ability to produce wealth, and so confirms His covenant, which he swore to your forefathers, as it is today".



We are totally committed to fulfilling the promise we make to our stakeholders. We can be relied on to provide the agreed product and service on time and according to specification.

"I found the Power Group one of the most resourceful groups of people ever encountered in my 27 years of involvement in the property industry. On a project like Thesen Islands where we broke new ground on cutting edge construction and engineering technology in the most environmentally sensitive estuary in South Africa, it was a remarkable experience, sitting with them in design meetings, seeking solutions, on the site, resolving construction difficulties, and in management and financial meetings watching the cash flow and the bottom line."

Dr Chris Mulder, CEO
Chris Mulder Associates Inc (CMAI)

"We have been pleased to work with Graham Power and André du Preez on numerous major projects over the past decade. These started in 1997 with the massive earthworks and civils programme for Century City - which comprised the moving of more than three million cubic metres of soil and the construction of many kilometres of canals and roads, including the Sable Road interchange - and the complicated earthworks and civils for Ratanga Junction and Canal Walk Shopping Centre."

"In 2004 we negotiated the earthworks and civils contracts with Power for Mountain Mill Shopping Centre in Worcester – work which will continue well into the next decade with the development of additional commercial and residential precincts around the centre, adding dramatically to the scale and potential of this emerging city in the Breede Valley."

"Our working relationship with Power has at all times been most productive. Power has built up a formidable reputation for delivery on time



and on budget. Graham's and André's - and indeed their whole team's - innovative approach to the complex jobs has made those dimensions of our projects relatively painless. Their attack is consistently cost-effective, ethical and professional."

"We look forward to many more years of such exemplary service and friendship. Graham and André make their commitment very personal."

Martin Wragge, CEO
Retail Property Solutions (Pty) Ltd



"We have had the privilege of working with the Power Group for the past 14 years since our first large development, Uitzicht in Kraaifontein. Many developments later, we are delighted to be celebrating this auspicious occasion with Graham, André and the team at the Power Group.

"It has been wonderful being associated with a company that has very high standards and who are truly passionate about their business. Their professionalism, honesty, dedication and commitment to their projects, clients and staff is admirable.

"Our thanks and best wishes to the Power Group for many, many more years of excellent service. We salute your incredible achievements and end with our message of good wishes:

"Let's celebrate each day for the magnificence it holds. May your thoughts hold steadfast to your dreams, your dreams inspire your actions and your actions become your reality. Love with all you have, live life with all you've got and thank G-d regularly for your blessings. May the years ahead be filled with continued opportunities and success."

Isaac Borochowitz & Michael Allen
Ikal Development Trust

"Congratulations to the Power Group on reaching this remarkable milestone – Happy 25th! The Power Group, in no small part due to the dynamic leadership of Graham Power, has grown from a fledgling entrepreneurial business into one of South Africa's most respected civil and top structure construction businesses. Any sustainable business of this ilk has to be founded on excellent relationships with all role players – something that Power excels in.

"Another key characteristic of the Group is that it remains true to its origins and aware of the unique social landscape in which it operates. It is playing a leading role in Black Economic Empowerment and skills transfer through various investment partnerships and education programmes.

"Retail Africa is proud to be doing business with the Power Group, testimony being the recent successful completion of our Mountain Mill (Worcester) and Glengarry Shopping Centres. May Power build on this strong foundation in the years ahead."

Jan Krüger
Chief Executive Officer, Retail Africa

"Since the inception of Pezula Private Estate, dating back to May 2003, Pezula has negotiated all civil works on this prestigious development with Power Construction. In pure contracting terms, through good and through bad times on site, Pezula and Power have cemented an outstanding working relationship. This relationship bears testimony to their staff that have built one of the most reputable Civil Engineering Companies in South Africa to date."

Keith Stewart
Chairman, Pezula Group

A smiling woman wearing a white hard hat and a high-visibility orange and yellow safety vest stands in the foreground. Behind her is a large yellow Komatsu excavator with tracks, parked on a construction site. The excavator has "KOMATSU" and "00" visible on its side. The background shows a clear blue sky and a dirt mound.

VALUE 3: Quality

Ecclesiastes 8:5

"Carrying out orders won't hurt you a bit; the wise person obeys promptly and accurately."



