

Final BEE Verification Report

Cognition Holdings Limited

And Subsidiaries aas per Annex A

30 September 2022

## 1. Details of Measured Entity:

Company Name	Cognition Holding Limited
Trade Name	Cognition Holdings Limited
Address	Cognition House Cnr Bram Fischer Drive and Will Scarlet Road Ferndale Randburg
Registration Number	1997/010649/06
Vat Number	4870155746

## 2. Scorecard Overview:

Ownership Equity	14.20
Management Control	5.48
Skills Development	12.89
Enterprise Supplier Development	43.12
Socio Economic Development	5.00
<b>TOTAL SCORE</b>	<b>80.69</b>

## 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	15.32%
Black Female Ownership	6.01%
Black New Entrants	4.56%
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 2021 - 30 Jun 2022
Analyst	C Masawi
Technical Signatory	M Arnold
Verification Date	13 September 2022
Scorecard Number	TLVT9971-300922

## 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%	15.32%	2.45
	Exercisable Voting Rights in the Enterprise in the hands of black Women	2	10.00%	6.01%	1.20
Economic Interest	Economic Interest of black people in the Enterprise	4	25.00%	15.32%	2.45
	Economic Interest of black Women in the Enterprise	2	10.00%	6.01%	1.20
	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%	4.56%	2.00
Realisation Points	Net Equity Value	8	25.00%	4.90	4.90
					<b>14.20</b>

## 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%	11.11%	0.44
	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%	25.00%	0.83
	Black female Employees in Senior Management as a percentage of all Senior Management	1	30.00%	25.00%	0.83
Middle Management	Black Employees in Middle Management as a percentage of all Middle Management	2	75.00%	22.24%	0.59
	Black female Employees in Middle Management as a percentage of all Middle Management	1	38.00%	15.79%	0.42
Junior Management	Black Employees in Junior Management as a percentage of all Junior Management	1	88.00%	58.63%	0.67
	Black female Employees in Junior Management as a percentage of all Junior Management	1	44.00%	32.48%	0.74
Disabled	Black Employees with disabilities as a percentage of all employees	2	2.00%	0.00%	0.00
					<b>5.48</b>

## 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%	2.69%	4.61
	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%	0.03%	0.43
Learnerships	Number of black people participating in Learnerships, Apprenticeships and Internships as a percentage of total employees	6	5.00%	4.81%	5.77
Bonus Points	Number of black people absorbed by the Measured and Industry Entity at the end of the Learnerships programme	5	100.00%	41.67%	2.08
					<b>12.89</b>

## 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%	103.03%	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%	27.42%	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%	50.76%	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%	49.23%	10.83
	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%	40.16%	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%	1.29%	1.29
Supplier Development	Annual value of all Qualifying Supplier Development Contributions made by the Measured Entity as a percentage of the target	10	2.00%	3.16%	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%	2.31%	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
					<b>43.12</b>

## 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%	2.64%	5.00
					<b>5.00</b>

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%	
					<b>0.00</b>

<b>TOTAL BEE SCORE</b>	<b>80.69 Points</b>
------------------------	---------------------

BROAD BASED CONTRIBUTION LEVEL

LEVEL 4

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