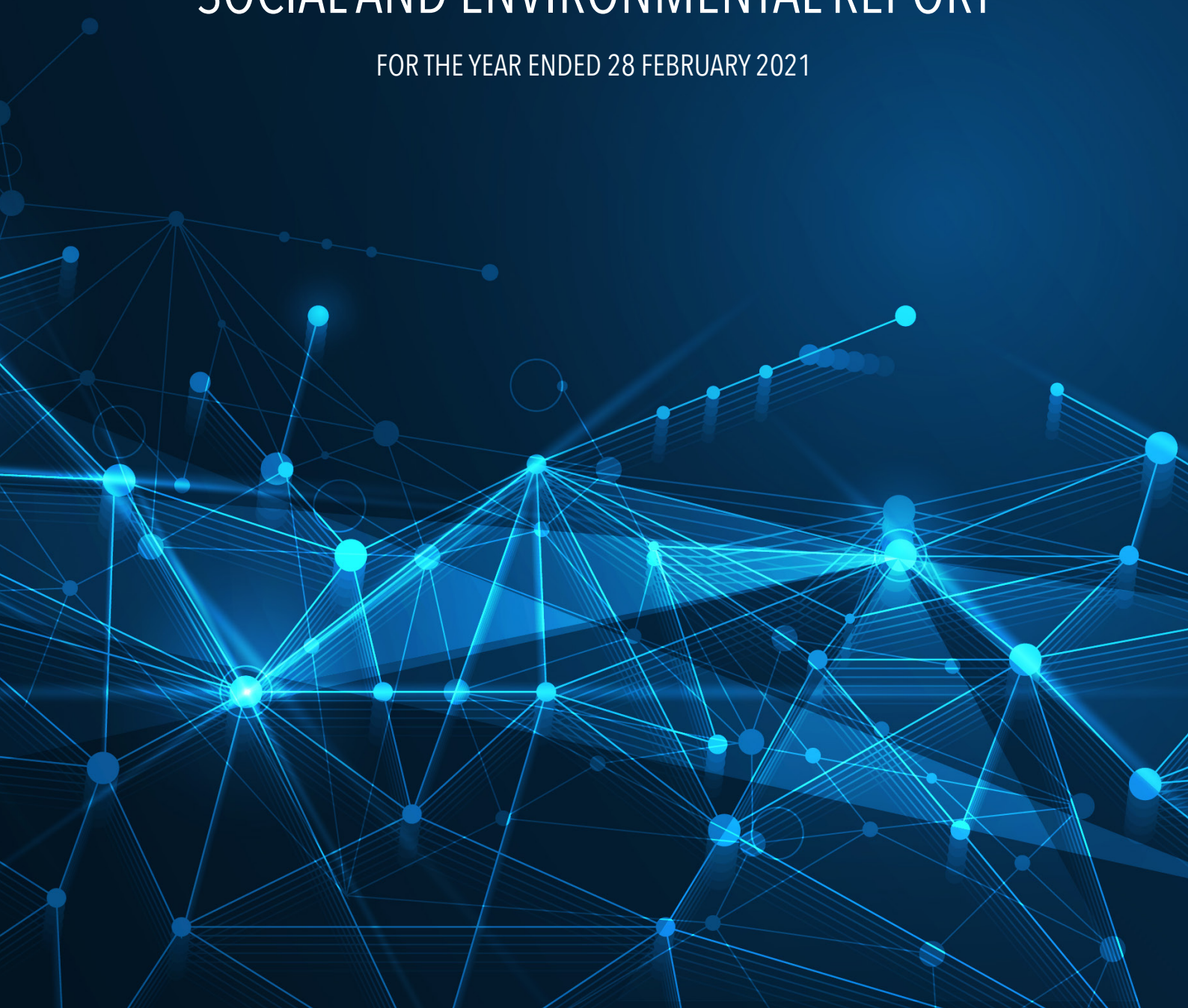




INNOVATIVE SOLUTIONS • ENDLESS POSSIBILITIES

# SOCIAL AND ENVIRONMENTAL REPORT

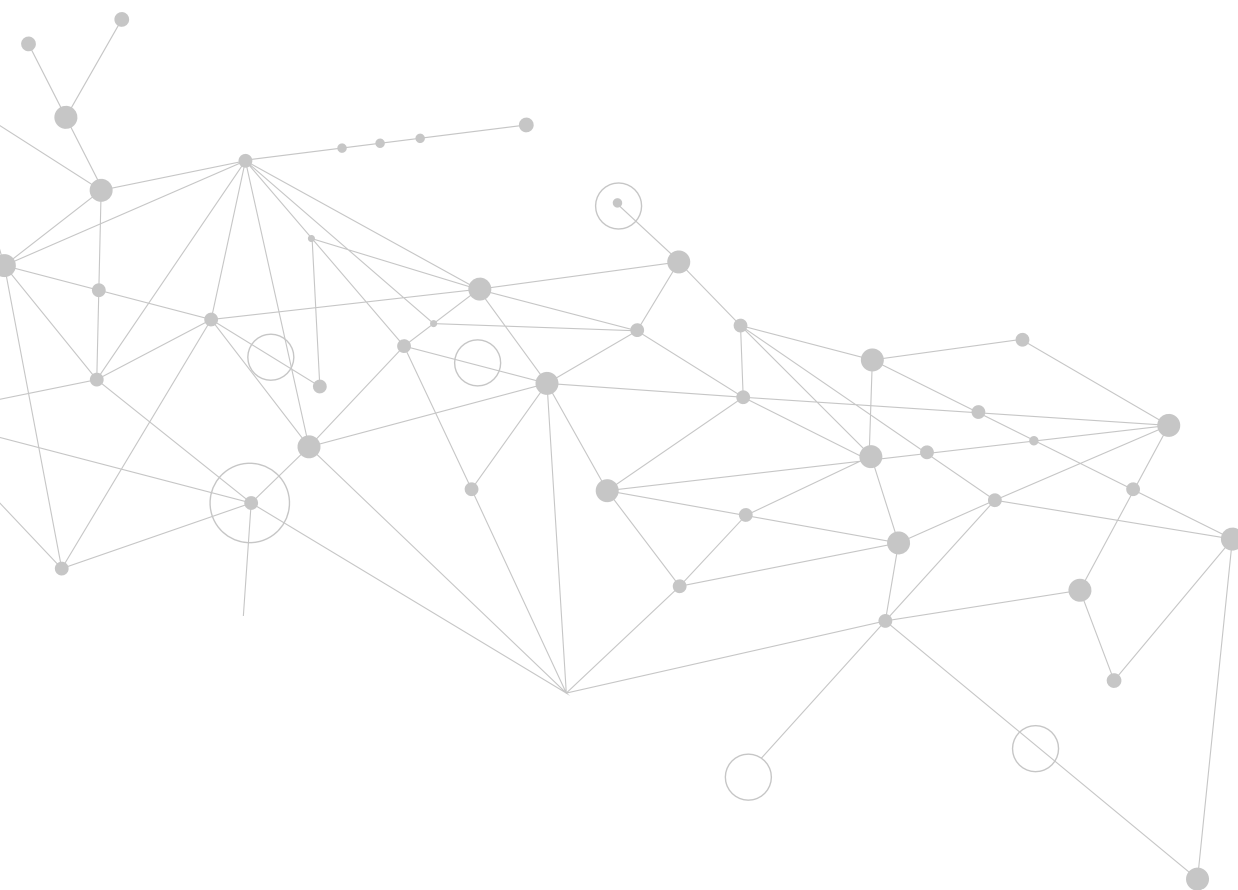
FOR THE YEAR ENDED 28 FEBRUARY 2021