We are proud to produce work of high quality, within the programmed time, to standards greater than expected by our Clients, Consultants and Communities. We adopt the principle of “First Time Right” and we produce products that are free of latent defects. We are committed to ongoing learning and will continuously improve our standards and work processes.

Like a precision-engineered timepiece, our organisation is an integrated system of processes and procedures perfected over 25 years. What makes us tick with such efficiency, is the combination of experience, innovation, commitment and adherence to the Power Ways, a set of benchmarks that - together with the company values - governs the ethics, performance and quality of each company and division within the Group.

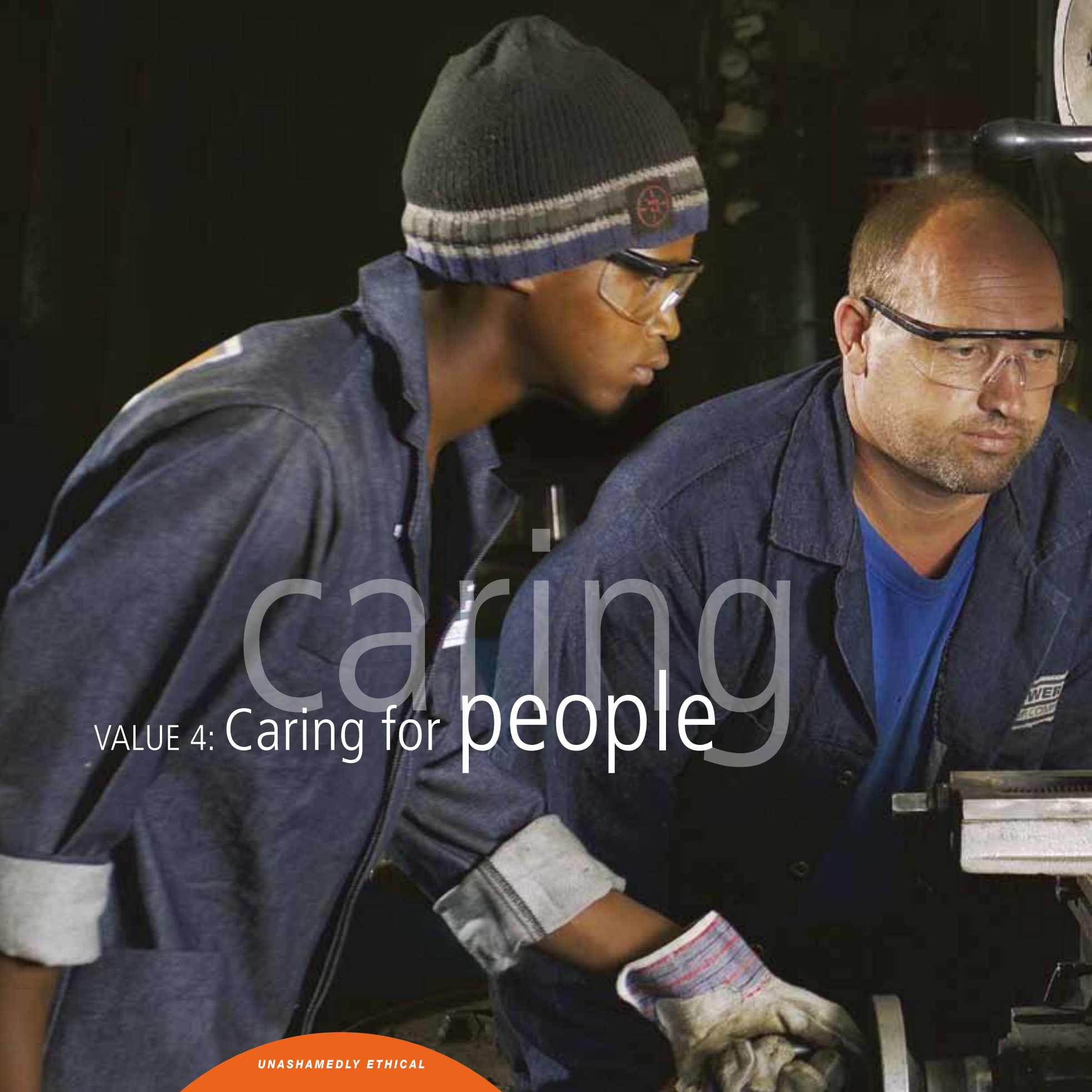
The Group specialises in earthworks; bulk services; road and highway construction; pipelines; concrete works; township infrastructure; blacktop paving; golf course infrastructure; general building and turnkey property development.

