

Final BEE Verification Report

Cognition Holdings Ltd

29 October 2021

1. Details of Measured Entity:

Company Name	Cognition Holdings Limited
Trade Name	And Subsidiaries as per Annex A
Address	Cognition House Cnr Bram Fischer Drive and Will Scarlet Road Ferndale Randburg 2194
Registration Number	1997/010649/06
Vat Number	4870155746

2. Scorecard Overview:

Ownership Equity	15.67
Management Control	5.80
Skills Development	11.21
Enterprise Supplier Development	42.96
Socio Economic Development	5.00
TOTAL SCORE	80.64

3. B-BBEE Status:

BEE Recognition Level	100%
BEE Status	LEVEL 4
Subminimum discount applied (already discounted above if applicable)	No
Modified Flow Through Principle applied	NO
Black Ownership	17.29%
Black Female Ownership	6.50%
Black New Entrant	5.01%
Designated Group Ownership	0.00%
Black Disabled Ownership	0.00%
Black Military Veterans Ownership	0.00%
Black Youth Ownership	0.00%
Black Unemployed Ownership	0.00%
Black People Living in Rural Areas	0.00%
Qualifying Enterprise Supplier Development Beneficiary	NO
Empowering Supplier Status	YES
Exclusion Principle applied	NO
Y.E.S Targets Achieved	NO

Y.E.S Enhancement Level	N/A
Achieved Y.E.S Target & 2.5% Absorption	NO
Achieved 1.5 x Y.E.S Target & 5% Absorption	NO
Achieved 2 x Y.E.S Target & 5% Absorption	NO
Applicable BEE Codes	DTI Generic Code (Gazette No:42496 and 36928)
Financial Period Measured	01 Jul 2020 - 30 Jun 2021
Analyst	Lucy Motloung
Technical Signatory	Marsha Arnold
Verification Date	10 September 2021
Scorecard Number	TLVT9671-291021

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%	17.29%	2.77
	Exercisable Voting Rights in the Enterprise in the hands of black Women	2	10.00%	6.50%	1.30
Economic Interest	Economic Interest of black people in the Enterprise	4	25.00%	17.29%	2.77
	Economic Interest of black Women in the Enterprise	2	10.00%	6.50%	1.30
	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%	0.00%	0.00
	Involvement in the ownership of the Enterprise of black new entrants	2	2.00%	5.01%	2.00
Realisation Points	Net Equity Value	8	25.00%	5.53	5.53
					15.67

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%	22.22%	0.89
	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%	50.00%	1.67
	Black female Other Executive Management as a percentage of all Other Executive Management	1	30.00%	50.00%	1.00
Senior Management	Black employees in Senior Management as a percentage of all Senior Management	2	60.00%	0.00%	0.00
	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%	27.41%	0.73
	Black female Employees in Middle Management as a percentage of all Middle Management	1	38.00%	11.11%	0.29
Junior Management	Black Employees in Junior Management as a percentage of all Junior Management	1	88.00%	62.85%	0.71
	Black female Employees in Junior Management as a percentage of all Junior Management	1	44.00%	22.29%	0.51
Disabled	Black Employees with disabilities as a percentage of all employees	2	2.00%	0.00%	0.00
					5.80

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	6	3.50%	2.27%	3.89
	Skills Development Expenditure on Bursaries for Black Students at Higher Education Institutions	4	2.50%	0.00%	0.00
	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%	0.01%	0.18
Learnerships	Number of black people participating in Learnerships, Apprenticeships and Internships as a percentage of total employees	6	5.00%	4.58%	5.50
Bonus Points	Number of black people absorbed by the Measured and Industry Entity at the end of the Learnerships programme	5	100.00%	32.79%	1.64
					11.21

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%	102.46%	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%	27.48%	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%	47.96%	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	11	50.00%	45.68%	10.05
	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%	35.16%	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%	1.91%	1.91
Supplier Development	Annual value of all Qualifying Supplier Development Contributions made by the Measured Entity as a percentage of the target	10	2.00%	3.01%	10.00
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%	2.63%	5.00
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
					42.96

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%	1.40%	5.00
					5.00

Youth Employment Service Initiative (Y.E.S)

Sub-Element	Indicator	Weighting Points	Compliance Target	Actual	Score
Y.E.S - Bonus Points	Achieved 1.5 x Y.E.S Employment Target	3	100.00%	0.00%	0.00
	Achieved 2 x Y.E.S Absorption Target		2.50%	0.00%	
					0.00

TOTAL BEE SCORE	80.64 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