

TRANSFORMATION AND LOCAL DEVELOPMENT INGRAINED IN OUR DNA

The Tsebo Solutions Group is a development partner with a transformation ethos dating back to 1983. We equip Africa's unemployed youth with the means to become economically self-reliant, while our entrepreneurial partnerships create opportunities for vibrant Small/Medium Enterprise marketplaces – especially in rural communities where the greatest thirst for development exists.

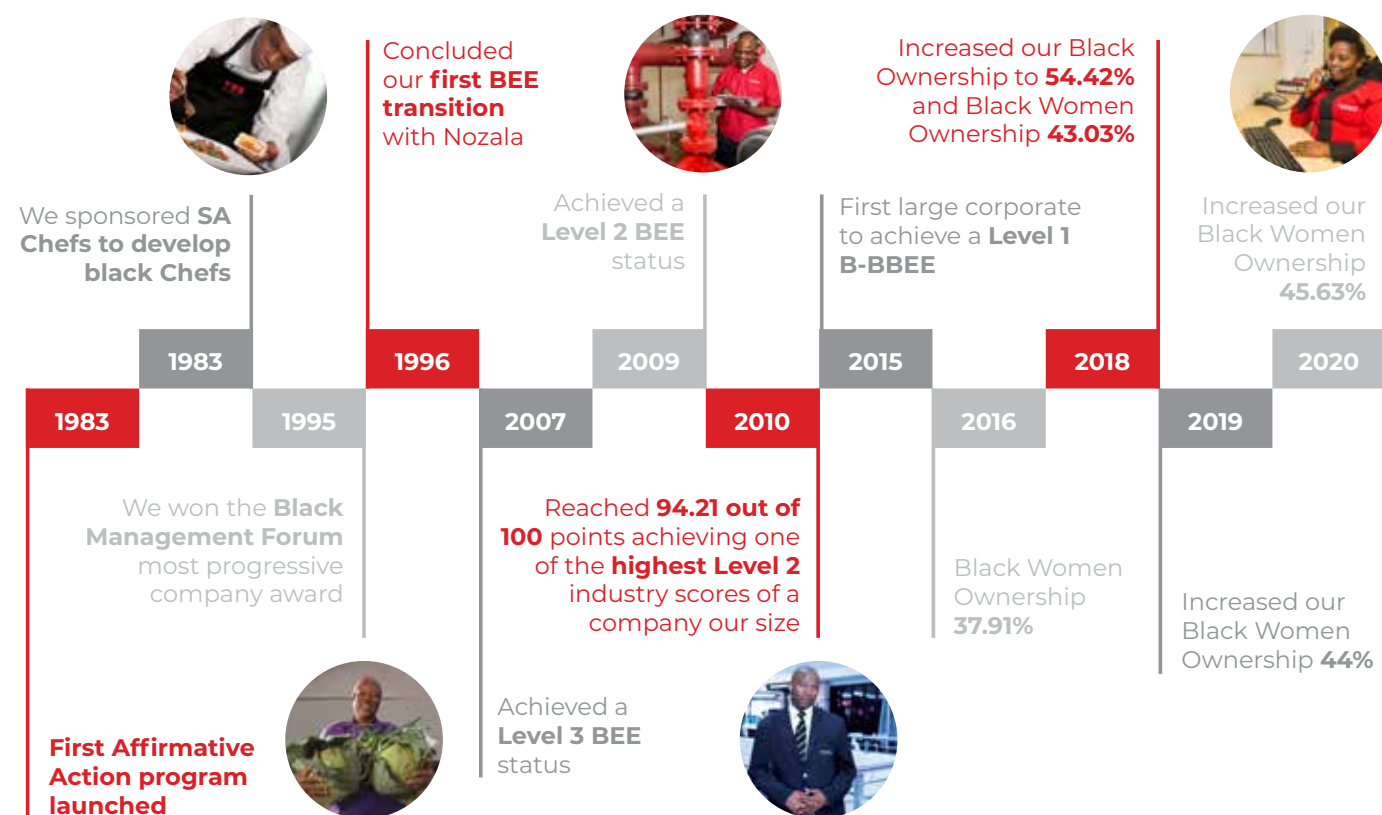


TSEBO

WE **DEVELOP** PEOPLE, TO **SERVE** PEOPLE, TO **UPLIFT** SOCIETY

Facilities Management. Remote Camps. Catering. Cleaning. Protection. Hygiene. Energy. Procurement.

TSEBO'S TRANSFORMATION JOURNEY



We strive to create sustainable growth and development in Africa through our initiatives and realise that investing in people is one of the most important building blocks to achieving sustainable development.

Tsebo has implemented numerous initiatives that have had a positive social impact and we believe we are on the right track to creating meaningful futures for generations to come.