It is positioned as a medium to large, privately-owned company geared towards making the most of the country’s vision of employment, black economic empowerment and housing for all.

Steady growth over the past years has seen the Power Group expand its operations into a number of different specialist companies. In 2007 the corporate structure was rationalised and streamlined from 12 into two operating companies: Power Construction and Power Developments.

While focusing on their own core strengths, these two companies nevertheless share the Power core ideology and operate in accordance with the Power Ways.





caring

VALUE 4: Caring for people



Our diverse people are our greatest asset. We employ above average people, expect above average performance and provide above average rewards.

We are committed to maximising our people's potential through ongoing development and coaching. We build a passionate, loyal and proud workforce with a great team spirit. The Group is an equal opportunity employer. We are mindful of past inequalities, and committed to the development of our entire workforce of close to 2 000 employees in a culture of continuous improvement and mutual respect.

Today, 90% of our staff is black and we are well on our way to improving black representation on all our management levels.



Job creation

– on a fair and equitable basis – has always been a priority for Graham Power and the management of the Group.

This commitment to levelling the field and ensuring equal opportunities is reflected in the attainment of the well balanced mix of cultures, fairly representing the demographics of our nation. It has also manifested itself in Graham's involvement from 1990 to 1997 as chairman of the National Commission for Labour Intensive Construction. More tellingly, his fervour for "setting things right" is evidenced by his and his staff's day-to-day relationships with co-workers. Fairness, mutual respect and a sense of rectitude come naturally – these values are entrenched in the culture of Power.

Our first Employment Equity plan was compiled in 2000. Since then many changes have been implemented, such as:

- Substantial progress in developing and implementing transparent Human Resources policies and practices.
- An Employment Equity Committee was established. It represents employees at different levels in the organisation. The committee meets quarterly and monitors the progress and implementation of the Employment Equity plan.

We are committed to promoting employment equity through capacity building interventions but will not tolerate tokenism.



Power to our people

One of the most visible demonstrations of our commitment to the upliftment and bettering of the lives of our people has been the co-ownership offer extended in 2007 to all employees with five years' service or longer.

This groundbreaking sharing of Power followed the restructuring of the Group into two companies, Power Construction and Power Developments. Ownership resides with three shareholders: Power Group Holdings, with 70% interest; the Power Group Employee Trust, with 20% interest; and the Power Group Investment Trust, with 10% interest.

Through the trusts, the unitholding employees hold the same share of ownership in both Power Construction and Power Developments.

At all times, at least 20% of shareholding of both companies through the Investment Trust and the Employee Trust will be in black hands.

True to the spirit of loyalty that thrives among Power management and employees, this BEE deal serves to empower people from within the Group. It rewards those who have helped to build the Group and will continue to reward generations of employees as they move through the ranks.

Looking ahead to enhancing lives

Encouraged by Government's commitment to increased infrastructure spending, the company has entered into various exciting and meaningful partnerships in both public and private sectors. The objective is that these ventures will allow the company to be a catalyst for life-enhancing projects within South Africa.

