

# BROAD-BASED BEE RATING

## *Final Report*

*Submitted to*

*Afrocentric Investment Corporation Limited*

<b>Registration Number</b>	1988/000570/06
<b>VAT Number</b>	4170271391
<b>BBBEE Status</b>	Level One (1) Contributor
<b>BBBEE Recognition Level</b>	135%
<b>Empowering Supplier</b>	Yes
<b>Certificate Number</b>	HR_GEN_3273_23
<b>Validity Period</b>	08 December 2023 – 07 December 2024

  
Verification Manager  
Honeycomb BEE Ratings



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## 1. INTRODUCTION

In September 2023, Afrocentric Investment Corporation Limited commissioned Honeycomb to conduct a BBBEE verification of the organization. Honeycomb's mandate was to assess, verify and validate both disclosed and undisclosed BBBEE-related information of Afrocentric Investment Corporation Limited. The BBBEE rating has been based on the Revised Amended Codes of Good Practice on Black Economic Empowerment released by the DTIC in October 2013 and further revised in December 2019.

Afrocentric Investment Corporation Limited is a Broad-Based Entity and is measured on all the Elements of BBBEE – Ownership, Management Control, Skills Development, Enterprise & Supplier Development and Socio-Economic Development.

In conducting the verification, a comprehensive methodology was followed. Honeycomb followed a rigorous verification process that is aligned to best practice verification standards, the Revised Amended Codes of Good Practice and the quality standards of South African National Accreditation System (SANAS). Data and information relating to the elements of the Scorecard was obtained, interviews with senior management, and personnel of Afrocentric Investment Corporation Limited were conducted as well as the verification of supporting documentation provided to Honeycomb.

All the information utilized for the verification was obtained from Afrocentric Investment Corporation Limited and the conclusions reached are based on this information. Based on the information provided and subject to the terms of the verification engagement, Honeycomb is of the opinion that the rating reflected herein is accurate and reflects the true BBBEE status of Afrocentric Investment Corporation Limited.

The on-site verification was conducted on the 24<sup>th</sup> of November 2023 by Bianca de Swardt and Fabian Pereira.

## 2. AFROCENTRIC INVESTMENT CORPORATION DETAILED SCORECARD

Component Indicator	Indicator Weightings	Indicator Target	Verified Level	Score
<b>Ownership</b>				<b>24.93</b>
<b>Voting Rights</b>				
Exercisable Voting Rights in the Entity in the hands of Black People	4.00	25% + 1 Vote	59.22%	4.00
Exercisable Voting rights in the Entity in the hands of Black Women	2.00	10.00%	25.68%	2.00
<b>Economic Interest</b>				
Economic Interest in the Entity to which Black People are entitled	4.00	25.00%	54.73%	4.00
Economic Interest in the Entity to which Black Women are entitled	2.00	10.00%	22.81%	2.00
Economic Interest of any of the following Black Natural People in the Measured Entity: <ul style="list-style-type: none"> <li>Black Designated Groups</li> <li>Black Participants in Employee Share Ownership Programmes</li> <li>Black People in Broad-Based Ownership Schemes</li> <li>Black Participants in Co-operatives</li> </ul>	3.00	3.00%	3.86%	3.00
Black New Entrants	2.00	2.00%	1.93%	1.93
<b>Realisation Points</b>				
Net value	8.00	Formula	Formula	8.00
<b>Management and Control</b>				<b>14.71</b>
<b>Board Participation</b>				
Exercisable Voting Rights of Black Board Members as a percentage of all Board Members	2.00	50.00%	53.85%	2.00
Exercisable Voting Rights of Black Female Board Members as a percentage of all Board Members	1.00	25.00%	23.08%	0.92
Black Executive Directors as a percentage of all Executive Directors	2.00	50.00%	66.67%	2.00
Black Female Executive Directors as a percentage of all Executive Directors	1.00	25.00%	0.00%	0.00
<b>Other Executive Management</b>				
Black Executive Management as a percentage of all Executive Management	2.00	60.00%	83.33%	2.00
Black Female Executive Management as a percentage of all Executive Management	1.00	30.00%	33.33%	1.00
<b>Senior Management</b>				
Black Employees in Senior Management as a percentage of all Senior Management	2.00	60.00%	26.96%	0.90
Black Female Employees in Senior Management as a percentage of all Senior Management	1.00	30.00%	12.68%	0.42
<b>Middle Management</b>				
Black Employees in Middle Management as a percentage of all Middle Management	2.00	75.00%	40.83%	1.09