“ From 1983 when we adopted our first affirmative action programme to our current Level 1 B-BBEE status, Tsebo Solutions Group has been a development partner with a transformation ethos. Local development is ingrained in our DNA and we are committed to transformation in Africa. ”

LEVEL 1 B-BBEE CONTRIBUTOR

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- Procurement recognition for customers of 135%
- Black ownership (BO) of 54.4%
- Black Woman Ownership of 45.6%

Tsebo is one of the highest rated large employers on the Department of Trade and Industry's generic B-BBEE scorecard, and is certified a **Level 1 B-BBEE contributor** with a procurement recognition of **135%**. Our **black ownership (BO)** component continues to grow and currently stands at **54.4%**, with a **45.6% black woman ownership (BWO)** element.

“ Tsebo's BO and BWO, together with our Level 1 B-BBEE status, provides procurement recognition benefits for our clients; **potentially three times the score for spend** with Qualifying Small Enterprises (QSEs) and Exempted Micro Enterprises (EMEs). ”

TSEBO ENTERPRISE AND SUPPLIER DEVELOPMENT

The Tsebo Solutions Group is committed to building capabilities through our programmes by partnering with various organisations and corporates to grow the economy.

Our history in Enterprise and Supplier Development (ESD) reaches beyond simply complying with the requirements of the B-BBEE Codes of Good Practice, and rather strives to achieve our purpose 'to **develop** people, to **serve** people and to **uplift** society'.

Each year, we invest in ESD initiatives through programmes like **Tsebo Phakiso**, which aims to increase the economic participation of SMMEs.

Our business ethos guides us to ensure that we develop, employ, capacitate, and partner to the benefit of the communities we work in. The end goal is to ensure that small businesses are sustainable, profitable, and trained to the highest quality standards.



ENTERPRISE DEVELOPMENT **TSEBO** PHAKISO

Tsebo's commitment to transforming societies we operate in extends beyond the workplace. Through the Tsebo Foundation, a Section 21 not-for-profit company which conducts the corporate social outreach for the Group, we support a host of community enablement initiatives aimed at developing and supporting the growth of small businesses.

Our Enterprise Development (ED) approach includes identifying SMMEs in the areas in which we operate, and which are linked to our client sites. The goal is to support local-to-local SMME development through capacity building, grant funding and mentorship.

OUR IMPLEMENTATION MODEL

We engage with local communities to identify challenges in economic participation and to craft solutions together:



We as **Lephalale Women's Organisation Co-operative t/a Phelang** would like to extend our sincere appreciation for the assistance we've acquired from Lephalale Site Services on the equipment and building (kitchen) situated at building 380 Heavy Industrial Area, Lephalale. This indicated that LSS has outdone themselves in helping companies achieve their objective and carry out visions and help empower women in need.

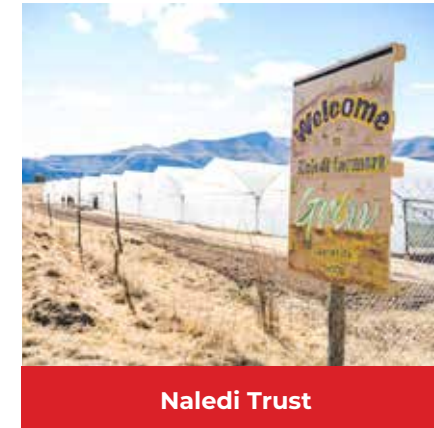
Dineo Setuma, General Manager, Lephalale Women's Organisation



ED PROGRAMMES IMPLEMENTED



Elevated Hygiene Services



Naledi Trust



Phelang

NALEDI FARMERS' COOPERATIVE AND EARTHRISE TRUST

Tsebo partnered with the **Naledi Farmers' Cooperative and Earthrise Trust** to create a sustainable community that speaks to our passion for food security and community upliftment. We installed 10 multi-span tunnels, allowing members of the Naledi Village Cooperative to safeguard their crops and ensure that they thrive in a controlled environment while being protected from threats such as black frost and adverse weather conditions.

ELEVATED HYGIENE SERVICES

Elevated Hygiene Services is a local SMME that offers hygiene and deep cleaning services. Tsebo provided grant funding, which enabled the SMME to purchase equipment and cleaning chemicals for operations. The Tsebo Cleaning & Hygiene Solutions business further partnered with them in a School Cleaning Campaign, where we donated cleaning equipment, environmentally friendly chemicals, and training by an independent cleaning auditor to enable the schools' cleaners to maintain the high-levels required for good health, hygiene and the prevention of cross-contamination.

BRAINEAC MEDIA AND ARTISTRY PRODUCTIONS AND LOGISTICS

Tsebo partnered with two small media companies, **Braineac Media** and **Artistry Productions and Logistics**, by contributing towards the purchase of equipment to enable both businesses to increase their capacity and ability to offer a more professional service.

Braineac Media offers high-end multimedia services to public companies, professional firms and private business across South Africa. **Artistry Productions and Logistics** is a Cape Town based company that provides sound and audio-visual technical services by combining the skills of independent freelancers to service various events, from conferences and graduations to family and church celebrations.