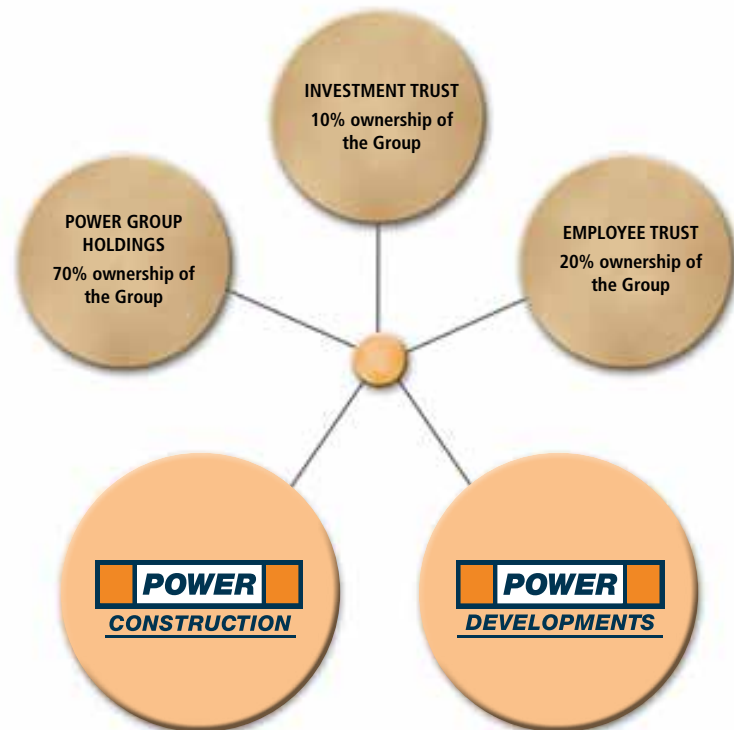
A holistic approach to wellbeing

In line with our culture of caring, we are concerned about the welfare of our employees and their families and have therefore implemented an Employee Wellness programme. Through this programme we provide employees and

their families with assistance when they require help with the prevention, identification and treatment of psychological or social problems.

Training and mentoring the next generation

Empowering our people has always been a priority at the Power Group. Learning comes in many shapes – from formal training courses and learnerships to experiential training and workshops. Because we care about the wellbeing of our staff and their families, we are committed to maximising our people's potential through ongoing development and coaching. Knowledge-sharing through skills transfer is a vital way of achieving and maintaining this culture of ongoing improvement. Annually, we enrol a vast number of students either as bursary holders or as trainees on learnerships: 80% of these students come from previously disadvantaged communities.



The Power Group Charitable Fund

The Fund was started in 2000, inspired by the Bible verse of Proverbs 3:9-10, which instructs Christians to "Honour the LORD with your substance and with the first fruits of all your produce". The companies in the Group donate the first 10% of their profits to the Power Group Charitable Fund. This is then used to support various charitable organisations, and to lend a hand when other worthy *ad hoc* sponsorship proposals are received. Depending on the type of sponsorship proposal, the Fund may assist various organisations on an ongoing or "once off" basis. The Fund is co-ordinated by a Board of Trustees who meet regularly to consider applications. Some of the organisations supported are:

HIV/Aids

Part of Power's way of caring for our people is an established and results-orientated HIV/Aids programme. The programme has three aims: Firstly, everyone should know his or her status; secondly, new infections must be avoided; and lastly, any person who tests positive should receive the needed treatment. To date 98% of our staff have been tested. Of those who have tested positive, more than 85% are on the programme and are receiving the required treatment.

Go for Gold

Through Power Construction's involvement with Go for Gold, the company has been helping to address the critical shortage of construction sector candidates from disadvantaged communities. The initiative aims to equip learners with the basic grounding in science and mathematics to secure their entry into the construction, building sciences and engineering fields. Go for Gold is a non-profit organisation and a public-private partnership between the Western Cape Education Department and a number of construction companies. The programme offers intensive tuition in physical science and mathematics; life skills and communication training; support with tertiary qualifications; and employment opportunities. This four-phased programme has won an Impumelelo Innovations Gold Award and has achieved a 100% pass rate every year since 2001. The programme is in line with the National Government's Accelerated and Shared Growth Initiative (ASGISA). It has particular synergy with the Joint Initiative on Priority Skills Acquisition (JIPSA) in terms of skills alignment.

Building excellence

Power Construction is a leading member of SAFCEC's Construction Centre of Excellence (CCOE) in the Western Cape, promoting and facilitating training within the industry. The CCOE is a three-way, joint, public-private partnership between the Further Education and Training (FET) Boland College, Tjeka Training, and various employers. The FET provides the fundamentals; Tjeka provides the construction related training. Most of the students come from disadvantaged backgrounds where they have not learnt the skills to cope with possible job opportunities. Once the trainees graduate, they can be meaningfully employed in the construction industry, confident that our training has put them in a position to cope with the demands of a new job, and to grow and reach their full potential.

Eagles Rising

Eagles Rising Training Centre is involved in training youth from the poorest informal settlements in Cape Town. They offer Christian discipleship and skills training on both a part-time and full-time basis. The centre is on the beautiful Elandskloof Farm, a smallholding at the foot of Sir Lowry's Pass near Gordon's Bay, where the Power Group has had its roots since 1983. Eagles Rising's mission is to inspire, encourage, teach, equip and mentor students to believe that the future can be different from the past and that they can make an impact society. This is achieved by providing a loving, secure and wholesome Christian environment and a variety of part-time and full-time training programmes. The Power Group assists with the administration and maintenance of the farm, as well as providing various other resources and support. The Group has also employed many graduate students of the centre.