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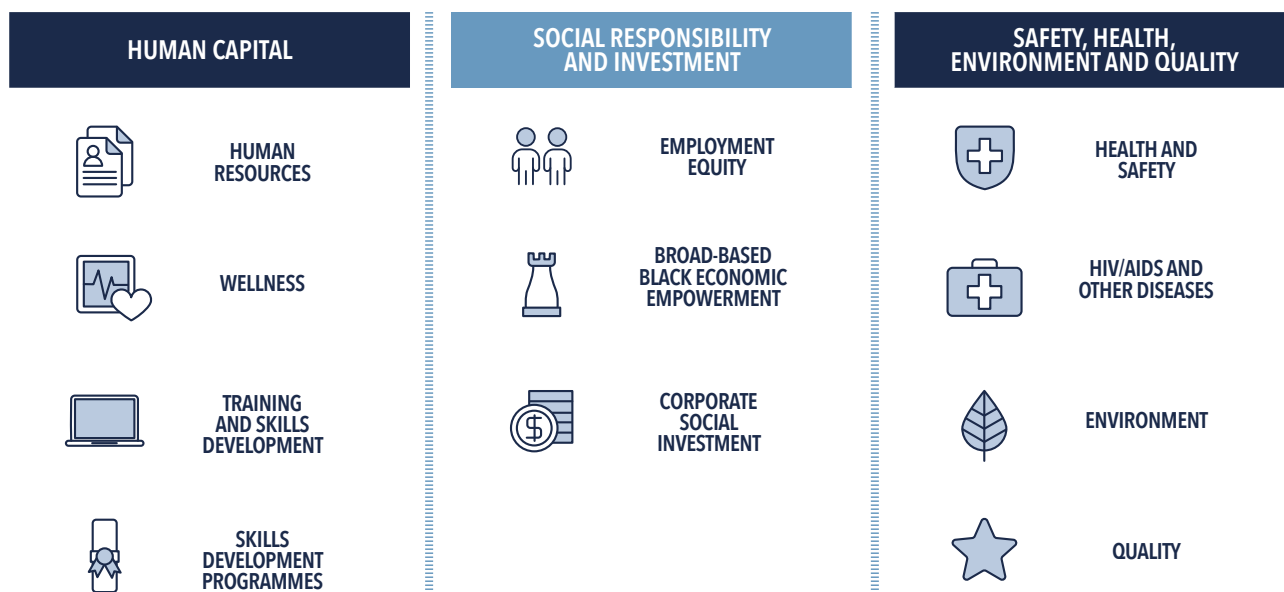
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# ABOUT THIS REPORT