Black Female Employees in Middle Management as a percentage of all Middle Management	1.00	38.00%	25.56%	0.67
<b>Junior Management</b>				
Black Employees in Junior Management as a percentage of all Junior Management	1.00	88.00%	62.65%	0.71
Black Female Employees in Junior Management as a percentage of all Junior Management	1.00	44.00%	44.00%	1.00
<b>Employees with Disabilities</b>				
Black Employees with Disabilities as a percentage of all Employees	2.00	2.00%	3.21%	2.00
<b>Skills Development</b>				<b>13.33</b>
<b>Skills Development Expenditure</b>				
Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for Black People as a percentage of Leivable Amount	6.00	3.50%	2.17%	3.73
Skills Development Expenditure on Bursaries for Black Students at Higher Education Institutions	4.00	2.50%	0.01%	0.02
Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for Black Employees with Disabilities as a percentage of Leivable Amount	4.00	0.30%	0.42%	4.00
<b>Learnerships, Apprenticeships and Internships</b>				
Number of Black People participating in Learnerships Apprenticeships and Internships as a percentage of Total Employees	6.00	5.00%	4.21%	5.05
<b>Bonus Points</b>				
Number of Black People Absorbed by the Measured and Industry Entity at the end of the Learnership, Internship and Apprenticeship programme	5.00	100.00%	10.84%	0.54
<b>Enterprise and Supplier Development</b>				<b>44.19</b>
<b>Preferential Procurement</b>				
B-BBEE Procurement Spend from All Empowering Suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	5.00	80.00%	89.20%	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	3.00	15.00%	14.38%	2.88
B-BBEE Procurement Spend from All Empowering Exempted Micro-Enterprises based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	4.00	15.00%	8.67%	2.31
B-BBEE Procurement Spend from 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	11.00	50.00%	52.96%	11.00

B-BBEE Procurement Spend from 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	4.00	12.00%	47.24%	4.00
<b>Bonus Points</b>				
Bonus Points: B-BBEE Procurement Spend from Empowering Designated Group Suppliers that are at least 51% Black Owned	2.00	2.00%	3.36%	2.00
<b>Supplier Development</b>				
Annual Value of all Supplier Development contributions made by the Measured Entity as a percentage of the Target	10.00	2.00% of NPAT	2.97%	10.00
<b>Enterprise Development</b>				
Annual Value of Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the Target	5.00	1.00% of NPAT	1.15%	5.00
<b>Bonus Points</b>				
Bonus Point for Graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level	1.00	Yes	Yes	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	1.00	Yes	Yes	1.00
<b>Socio Economic Development</b>				5.00
Annual Value of all Socio-Economic Development Contributions by the Measured Entity as a percentage of the Target	5.00	1.00% of NPAT	2.30%	5.00
<b>Total</b>				102.17

### 3. BEE INDICATORS OF EMPOWERMENT

#### 3.1. CODE 100: OWNERSHIP (25 POINTS)

- Black Exercisable Voting Rights that flow through to Afrocentric Investment Corporation Limited is 59.22%. The percentage of Black Female Exercisable Voting Rights that flow through to Afrocentric Investment Corporation Limited is 25.68%.
- Black entitlement to economic Interest that flows through to Afrocentric Investment Corporation Limited is 54.73%.
- The percentage of entitlement to Economic Interest by Black Women is 22.81%.
- The company has 3.86% of Economic Interest that flows through to Black Designated Groups, Employee Share Ownership Programmes, Broad-Based Ownership Schemes and Co-Operatives.
- Afrocentric Investment Corporation Limited has 1.93% involvement of ownership of the Enterprise of Black New Entrants.
- The 40% subminimum for Net Value was achieved.

#### 3.2. CODE 200: MANAGEMENT CONTROL & EMPLOYMENT EQUITY (19 POINTS)

##### A. Board Participation

Name	Race	Gender	Executive/Non-Executive
1. Britz Willem	W	M	Non-Executive
2. Chauke M	A	F	Non-Executive
3. Dippenaar Miranda	W	F	Non-Executive
4. Fernandes Bruno	W	M	Non-Executive
5. Hanratty Paul	W	M	Non-Executive
6. Le Roux Alice	W	F	Non-Executive
7. Madungandaba Joe	A	M	Non-Executive
8. Mkhize Khanyisa	A	F	Non-Executive
9. Mokgokong Anna	A	F	Non-Executive
10. Munisi Nkateko	A	M	Non-Executive
11. Banderker Ahmed	I	M	Executive
12. Boonzaaier Hannes	W	M	Executive
13. Van Wyk Gerald	C	M	Executive

- The total number of Directors is 13.
- Afrocentric Investment Corporation Limited has 7 Black Board Members.
- The company has 3 Black Female Board Members.
- Voting Rights in the hands of Black Board Members is 53.85%.
- Voting Right in the hands of Black Female Board Member is 23.08%

## B. Executive Directors

Name	Race	Gender	Designation
Banderker Ahmed	I	M	Executive Director
Boonzaaier Hannes	W	M	Executive Director
Van Wyk Gerald	C	M	Executive Director

- There are 3 Executive Directors.
- Afrocentric Investment Corporation Limited has 2 Black Executive Directors.
- Afrocentric Investment Corporation Limited has 0 Black Woman Executive Directors.
- Representation of Black Executive Directors as a percentage of all Executive Directors is 66.67%.
- Representation of Black Woman Executive Directors as a percentage of all Executive Directors is 0.00%.

