



# PRESS RELEASE

## Tsebo's Sustainability Journey unlocks valuable insights at media roundtable event

Over the years, there has been a rise of businesses prioritising sustainability to align with ethical imperatives and consumer demands. Transparent reporting on these sustainability efforts not only enhances accountability but also fosters trust with stakeholders.

With a heritage spanning over 50 years, Tsebo Solutions Group – a leading pan-African integrated workplace management solutions provider, is committed to its purpose, values, and sustainability framework. Over the years, the company has endured by being a 'powerful force for good' and pioneering Environmental, Social, and Governance (ESG) initiatives that create long-term shared value.

As a true advocate for sustainable business practices and an ESG acceleration partner for its clients, Tsebo shared valuable insights and performance statistics from its sustainability journey and inaugural report at a recent media roundtable event.

### **A JOURNEY TO SUSTAINABILITY EXCELLENCE**

Tsebo's sustainability is driven by ESG 2030 targets, alignment with the UN Global Compact's ten principles and sustainable development goals, and six core pillars identified in a materiality review. These pillars, rooted in Tsebo's values and purpose, guide sustainable practices company-wide:

1. Managing environmental impact
2. Positive people experience
3. Engaging customer experience
4. Commitment to sustainable partnerships
5. Corporate Social Responsibility
6. Good corporate governance and ethics

### **TOP FIVE 2022 ACHIEVEMENTS BASED ON EACH OF THE SIX MATERIAL PILLARS:**

#### **Managing environmental impact**

- ISO 14001 certified, affirming continuous commitment to addressing environmental impact.
- R200 million energy usage reduction achieved for Tsebo Clients.
- 87.1 tonnes of landfill waste was reduced.
- 95% of seafood is sourced from the SASSI green list.
- 74% of tea and coffee are sourced from Rainforest Alliance-certified partners.

#### **Positive people experience**

- 82% global benchmark score received for people practices as a certified Top Employer.
- Retained Level 1 B-BBEE certification.



- 60% female employees representation, as well as 42.3% of female employees occupying roles in senior management positions.
- 80% Employee Engagement Index, compared with Africa's 60% overall benchmark.
- Approximately 40 000 training and development interventions (Learning and Development spend = 4.2% of the annual leviable amount)

### **Engaging customer experience**

- 82% average Client Satisfaction Score.
- 1 500 client surveys conducted.
- 85% service experience score.
- 95% average client retention rate.
- Contract tenure of 13 years on average.

### **Commitment to sustainable partnerships**

- US\$10.32 million local-to-local community spend, presenting over 35% of ATS' (remote site business that operates outside of South Africa) total procurement.
- Over 200 certified local-to-local community suppliers.
- R4.2 million was invested between 17 South African enterprise and supplier development initiatives.
- 30% of Tsebo Group's total procurement spend was utilised to uplift EMEs and QSEs.
- 20 SMME partnerships were created across South Africa, facilitating 16 small business developments.

### **Corporate Social Responsibility**

- US\$3.9 million total domestic spend, constituting 100% of ATS's total spend, with 0% direct imports.
- Over 8 500 local-to-local youth are employed.
- 73 CSR projects across eight African countries.
- R5.8 million CSR spend in South Africa.
- Over R1.1 million CSR spend used to uplift and protect women and children in South Africa.

### **Good corporate governance and ethics**

- A zero-tolerance policy for theft, bribery, and corruption.
- 24/7 tip-off hotline (maintained independently by Deloitte).
- 40% Black female executive directorship at board level in South Africa.
- Over 17 800 employees trained in health and safety.
- Over 11 650 training communications on theft, bribery, corruption and gift, and entertainment disclosures.

## INSIGHTS

### Environmental Insights

Addressing environmental impact through renewable energy and energy reduction initiatives is a collective responsibility that should be seen as an opportunity for a greener future. According to Melusi Maposa, Group Chief Sales and Marketing Director at Tsebo, the need for flexible policies and partnerships, particularly public-private partnerships (PPPs), should be embraced to bridge service delivery gaps in energy transition efforts.