The Social and Environmental Report 2021 ("the Report") should be read in conjunction with the Annual Integrated Report ("AIR") and the Annual Financial Statements ("AFS") (including the Social and Ethics Committee Report), all of which may be found on our website [www.santova.com](http://www.santova.com).

This Report provides an account of the social and environmental elements of sustainability within the Santova Group ("the Group") over the financial year and is divided into the following sections:



The factors that have influenced the content of the Report are the following:

- + The principles contained in the Santova Social and Ethics Register [this register contains a summary and analysis of the various social and ethics laws, codes and protocols prescribed by the South African Companies Act, No. 71 of 2008 ("the Companies Act"), and other regulations];
- + The disclosure requirement of sustainability matters to all stakeholders in an open, honest and transparent manner;
- + The material issues facing the Group and the industries within which the Group operates, which further affect the society (community) and the environment;
- + The impact and probability of any significant risks that may arise when considering sustainability areas;
- + Compliance with relevant laws and regulations;
- + Compliance with the relevant Codes of Good Practice including the King IV™ Report on Corporate Governance for South Africa ("SA") 2016, Institute of Directors Southern Africa ("King IV™");
- + A consideration of the International Integrated Reporting Council ("IIRC"); and
- + The effect of the 'six capitals' on the creation of value over time.

## SIX CAPITALS

As per previous years, this Report has been drafted to consider a wider stakeholder audience and its composition has been arranged to illustrate the impacts on society and the environment rather than the effects of the 'capitals' on value creation over time.

However, as stated in "Our Approach to Reporting" on page 2 of the AIR, this Report has taken cognisance of the IIRC Framework and therefore deals with elements of the 'capitals' and in particular, the more material elements of natural, social and relationship, and human capital. However, in order to extract the complete analysis of the six capitals used by Santova to create value over time, this Report must be read in conjunction with the AIR and the AFS (which includes the Social and Ethics Committee Report). The six capitals utilised by Santova may be found on [page 5](#) of this Report.

# OUR COVID-19 RESPONSE

The ongoing Coronavirus disease 2019 ("COVID-19") pandemic continues to have an unprecedented and far-reaching impact on almost every business environment globally.

Santova's updated response to the pandemic is set out below and the success of our response can be seen in the financial results of each region around the globe. Whilst the pandemic is far from over and many challenges remain, Santova's response has, to date, been efficient and effective.

Each Santova region has managed countrywide 'lockdowns', travel restrictions, temporary business closures, volatile economic conditions, and surges and shortages of supply, to not only manage the risk of the pandemic for our employees, but to also maintain the high levels of service and delivery to our customers and other stakeholders.

The Risk Management Initiatives undertaken by the Group in response to the COVID-19 pandemic, subject to local legal regulations and public health guidelines, include:



## OVERSIGHT

The Group's response to the pandemic continues to be overseen directly by the Executive Committee ("EXCO") since it was classified as a material risk in early 2020.



## LOCAL CHAMPIONS

Local Champions were appointed in each country to research, monitor and timeously disseminate, on a regular basis, official government regulations and medical advice for their specific regions. The Local Champions discharged their duties appropriately and continue to be active in monitoring their individual regions.