## C. Executive Management

Name	Race	Gender	Designation
Avsharn Bachoo	I	M	Other Executive Management
Fezeka Nompunza	A	F	Other Executive Management
Mahmood Aklaaq	I	M	Other Executive Management
Sandile Mbele	A	M	Other Executive Management
Tebogo Makoe	A	F	Other Executive Management
Schwulst Andrew	W	M	Other Executive Management

- There are 6 Executive Managers at this level.
- Afrocentric Investment Corporation has 5 Black Executive Managers at this level.
- There are 2 Black Female Executive Managers.
- Representation of Black Executive Management as a percentage of all Executive Management is 83.33%.
- Representation of Black Woman Executive Managers as a percentage of all Executive Management is 33.33%.



### Breakdown of Employees

Occupational Level	AM	CM	IM	AF	CF	IF	W
Senior Management	9	3	3	8	5	2	58
Middle Management	71	33	34	145	70	59	277
Junior Management	393	137	62	934	432	108	345

Total Disabled Black Employees were 158 out of a total of 4919 employees. This is 3.21% of the total employees.

### 3.3. CODE 400: SKILLS DEVELOPMENT (20 POINTS PLUS 5 BONUS POINTS)

SKILLS DEVELOPMENT:	40% Subminimum Achieved
Skills Development Plan Submitted to:	INSETA, CHIETA HWSETA,FOODBEV SETA,SERVICES SETA
Period Chosen:	July 2022 – June 2023
Leviable Amount	R 1 968 510 718.00
Number of Employees	4919

Indicator	AM	CM	IM	AF	CF	IF
Skills Development Expenditure on Black People as per the Learning Programme Matrix	R 12 305 602	R 2 509 373	R 1 498 229	R 22 847 373	R 7 901 149	R 2 356 564
Skills Development Expenditure on Bursaries at Higher Education Institutions	R 0	R 0	R 0	R 296 210	R 0	R 0
Skills Development Expenditure on Black Disabled People	R 8 232 860					
Number Black people on Learnership, Internship and Apprenticeships	94	17	8	81	22	6

9 Unemployed Black people were absorbed by the Entity and industry at the end of their Learnership, Internship and Apprenticeship Programmes

3.4. **CODE 500: ENTERPRISE AND SUPPLIER DEVELOPMENT (42 POINTS PLUS 4 BONUS POINTS)**

<b>ENTERPRISE AND SUPPLIER Preferential Procurement:</b>	40% Subminimum Achieved/Not Achieved
Financial Period:	01 July 2022 - 30 June 2023
Total Measured Procurement Spend	R 3 770 574 226.03
BBBEE Procurement Expenditure: All Suppliers	R 3 363 320 113.83
BBBEE Procurement Expenditure: Qualifying Small Enterprises	R 542 090 009.90
BBBEE Procurement Expenditure: Exempt Micro Enterprises	R 326 814 611.45
BBBEE Procurement Expenditure: Suppliers that are > 51% Black Owned	R 1 996 719 810.66
BBBEE Procurement Expenditure: Suppliers that are > 30% Black Women Owned	R 1 781 330 032.43
Bonus Points: BBBEE procurement spend from 51% black owned designated group suppliers	R 126 553 018.42
<b>Supplier Development</b>	40% Subminimum Achieved/Not Achieved
NPAT Used	R 294 882 000
Supplier Development Contributions	R 8 762 365.60
<b>Enterprise Development</b>	40% Subminimum Achieved/Not Achieved
Enterprise Development Contributions	R 3 381 182.80
<b>Bonus Points</b>	
Graduation from Enterprise Development Beneficiary to Supplier Development Beneficiary	No
Job Creation through ED or SD initiatives	Yes

3.5. **CODE 700: SOCIO-ECONOMIC DEVELOPMENT ELEMENT (5 POINTS)**

<b>Socio-Economic Development:</b>	<b>Value</b>
NPAT Used	R 294 882 000
Socio-Economic Development Contributions	R 6 793 982.24



#### 4. CONCLUSION

- 4.1. Afrocentric Investment Corporation Limited achieved a BEE score of 102.17 Points.
- 4.2. Based on this score, Afrocentric Investment Corporation Limited is a Level One (1) Contributor to BEE.
- 4.3. Accordingly, Afrocentric Investment Corporation Limited received a BEE Recognition Level of 135%.

<b>B-BBEE Status</b>	<b>Qualification</b>	<b>B-BBEE Recognition Level</b>
<b>Level One Contributor</b>	<b>≥100 points on the Generic Scorecard</b>	<b>135%</b>
Level Two Contributor	≥95 but <100 points on the Generic Scorecard	125%
Level Three Contributor	≥90 but <95 points on the Generic Scorecard	110%
Level Four Contributor	≥80 but <90 points on the Generic Scorecard	100%
Level Five Contributor	≥75 but <80 points on the Generic Scorecard	80%
Level Six Contributor	≥70 but <75 points on the Generic Scorecard	60%
Level Seven Contributor	≥55 but <70 points on the Generic Scorecard	50%
Level Eight Contributor	≥40 but <55 points on the Generic Scorecard	10%
Non-Compliant Contributor	<40 points on the Generic Scorecard	0%