“A noteworthy consideration in the realm of energy: While transitioning to renewable energy sources is undeniably significant, energy reduction initiatives must assume primacy as the initial step for both households and businesses. This emphasis on energy reduction is particularly relevant in South Africa's economic climate, where affordability remains a pivotal concern,” says Maposa.

Energy initiatives offer more than just reduced consumption. They foster community development, cut carbon emissions, provide financial incentives through subsidies, and ease municipal burdens. Tsebo's recent R16-million, 1.4 MW solar PV system with Sun City underscores these sustainability gains.

“The future of our planet and generations to come depends on individuals and businesses challenging everything we do and how we do it, including seemingly trivial efforts, to minimise environmental impact, creating a ripple effect for a sustainable future.”

### Social Insights

For Tsebo, addressing unemployment, skills shortages, and inequality is paramount. Companies should go beyond the minimum 1% Learning and Development (L&D) spending requirement set by SARS says Elanie Kruger, Group Chief Human Resources Officer. “Rather than waiting for legal obligations, various sector codes should proactively establish higher skills spending targets, ensuring that businesses contribute more effectively to developing a skilled workforce,” she adds.

Ongoing learning and development are vital for lifelong career progression. This not only addresses skill gaps but also empowers employees, especially in promoting women to leadership roles through advanced management programmes.

“By investing in employees' growth, companies can build a more equitable, inclusive and competent workforce,” says Kruger. “Moreover, targeted programs, including internships, apprenticeships, and mentorship opportunities, should be designed to cater specifically to youth and youth living with disabilities.”

“Furthermore, bridging the digital divide demands innovative approaches and technology-driven human development. This strategy has been instrumental in achieving positive results at Tsebo, a progressive development initiative acknowledged by the Top Employer's Institute in our 2023 certification,” she says.

Kruger also notes that to create a lasting impact and shared value, larger businesses should support local-to-local suppliers and community growth by providing financial assistance, streamlining processes, offering training and mentorship, and creating programs for young entrepreneurs.



### **Governance insights:**

The proliferation of unskilled, uncertified and transient companies in Africa, along with pre-existing corruption and socioeconomic issues, poses a significant compliance challenge. According to Tim Walters, Tsebo Group CEO, in the “business of people”, this translates to a lack of expertise and resources to adhere to labour laws, minimum wage regulations, safety standards, and ethical practices.

"It jeopardises the health and safety of employees and clients, undermines industry credibility, and calls for African governments and regulatory bodies to prioritise stricter enforcement of industry standards and licensing requirements. Heightened awareness and rigorous due diligence in partner selection are crucial, as the true cost impacts the most vulnerable people," says Walters.

Furthermore, ethical and eco-friendly supply chain management is crucial in today's business landscape. It calls for collaboration among businesses, governments, and global and local entities. By focusing on local-to-local procurement initiatives in the agricultural sector, for example, farm-to-fork and local sourcing, we can notably boost production levels. This strategy enhances productivity and promotes shared value across Africa.

### **Future Outlook: A Greener Horizon**

Tsebo's holistic approach to sustainability is not only evident through its business services but also through its dedication to initiatives that prioritise the environment and communities it serves, according to Tsebo Group CEOs, Tim Walters and Chris Jardine.

“We know that challenges will persist, and it's uplifting to know that our broad range of solutions assists in addressing many of these challenges - from green building design and efficient energy management to innovative enterprise and supplier development initiatives. Through meaningful partnerships with our clients and local communities, we are on course to accelerate our ESG initiatives. In doing so, we are in the privileged position of being able to align and propel the shared goals of our clients and partners,” Walters and Jardine concluded.

For more information about Tsebo's Sustainability Report and its pioneering initiatives, click this [link](#).

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