## COMMUNICATION

Initially, a centralised approach was utilised to collect and disseminate critical, time-sensitive information to our stakeholders globally. Santova provided continual and region-specific feedback to stakeholders, to ensure stakeholders remained informed of the latest developments throughout the pandemic. At the time of writing this report, communication is now handled in a decentralised manner with each region responding to current conditions 'as and when' required.



## OPERATIONS

Following the initial strategic re-organisation of operational structures at the start of the pandemic, Regional Heads and Business Unit ("BU") Leaders, in conjunction with their regional management teams, now maintain existing structures and monitor developments to ensure uninterrupted service levels. Most of the necessary redundancy, leave, short-time or furlough initiatives have been concluded.



## ADMINISTRATION

Regional Heads and BU Leaders, in conjunction with the legal and financial teams, successfully managed all areas of administration during the pandemic, which included debtor recoveries, credit risk management and cash flow management. Oversight of these areas continues on a regular but less frequent basis.

Global trade remains affected by the pandemic, but the position can vary from region to region and between the various services on a regular basis. Volumes of trade and pricing remain unpredictable. The Group anticipates that the pandemic will continue to affect global trade and our industry throughout the upcoming financial year but is of the view that the levels of governance necessary to manage or curtail the risks that lie ahead are in place.

# SIX CAPITALS

The 'capitals' used by Santova to create value are summarised in the table below:



	INTELLECTUAL CAPITAL	HUMAN CAPITAL	SOCIAL & RELATIONSHIP CAPITAL	FINANCIAL CAPITAL	MANUFACTURED CAPITAL	NATURAL CAPITAL
<b>DESCRIPTION</b>	+ In-house developed Supply Chain capabilities and IT resources and software	+ Group employees' skills, knowledge and experience	+ Relationships between Group and Stakeholders	+ Funding supplied by Shareholders, Bankers and Creditors	+ Global infrastructure of offices and equipment	+ Office-based usage of water, energy, land and carbon emissions
<b>ASSOCIATED STAKEHOLDERS</b>	+ Employees + IT Service Providers + Clients	+ Employees + Suppliers + Clients	+ Shareholders + Employees + Clients + Agents + Suppliers + Governments / Regulators + Communities	+ Shareholders + Financial Institutions / Bankers + Credit Underwriters + Creditors	+ Suppliers + Employees + Communities	+ Governments / Regulators + Suppliers + Communities
<b>ASSOCIATED STRATEGIC INITIATIVES</b>	+ Innovation (Technology) + Innovation (Supply Chain) + Diversification	+ Innovation (Talent Pool) + Intellectual Capital (Executing at High Standards) + Growth (Organic)	+ Diversification + Intellectual Capital (Executing at High Standards)	+ Growth (Acquisitive) + Growth (Organic)	+ Diversification + Growth (Acquisitive) + Growth (Organic)	+ Diversification + Growth (Acquisitive) + Growth (Organic)
<b>LOCATION IN ANNUAL INTEGRATED REPORT</b>	+ Our COVID-19 Response + Our Strategy + Our Key Differentiators + Our Investment Case + Our Business Model + Our Key Relationships + Governance Review + How We Manage Risk + Chairman's and Chief Executive Officer's Review	+ Our COVID-19 Response + Who We Are + Our Strategy + Our Culture and Values + Our Key Differentiators + Our Business Model + Our Key Relationships + How We Manage Risk + How We Sustain Value + How We Create Value + Chairman's and Chief Executive Officer's Review + Who Governs Us + How We Remunerate	+ Our COVID-19 Response + Our Strategy + Our Business Model + Our Culture and Values + Our Key Differentiators + Our Key Relationships + How We Manage Risk + How We Sustain Value + How We Create and Distribute Value + Chairman's and Chief Executive Officer's Review + Shareholder Information	+ Our COVID-19 Response + How We Performed (Financial Highlights) + Our Strategy + Our Business Model + Our Key Relationships + Our Investment Case + How We Create Value + Financial Review + Shareholder Information	+ Our COVID-19 Response + Our Strategy + Our Key Differentiators + Our Business Model + Competitive Positioning + Where We Operate + How We Create Value + Chairman's and Chief Executive Officer's Review	+ Our COVID-19 Response + How We Create and Distribute Value
<b>LOCATION IN SOCIAL AND ENVIRONMENTAL REPORT</b>	+ Human Resources + Training and Skills Development	+ Human Resources + Wellness + Training and Skills Development + Skills Development Programmes + Employment Equity + Health and Safety + HIV/AIDS and Other Diseases	+ Corporate Social Investment + Skills Development Programmes + Employment Equity + Broad-based Black Economic Empowerment + Quality			+ Environment
<b>LOCATION IN ANNUAL FINANCIAL STATEMENTS</b> (Includes Audit & Risk and Social & Ethics Committees' Reports)		+ Social and Ethics Committee Report		+ Annual Financial Statements + Audit and Risk Committee Report	+ Annual Financial Statements (Segment Report)	
<b>PREDOMINANT INFLUENCING KING IV™ PRINCIPLES</b>	4, 11, 12	1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 14, 15	1, 2, 3, 4, 5, 9, 11, 13, 14, 15, 16	4, 5, 11	4, 11	3, 4, 11, 13