Beautiful Gate Ministry

An international, interdenominational Christian organisation providing medical, emotional, spiritual and physical care to children suffering from HIV/Aids.

The Ark

The Group has assisted The Ark, school and home to 1 800 unemployed and homeless people, by providing food, building materials and text books, and through sponsoring teachers over a number of years.





Transformation Africa



Global Day of Prayer (GDOP)

This is a prayer movement throughout Africa and across the globe. Its mission is: Transforming Africa through Repentance and United Prayers as we mobilise the Body of Christ and all spheres of society, community by community, nation by nation with the full Gospel of Jesus Christ.

The movement's activities culminate in a Day of Prayer and Repentance on Pentecost Sunday each year. Transformation Africa was started by Graham Power, after he had received a vision in June 1999. After much deliberation and personal resistance due to his lack of a theological background, he hired Newlands Rugby Stadium in 2001, where 45 000 Christians from all denominations and races came together to pray for Cape Town. Their prayers were concentrated on Cape Town's rising crime rate, poor rainfalls and various bomb attacks in the city.

From 2002, this movement of prayer expanded throughout South Africa and eventually into other parts of Africa. Across the

African continent, millions of Christians were inspired to participate in the process of transforming Africa. 77 South African regions and 27 African countries (66 cities) committed to a Day of Repentance and Prayer for Africa on the 1st of May 2003.

On 2 May 2004 Christians from all 56 nations of Africa participated in the first ever continental Day of Repentance and Prayer for Africa.

Africa then extended a prayer invitation to the nations of the world and, in 2005, the first Global Day of Prayer was birthed. 156 nations across the globe participated. This movement of prayer continues to grow miraculously. In 2007, millions of Christians from 204 nations united in prayer and we trust we'll see all 220 nations of the world participating by 2010, as the process to saturate all the nations of the globe in prayer continues...

25 Years with Power



"Ek en Graham het saam begin daar op die plaas Elandskloof. Ons het maar baie klein begin. Meeste maar die kerke se yards en driveways gedoen. Daar was nie "graders" en so nie. Net een bakkie. Ons het alles met die hand gedoen. Dit was ek en Graham en vyf ander mans. "Graham het ook sy graaf gehad. Ja, hy het nooit hand in die sy gestaan en kyk nie. Hy het ingespring en gewerk. Ons het daar op Malmesbury klomp klein joppies gedoen.

"Ek en Graham was saam by Savage & Lovemore. Ek het 10 jaar en nege maande daar gewerk. Dis waar die ding beginne het. Dis dié dat Graham geweet het wat hy in my het. Daarna het Paul Thiant, Vaughn Forrester-Jones en André du Preez ook oorgekom na ons maatskappy toe. Dit was 'n goeie besluit van my om na Power Construction te kom. Dit was 'n besluit uit die hand van die Here. Dis 'n goeie maatskappy. Graham is 'n baie goeie man. "Ek is 'n boorling daar van Colesberg. Ek is nie 'n man van skool nie. Die lewe was hard in my skooltyd. Ek moes skool verlaat

Graad 6. Nou kan 'n mens sien: ek hoef nie geleerdheid te gehad het nie. As jy die ding prakties kan doen, dan is jy deur. "Dis soos Graham van die begin af gesê het: jy gaan saam met die maatskappy groei." Daai dag toe ek en my oorlede vrou oortrek Elandskloof toe na Graham toe, toe was sy swanger met ons dogter, Francis. Daarom weet ek as my dogter verjaar dan is Power ook nog 'n jaar ouer. Hulle verjaar saam-saam. "Die jare was vir my baie goed gewees by Power Construction. Vandag is ek 'n voorman. My seun David werk ook vir die maatskappy. Hy's 'n bricklayer. Ek is nou voorman by Pezula. "Hierdie maatskappy het my van George se lughawe gevlieg na Johannesburg se lughawe om die Springbokke en die All Blacks in Pretoria te gaan kyk. Die Springbokke het verloor. Dit was 'n paar jaar terug. Ja nee, nee, nee, nee, die maatskappy sorg vir sy mense. Daarom seën die Here hierdie maatskappy. Dis 'n goeie saak."