PETER'S CAR WASH

Tsebo partnered with **Peter's Car Wash**, a 100% black-owned business in Sandhurst, to grow the car wash and create jobs in the community. Tsebo has helped to make the business sustainable and marketable, with the result that other corporates have proposed in-house car wash services managed by Peter's Car Wash.

PHELANG

Phelang is a 100% black-owned company comprising more than 800 women under the Lephalale Woman's Organisation (LWO). Tsebo Lephalale Site Services do-nated a complete factory kitchen and equipment to enable the SMME to become a preferred supplier in the area.

SUPPLIER DEVELOPMENT

Tsebo Phakiso is a supplier development (SD) programme focusing on providing black-owned SMMEs with specific skills needed to enable growth. SMME suppliers linked to our supply chain receive technical training to enable growth in profits, job opportunities and increased economic participation.

Depending on the needs of a participating SMME, a development plan may include a bouquet of Skills Transfer Modules as part of the implementation or grant funding to support operations.

Some of our existing suppliers are taken through the **Skills Transfer Programme** in line with their development needs. The programme modules include:

SUPPLIER DEVELOPMENT MODULES	ENTERPRISE DEVELOPMENT MODULES
Strategy development	Entrepreneur to manager
Operations and productivity	Business planning
Financial management	P&L and cash flow
Human capital development	Company legislation
Health and Safety management	Tenders and proposals
Marketing and increased sales	Branding

Participating SMMEs also have access to our **WeComply** – a custom designed app containing a suite of products to assist SMMEs in the operation and growth of their businesses, including free access to accounting software that is specifically designed for the SMME market. The app also helps SMMEs to achieve compliance in terms of BEE, Tax Certificates, CIPC, OHS etc, as well as to initiate and track the progress of service delivery in a particular contract.



SD PROGRAMMES IMPLEMENTED

SOCIAL ENTERPRISE AGRICULTURAL PROGRAMMES

The Siyakhula Initiative in Cape Town is an SD supported initiative linked to Christel House School. Tsebo established a farm in Ottery with the aim of creating supplementary income for the school and job opportunities for the learners' parents. Siyakhula supplies Fedics' Western Cape units and local community fruit and vegetable stalls. Naledi Farmers' Cooperative graduated from an ED beneficiary to a secondary supplier linked to our supply chain. The coop supplies our KwaZulu-Natal units through the Fair Food Company (a Tsebo supplier), local schools and supermarkets in the Free State.



GRANT FUNDING

A number of our Fedics and Facilities Management business suppliers were awarded grant funding to support their operations. They include:

- Shades of Blue (BWO)
- Gakemoabi Enterprises (BO)
- Razzmatz (BWO)
- Ikhono Properties and Trading (BO)
- Maggie's Mageu (BWO)
- Mpechamane Trading (BWO)

NKIDIKITLANA ABATTOIR T/A STE POULTRY (STEP)

Nkidikitlana Abattoir T/A STE Poultry (STEP), a 100% black-owned company in Lephalale, Limpopo, received a grant to purchase a deep freeze from Tsebo LSS. The freezer allowed the SMME to comply with local Food Health Regulation Standards, thus increasing their orders and necessitating the creation of 11 new permanent jobs.



LSS has created numerous job opportunities in our local communities and as a result their contract with your company [Eskom] has been beneficial to and enjoyed by our communities. LSS enterprise initiatives have empowered our people and created wealth in our communities and the region.

Nkidikitlana Traditional Council



EME/QSE SUB-CONTRACTED

Tsebo's strategic objective is to work with existing and potential suppliers to boost their performance and drive business growth through education, mentoring and access to resources, while also responding to our clients' needs.

A localisation plan is implemented whereby suitable SMMEs are sourced in line with the sub-contracting requirements of the tender to contribute to economic development that encourages local businesses to achieve sustainable economic growth.

- **Mooncloud** is a joint venture (JV) partner with Tsebo Lephalale Site Services (LSS) serving the Eskom Medupi contact. Mooncloud receives several million of Rands in profits each year, which is distributed among community beneficiaries. LLS uses a local-to-site supply chain, which facilitates JVs in Lephalale area to meet the enormous supply quantities needed to cater for the Medupi project. Over 98% of our employees are from Lephalale communities. Eskom ranked the model as one of the most successful business development programmes that they have audited.
- **Mpechamane Trading** is sub-contracted to the following sites:
 - Diego
 - BATSA
- **Thetha Nathi Facilities Group** is an SMME sub-contracted to the following sites:
 - T Systems
 - Alexander Forbes
- **Bohlale Risk Protection** was sub-contracted by Thorburn to provide services to the South African Revenue Service and the Department of Education
- **Elevated Hygiene Services** was sub-contracted to the Nelson Mandela Children's Hospital by our Cleaning and Hygiene Solutions business. They currently service the Department of Education.
- **Visit Vakasha Guest Lodge** is sub-contracted to support our Catering business in the Eskom Kusile contract.



“Maintaining good relations with local communities in which we operate is not just important, it is essential to enabling economic participation of SMMEs and local development in the respective areas.”



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