# HUMAN CAPITAL

Human Capital plays a central role in the implementation of the Group's key ongoing strategic initiatives and its contribution is set out in the table below:

1

## GROWTH

### 1. Organic Growth

To coordinate the recruitment of quality talent, to expand the workforce in response to the needs of organic growth and, where necessary, to coordinate the development of skills and the review of performance to improve the quality of the existing workforce.

### 2. Acquisitive Growth

To instill the Group's Culture, Philosophies and Values, to implement the Group's policies and procedures and to introduce the Group's recruitment and performance development practices in all new strategic acquisition entities.



2

## INNOVATION

### 1. Technology Innovation

To provide the necessary IT human capital resources, both locally and internationally, through quality recruitment, effective skills development and efficient performance management.

### 2. Supply Chain Innovation

To ensure employees are suitably trained to implement Santova's unique supply chain solutions as well as to ensure specialised personnel are available in all regions to execute more complex product offerings for our clients.



3

## INTELLECTUAL CAPITAL

### 1. Executing at high standards, quickly and intelligently

To support and promote 'best practice' and to continually drive operating efficiencies and consistency of systems and procedures, across all Business Units and regions, which may include the restructuring of Business Units.

### 2. Talent Pool

To establish Santova as a 'preferred employer' within the logistics industry thereby attracting and retaining appropriately skilled and experienced employees.



4

## DIVERSIFICATION

### Group's diversification into new areas

To facilitate the human capital needs of the Group's diversification into new areas, such as skills development in the case of service/product development or the relocation of strategic employees (where required) for geographical diversification.



# HUMAN CAPITAL continued

## HUMAN RESOURCES ("HR")

The Group Head Office, the South African HR Department and senior management within the individual Business Units, manage HR globally.

In South Africa ("SA"), the HR Department conducts the majority of the HR functions, including, general employee enquiries, payroll, medical aid, retirement planning, training and development, wellness, employment equity ("EE"), as well as aspects of broad-based black economic empowerment ("B-BBEE") and sustainability.

With regards to the international offices, the Group Head Office plays an oversight role and each region handles the majority of the day-to-day HR requirements according to their unique social practices and respective legal criteria in each separate jurisdiction. External specialist service providers are used where required and are predominantly used in international offices. Payroll is outsourced in all international regions.

### Significant HR projects in the year included the following:

- + The project to convert all current and historical SA employment contracts and associated documentation from multiple paper storage repositories to a centrally managed, cloud-based database, began during the period under review. This project was completed for the international offices last year and will be completed for the SA regions in the next period; and
- + After a resumption of the project to implement a central HR management system, following testing thereof, it was decided that Santova would embark on designing and programming its own central HR management system rather than utilising an 'off-the-shelf' product. The internally built system will be integrated with existing operating systems and databases and is expected to be completed in the first half of the next financial year.

	2021	2020
Total number of employees	259	319
Number of permanent employees	254	311
Number of contractors	5	8
Employees who are permanent (%)	98	98
Employees who are women	124	150
Employees who are women (%)	48	46
Employee turnover (all forms of departures/total no. employees) (%)	21	22
Person hours worked	479 776	589 576
Number of lost days due to absenteeism	1 623	2 372
Rate of absenteeism (%)	2,69	3,22
Number of lost days due to industrial action/strikes	-	-
Total number of South African employees	118	167
Total number of employees who are Historically Disadvantaged South Africans ("HDSA")	78	118
SA employees who are HDSA (%)	66,1	70,7

The total number of employees in the Group decreased by 60 to 259 in 2021 (2020: 319). Whilst aspects of this reduction can be assigned to ongoing operating efficiency initiatives, the main reason for the reduction can be attributed to the COVID-19 pandemic and the unfortunate but necessary resultant retrenchments and redundancies in certain regions.

SA was the worst affected region (2021: 118; 2020: 167) and, as a result of natural turnover as well as the retrenchments, accounted for 49 of the 60 heads making up the reduction in total number of employees. This region is now 'rightsized' and well positioned for the financial year ahead.