Japie Abrahams, Voorman, Power Construction, Knysna.



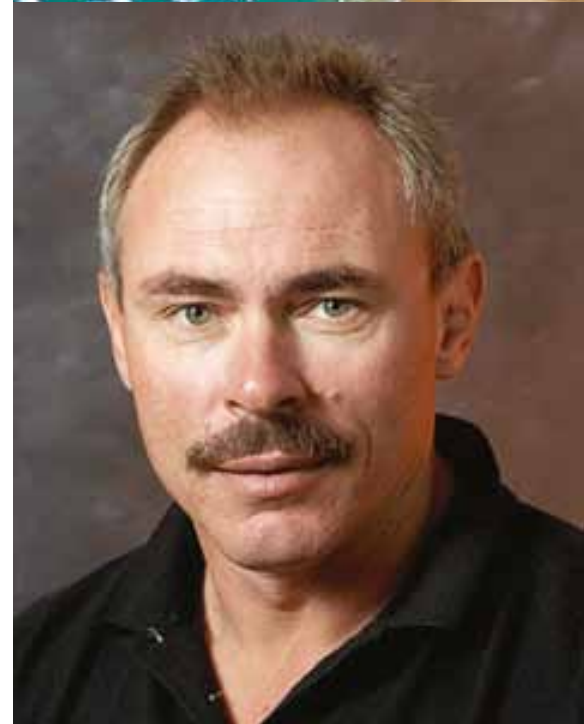
Ek was in Junie 1983 werksaam by Savage & Lovemore toe Graham my nader met die voorstel om by Power Construction aan te sluit. Ek was ongetroud en het geglo dat dit 'n ideale geleentheid was om by 'n klein maatskappy aan te sluit met hope moontlikhede en beperkte risiko's. Graham het 'n spesiale gawe met mense en dit het nie veel oortuiging geverg om my te oorreed nie. 'n Maand later het ek by hom aangesluit op Elandskloof. Lauren het die kantoor beman wat voorheen perdestalle was. Japie Abrahams was reeds daar. Een van my eerste projekte was 'n asfalt-oprit van 75 m² in Gordonsbaai.

André het by ons aangesluit en later ook Louwtjie en Jacques. Hiervandaan het die momentum opgetel en met die skielike toename in kapasiteit kon ons groter projekte hanteer. Fanie het ook aangesluit. Sy werkwinkel was die motorhuis op Elandskloof. Ons eerste dorpsontwikkeling was Kleingeluk, wat André na omgesien het, en ek het Parel Vallei Hoërskool se grondwerke en dienste hanteer. Daar is in 1989 besluit om in die Suid-Kaap betrokke te raak. Ek het saam met Graham en Leon Meyer die area besoek met die oog daarop om 'n Streekskantoor in George te vestig. Terwyl ons die kantore gebou het, het ek vanaf my huis gewerk. Hierna het die Groep van krag tot krag gegaan en maatskappye soos Power East, Power Developments, Blitz Asphalt en Power Roads is op die been gebring om die voortdurende groei te ondersteun en geleenthede vir ons mense te skep.

In 1999 is daar besluit om die Suid-Kaap kantoor in Knysna te sentraliseer. Dit het veral sin gemaak met die Thesen Islands projek wat in 2000 moes begin en ons in Knysna sou besig hou vir die volgende ses tot sewe jaar. Boonop was daar ander groot ontwikkelings in Plettenbergbaai waar Power Developments betrokke was en ons heel waarskynlik die siviele konstruksie sou hanteer. Veral die laaste 15 jaar het ons strategies en struktureel baie verander. Die hoogtepunt was verlede jaar met die herstrukturering en die aandele Trust waar gewone werkers skielik mede-eienaars geword het – wat 'n fantastiese gebaar!

Ek glo dat die Power Groep goed geposisioneer is om ondanks onstuimige marktoestande sukses te behaal soos wat male sonder tal oor die afgelope 25 jaar bewys is.

Paul Thiar
Direkteur, Power Construction Coastal



Value 5: Professionalism





We believe that high standards of professionalism should be demonstrated at all times. This is lived out through the competence of our people, our integrity, our leading edge technology, as well as the appearance of our plant, equipment and workstations.

