

Final BEE Verification Report

COGNITION HOLDINGS

29 January 2019

1. Details of Measured Entity:

Company Name	Cognition Holding Limited
Address	Corner Bram Fischer Drive & Will Scarlet Road, Ferndale, Randburg, 2194
Registration Number	1997/010640/06
Vat Number	4870155746

2. Scorecard Overview:

Ownership Equity	13.52
Management Control	6.02
Skills Development	20.97
Enterprise Supplier Development	39.61
Socio Economic Development	4.28
TOTAL SCORE	84.40

3. B-BBEE Status:

BEE Recognition Level	100%
BEE Status	LEVEL 4
Subminimum discount applied (already discounted above if applicable)	No
Black Ownership	16.38%
Black Female Ownership	4.38%
Qualifying Enterprise Supplier Development Beneficiary	NO
Empowering Supplier Status	YES
Applicable BEE Codes	DTI Generic Code (Gazette No:36928)
Financial Period Measured	01 July 2017 – 30 June 2018
Analyst	Marsha Arnold
Technical Signatory	Tanya Dippenaar
Verification Date	14 November 2018
Scorecard Number	TLVT9106-141118 Rev 1

4. Scorecard Summary:

Ownership

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
Voting Rights	Exercisable Voting Rights in the Enterprise in the hands of black people	4	25.00%	15.74%	2.52
	Exercisable Voting Rights in the Enterprise in the hands of black Women	2	10.00%	3.22%	0.64
Economic Interest	Economic Interest of black people in the Enterprise	4	25.00%	16.38%	2.62
	Economic Interest of black Women in the Enterprise	2	10.00%	4.38%	0.88
	Economic Interest of any of the following Black natural people in the Measured Entity: - Black Designated Groups (Youth, Unemployed, Rural Living, Disabled) - Black Participants in Employee Share Ownership Programmes; - Black people in Broad-based Ownership Schemes; - Black participants in Co-operatives	3	3.00%	0.59%	0.59
	Involvement in the ownership of the Enterprise of black new entrants	2	2.00%	1.03%	1.03
Realisation Points	Net Equity Value	8	25.00%	5.24	5.24
					13.52

Management Control

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
Board Participation	Exercisable voting rights of black board members as a percentage of all board members	2	50.00%	9.09%	0.36
	Exercisable voting rights of black female board members as a percentage of all board members	1	25.00%	0.00%	0.00
	Black persons who are executive directors as a percentage of all executive directors	2	50.00%	0.00%	0.00
	Black female executive directors as a percentage of all executive directors	1	25.00%	0.00%	0.00
Other Executive Management	Black Other Executive Management as a percentage of all Other Executive Management	2	60.00%	14.29%	0.48
	Black female Other Executive Management as a percentage of all Other Executive Management	1	30.00%	14.29%	0.48
Senior Management	Black employees in Senior Management as a percentage of all Senior Management	2	60.00%	14.29%	0.48
	Black female Employees in Senior Management as a percentage of all Senior Management	1	30.00%	0.00%	0.00
Middle Management	Black Employees in Middle Management as a percentage of all Middle Management	2	75.00%	25.36%	0.68
	Black female Employees in Middle Management as a percentage of all Middle Management	1	38.00%	14.29%	0.38
Junior Management	Black Employees in Junior Management as a percentage of all Junior Management	1	88.00%	47.45%	0.54
	Black female Employees in Junior Management as a percentage of all Junior Management	1	44.00%	28.01%	0.64
Disabled	Black Employees with disabilities as a percentage of all employees	2	2.00%	4.35%	2.00
					6.02

Skills Development

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
Skills Development Expenditure	Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black people as a percentage of Leivable Amount	8	6.00%	3.43%	4.57
	Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black employees with disabilities as a percentage of Leivable Amount	4	0.30%	0.44%	4.00
Learnerships	Number of black people participating in Learnerships, Apprenticeships and Internships as a percentage of total employees	4	2.50%	2.31%	3.70
	Number of black unemployed people participating in training specified in the Learning Programme Matrix as a percentage of total employees	4	2.50%	2.31%	3.70
Bonus Points	Number of black people absorbed by the Measured and Industry Entity at the end of the Learnerships programme	5	100.00%	100.00%	5.00
					20.97

Enterprise Supplier Development

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
Preferential Procurement	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement Recognition Levels as a Percentage of Total Measured Procurement Spend	5	80.00%	90.34%	5.00
	B-BBEE Procurement Spend from all Empowering Suppliers that are Qualifying Small Enterprises based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	3	15.00%	49.90%	3.00
	B-BBEE Procurement Spend from Exempted Micro-Enterprise suppliers based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	4	15.00%	22.16%	4.00
	B-BBEE Procurement Spend from all Empowering Suppliers that are at least 51% black owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	9	40.00%	50.94%	9.00
	B-BBEE Procurement Spend from all Empowering Suppliers that are at least 30% Black Women Owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	4	12.00%	49.70%	4.00
Bonus Points	B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% Black owned based on the B-BBEE Recognition Level	2	2.00%	1.27%	1.27
Supplier Development	Annual value of all Qualifying Supplier Development Contributions made by the Measured Entity as a percentage of the target	10	2.00%	1.83%	9.15
Enterprise Development	Annual value of Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target	5	1.00%	0.84%	4.18
Bonus Points	Bonus point for graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level	1	Yes	No	0.00
	Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured Entity	1	Yes	No	0.00
					39.61

Socio-Economic Development

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
SED Contributions	Annual value of all Socio-Economic Development Contributions made by the Measured Entity as a percentage of the target	5	1.00%	0.86%	4.28
					4.28

Youth Employment Service Initiative (Y.E.S)

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
Bonus Points	Achieved 1.5 x Y.E.S Employment Target	3	100.00%	0.00%	0.00
	Achieved the Y.E.S Absorption Target		2.50%	0.00%	
					0.00

TOTAL BEE SCORE	84.40 Points
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BROAD BASED CONTRIBUTION LEVEL

LEVEL 4

YOUTH EMPLOYMENT SERVICE	NO
PROCUREMENT LEVEL	100%
EMPOWERING SUPPLIER	YES
DESIGNATED GROUP SUPPLIER	NO