### The following other changes may be noted since last year's Report:

- + There has been a decrease in the number of permanent employees and the number of contractors in line with the reduction in overall employee numbers. However, the overall percentage of permanent employees to total employees remains high at 98%;
- + The number of women employees has remained fairly constant despite the headcount reduction in the previous year. The percentage of women employees has in fact marginally increased since last year (2021: 48%; 2020: 46%);
- + Employee turnover remains stable at 21%, which is indicative of the industry;
- + Person hours worked was reduced due to the decrease in the headcount;
- + The rate of and the days lost due to absenteeism have decreased due to two factors: firstly, the reduction in employee headcount; and secondly, the completion of certain long-term sick leave cases that developed during the previous financial year in the Netherlands and Germany offices;
- + The number and percentage of employees who are Historically Disadvantaged South Africans ("HDSA") decreased during the period, to 78 employees (2020: 118) and 66,1% (2020: 70,7%). The reasons for this are discussed in the Employment Equity ("EE") section on [page 13](#) to 15 of this Report; and
- + Following four straight years of growth, as a result of the effects of COVID-19, the number of international employees has reduced to 141 (2020: 152). However, as there was a larger decrease of employees in SA in proportion to the international offices, the total percentage of international employees increased once again to 54,4% (2020: 47,6%). As such, for the first time in the Group's history, the international offices employ more employees than the SA offices do.

There are no other material changes evident in the below statistics:

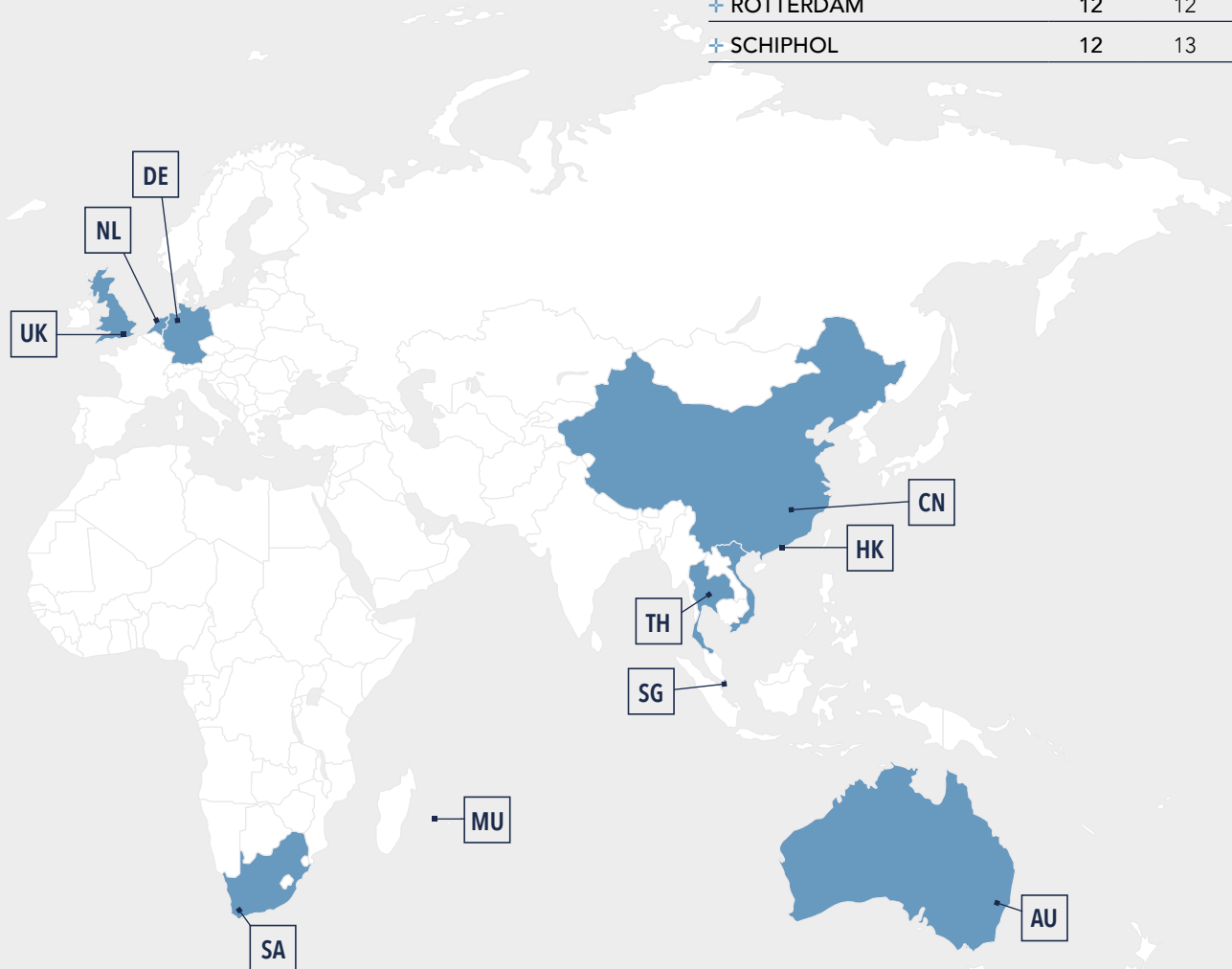
TOTAL NUMBER OF EMPLOYEES WORLDWIDE			
2021	259	2020	319
SOUTH AFRICA - % OF TOTAL EMPLOYEES			
2021	45,6%	2020	52,4%
INTERNATIONAL - % OF TOTAL EMPLOYEES			
2021	54,4%	2020	47,6%