While top technology and a fleet of vehicles and plant enable us to deliver on our pledge always to perform at our peak, it is in our workforce that the real power is generated to ensure our clients of impeccable professional conduct and service to match.

Accolades

For two and a half decades, the Power Group has been blessed with the ability to attract a team of talented people – committed individuals who have slotted into the company's culture and shaped it into a constant source of feasible solutions, ethical business practices and integrity of workmanship.

Making the most of our God-given capacity for helping to change people's lives, the collective efforts of our staff have been recognised by the industry on numerous occasions. Each accolade is a testimony to the team – and to the ceaseless Grace of God.

- 1989 Graham Power voted SA Junior Businessman of the Year by the Johannesburg Junior Afrikaanse Sakekamer.
- 1992 SAICE Regional Award for the Thembaletu IDT Project (Power Construction).
- 1993 Graham Power received the SA Institution of Civil Engineers award for Meritorius Service to the Civil Engineering Industry.
- 1997 18th International Africa Award to Power Construction for outstanding management quality, technical innovations, service and export achievements in the African market.
- 1998 Listed as one of the Top 300 Companies in South Africa.
- 1998 Power Developments named Developer of the Year in West Cape and South Africa by the Institute of Housing South Africa, in recognition of the company's status as the market leader in affordable housing.
- 2000 Merit Certificate in Recognition of Exemplary Service to the Broader Community of Blaauwberg, by the Blaauwberg Municipality.
- 2000 PMR Golden Arrow award to Power Construction West Cape as the Highest Rated Construction Company in the Western Cape.
- 2001 Developer of the Year in West Cape by the Institute of Housing South Africa (IHSA) to Power Developments.
- 2001 Steel Construction Award in the category for Bridges, to Power Construction West Cape.
- 2001 The Federated Employers' Mutual Assurance Company Limited Excellence Award to Power Developments for its outstanding contribution towards the safety of its employees.
- 2002 Graham Power voted Businessman of the Year by the Helderberg Sakekamer.
- 2002 South Africa's Best Established Developer Award to Power Developments, awarded by the National Housing Board in recognition of the company's contribution to the mass delivery of houses to the poor.
- 2002 Merit Award for Professional Management of a Project in Saldanha by the Port of Saldanha (Hughmic Construction).





- 2002 Professional Management Review Diamond Award for Environmental Care, to the Power Group.
- 2003 Developer of the Year in West Cape by the Institute of Housing South Africa, to Power Developments.
- 2003 Hughmic Construction listed as one of the Top 300 Impumelelo Companies, as a result of its contribution to Broad-based Black Economic Empowerment and Transformation.
- 2003 Sibakhulu Construction listed as one of the Top 300 Impumelelo Companies, as a result of its contribution to Broad-based Black Economic Empowerment and Transformation.
- 2003 The Group received the National Trophy for Environmental Care, from the Professional Management Review Corporate Care Awards.
- 2003 The Group received the National Trophy for Job Creation and Training, from the Professional Management Review Corporate Care Awards.
- 2003 The Group was the Industry winner in the categories Black Economic Empowerment and Social Upliftment in the Professional Management Review Corporate Care Awards.
- 2004 Power Developments named Developer of the Year Eastern Cape by the Institute of Housing South Africa.
- 2004 Power Group of Companies, PMR Corporate Care Awards, Industry Winner.
- 2005 Power Group of Companies, PMR Silver Award for doing the most to enhance the province's economic growth and development.
- 2005 Power Construction received the South African Federation of Civil Engineering Contractors (SAFCEC) Presidential Award in recognition of the outstanding work delivered at Thesen Islands, particularly in terms of Environmental Impact, Marine Technical Challenges, and Job Creation.
- 2005 Graham Power voted Cape Town Businessman of the Year by Die Burger and the Afrikaanse Handelsinstituut.
- 2006 Graham Power voted as one of South Africa's Leading Managers by the Corporate Research Foundation.
- 2007 Graham Power received a Special Recognition Main Award from the Cape Times/KPMG.