# HUMAN CAPITAL continued

UNITED KINGDOM (UK)	2021	2020
+ HEATHROW	10	9
+ TAMWORTH	16	16
+ LEEDS	23	27
+ MANCHESTER	7	9
+ MILTON KEYNES	10	12

GERMANY (DE)	2021	2020
+ FRANKFURT	7	8
+ HAMBURG	11	15
+ DÜSSELDORF	2	1

THE NETHERLANDS (NL)	2021	2020
+ ROTTERDAM	12	12
+ SCHIPHOL	12	13



MAURITIUS (MU)	2021	2020
+ EBENE	2	2

CHINA (CN)	2021	2020
+ HONG KONG (HK)	7	8

SOUTH AFRICA (SA)	2021	2020
+ DURBAN	77	114
+ UMHLANGA	6	6
+ JOHANNESBURG	23	30
+ CAPE TOWN	9	12
+ PORT ELIZABETH	2	3
+ PIETERMARITZBURG	1	2

SINGAPORE (SG)	2021	2020
	14	13

THAILAND* (TH)	2021	2020
	4	-

AUSTRALIA (AU)	2021	2020
+ SYDNEY	8	8

\*The Thailand office is an Associate and not a Subsidiary and so the employee headcount has been excluded from the headcount total.



# HUMAN CAPITAL continued

## WELLNESS

Wellness is important to Santova as it helps to achieve the following within the workplace:

IMPROVE	REDUCE
+ productivity	+ absenteeism
+ morale	+ employee turnover
+ the Santova employment brand	+ overall workplace stress
+ the general health of the workforce	

In SA, the Employee Wellness Programme (“the Programme”) is overseen by the HR Department. The Programme is predominantly made up of formal wellness days arranged in most regions in conjunction with the medical aid service provider. Other events involve team social activities and sporting events.

In the international offices, wellness initiatives are conducted on a more informal and flexible basis, however, these also generally include team social activities and sporting events. Due to the varying size and operational constraints of each office, it has been necessary to allow each region to formulate a wellness programme that suits their individual needs.

In line with COVID-19 restrictions, the following wellness events were noted during the period under review:

- + The regular wellness days held in the SA regions, in conjunction with their medical aid service provider, were not held this year but will resume in the year ahead;
- + Tradeway, Leeds provided newsletters and parcels to employees working remotely to encourage wellness during the ‘lockdown’ in their region;
- + Sports events to encourage healthy living were understandably suspended, however the employees from the Tamworth office in the UK managed to maintain badminton events where possible;
- + The highly popular East Coast Radio (“ECR”) Big Walk, attended by 76 employees and their family and friends last year in Durban, SA, was cancelled in 2020 but will resume should restrictions allow in the year ahead;

- + The Durban, Umhlanga (SA) and Tamworth (UK) programmes, which provide fresh fruit to employees, to encourage healthy living, unfortunately had to be suspended for much of the year;
- + Santova’s ‘Years of Service Awards’ programme was suspended around the globe due to COVID-19 but will resume in the year ahead, with delayed and current awards to be issued at the same event;
- + Numerous social events were held during the year in offices around the globe with many events being held online during the various ‘lockdowns’. Despite the challenges, the following took place in the year under review in the various offices globally: Chinese New Year celebration events, Jerusalem Dance Challenges, Spring Day events, Women’s Day celebrations, National Braai Day events, Valentine’s Day events, general office socials and some year-end functions; and
- + The ‘Santova For You’ employee incentive and loyalty programme, that was designed to provide non-financial benefits to employees to allow the Group to express its appreciation and gratitude to employees for their valuable contribution to Santova’s collective journey, was still able to function in a limited capacity during the year.