The life and times of the Power Group

What started out a long time ago as a seed of desire in the heart of a man is today that same vision in full bloom. Along the way, many others have been contributing to this continuing adventure, each of these lives playing a role in the way in which this story changes and unfolds over time. For it is a story of collaboration and commitment, of teamwork and tenacity, of God's Guidance and Grace, and of a group of people bound by a set of values shared. This is the success story of the Power Group. A story of entrepreneurial spirit, determination, sheer hard work and unflinching faith...

April 1983: The beginning

On 8 April 1983 Graham Power started his company as a conventional civil contractor, with one second-hand bakkie, three casual labourers and administrative help from his wife, Lauren.

1986: Blackheath office opens

In its third year, the company's head office moved from Elandskloof to new offices in Wimbledon Road, Blackheath.

1987: Blitz Asphalt founded

Initially started as an internal paving company, it later became known as Power Construction Roads – one of the top specialised surfacing contractors in the Cape. Today the talent and technology that have ensured this success reside as a division under Power Construction.

1989: George office opens

Power South Cape, the Group's first regional office. Later renamed to Power Coastal, and now a division within Power Construction.

1991: The growth of Power Properties

Power Developments (as it is now known) is one of the leading developers of subsidised housing and turnkey upmarket developments including industrial parks, golf course developments and security villages.

1995: Eastern Cape office opens

Another regional office, this time in Port Elizabeth. Its first major project was to build 2 000 schools throughout the Greater Eastern Cape and the then Transkei.

1997: Hughmic Construction founded

One of the first emerging companies associated with the Group, Hughmic soon became recognised as a key BEE contractor in the Western Cape.

1998: Sibakhulu Construction started

Another successful emerging partnership, started to service the Eastern Cape.

1996 & 2001: RTSC and Power Up

The RTSC event discussed the Road to the Future. A similar event, called Power

Up was attended by 350 employees from all levels. Here, the realisation of the Group's "100-year dream" was initiated.

2001: Ethics in the Power Group

At a workshop held in January 2001, the board of directors announced the implementation of a process towards the establishment of a Code of Ethics for the Power Group.

2002: Power Roads

The name of Blitz Asphalt was changed to Power Construction Roads.

2003: Power Building formed

A specialist company, focusing on the construction of buildings across the spectrum.

2003: Khayaletu Projects

The Group's third empowerment joint venture specialising in affordable housing.

2004: Gauteng Office opens

The Power Group opened its third regional office in Centurion. The office is home to Power Construction North Division, Power Developments' regional team as well as a Plant section. Situated in Gauteng, the division is set to act as a platform to further enable the Group to extend its services into Africa.

2004: Nikamandla Construction

Nikamandla Construction became the fourth empowerment initiative associated with the Group, specialising in the rehabilitation of roads: milling, cold in-situ recycling, asphaltting and general surfacing.

2007: The Power Group restructured

The Group was rationalised and streamlined from 12 companies into two: Power Construction and Power Developments.

2007: Power Group's groundbreaking co-ownership offer announced

Power's BEE deal structures ownership into three shareholders: Power Holdings, with 70% ownership; the Power Group Employee Trust, with 20% ownership; the Power Group Investment Trust, with 10% ownership.

2008: The Group celebrates its 25th year

The Group celebrates its 25th year of changing landscapes and lifestyles on the African continent.

"Time is an equal opportunity employer. Each human being has exactly the same number of hours and minutes every day. Rich people can't buy more hours. Scientists can't invent new minutes. And you can't save time to spend it on another day."

~ Denis Waitely



Colossians 3:23-24: "Whatever you do. Work at it with all your heart, as working for the Lord, not for men, since you know that you will receive an inheritance from the Lord as a reward. It is the Lord Christ you are serving."

Proverbs 2:1-9: "Good friend, take to heart what I'm telling you; collect my counsels and guard them with your life."

"Tune your ears to the world of Wisdom; set your heart on a life of Understanding. That's right - if you make Insight your priority, and won't take no for an answer, Searching for it like a prospector panning for gold, like an adventurer on a treasure hunt, Believe me, before you know it Fear-of-GOD will be yours; you'll have come upon the Knowledge of God."

"And here's why: GOD gives out Wisdom free, is plainspoken in Knowledge and Understanding. He's a rich mine of Common Sense for those who live well, a personal bodyguard to the candid and sincere."

"He keeps his eye on all who live honestly, and pays special attention to his loyally committed ones. So now you can pick out what's true and fair, find all the good trails!"



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