## TRAINING AND SKILLS DEVELOPMENT

As a provider of specialist services, Santova relies on its human and intellectual capital to achieve its Group strategies and to fulfill its Vision and Purpose. Training and development of skills are integral to the maintenance and enhancement of the Group’s human capital and also play a notable role in realising the Group’s intellectual capital.

Training is conducted internally or by using external facilitators depending on the needs or requirements of the training category. The Group predominantly funds its own training, but where possible, utilises government grants that are applied for each year.

Globally, the need for training at Santova is evaluated in the table below:

NEW EMPLOYEE	EXISTING EMPLOYEE
<b>SOURCE OF TRAINING NEED</b>	<b>SOURCE OF TRAINING NEED</b>
A new employee is unaware of all aspects of the Group, its policies, Culture, Values, operational environments, etc.	Performance Development Review (incorporating Training Needs Analysis) with management, and continual Performance Coaching (incorporating ‘On-the-Job’ Observations)
<b>REASONS FOR TRAINING</b>	<b>REASONS FOR TRAINING</b>
<ul style="list-style-type: none"> <li>+ To induct the employee into their physical surroundings</li> <li>+ To explain the basic policy and procedure framework of the Group</li> <li>+ To ensure the employee is operationally ‘sound’</li> <li>+ To incorporate the employee into Santova’s Culture and Values (culture fit)</li> <li>+ To incorporate the employee into his/her department or team (team fit)</li> <li>+ To provide an induction to risk, Group history, and where appropriate JSE and share trading policy for senior employees</li> </ul>	<ul style="list-style-type: none"> <li>+ To respond to changes in technology</li> <li>+ To respond to changes in practice or internal procedures</li> <li>+ To encourage general employee wellness</li> <li>+ To cater for general ‘refresher’ training of an employee, if required</li> <li>+ To stimulate and promote career growth</li> <li>+ To return an employee back to a motivated ‘stretch zone’</li> <li>+ To comply with one of the Santova training programmes</li> </ul>

## HUMAN CAPITAL continued

In SA, the Skills Development and Employment Equity ("EE") Committee ("the Committee") oversees training and skills development, with day-to-day tasks managed by the HR Department with a formal training budget and policy. The Annual Training Report and Workplace Skills Plan were submitted timeously to the Sector Education and Training Authorities ("SETA") for the various SA entities in the Group. Internationally, training is managed by the Business Unit ("BU") Leaders, supported by the Group Head Office.

	2021	2020
Total number of employees trained	120	157
Rand value of total employee training spend	764 866	977 819

The tables above represent the global statistics for training during the period. The reduction in the number of employees trained is largely as a result of the following factors:

- + The total employee count reduced from 319 (2020) to 259 (2021), which naturally resulted in fewer employees trained; and
- + The COVID-19 pandemic and the resulting restrictions, which had the obvious effect of limiting the number of possible training interventions.

TRAINING SPLIT	NO. OF EMPLOYEES	%	RAND VALUE OF TOTAL EMPLOYEE TRAINING SPEND	%
South Africa	74	62	611 365	80
International Offices	46	38	153 501	20
<b>Total</b>	<b>120</b>	<b>100</b>	<b>764 866</b>	<b>100</b>

The reduction in the number of employees trained was the principal reason for the decrease in the overall SA Rand ("ZAR") value of the total employee training spend year-on-year ("YOY").

The training split for the number of employees trained and the value of total employee training spend, evidence that the reduction in training was most prevalent in the international offices.

TRAINING COURSE CATEGORIES	2021 % OF TRAINING	2020 % OF TRAINING	MOST COMMON EXAMPLES
Accounting & Tax	15,00	2,38	Accounts Updates, Tax Updates, Specific Position Control, Work-in-Progress
Safety, Health, Environment & Quality	3,33	6,55	Occupational Health & Safety, Fire Fighting, Accident Prevention, Emergency Response
HR & Culture	6,67	4,17	HR, Payroll
Information Technology ("IT")	6,67	9,82	Operating System Training, Microsoft Excel, Cyber Security, Digital Marketing
Personal Development	8,89	40,18	Performance Development Review ("PDR"), Personal Coaching
Supply Chain Management, Operations & Sales	51,67	32,74	Dangerous Goods, Hazardous Goods, Customs, Sales, Imports, Exports, Air, International Forwarding
Compliance, Insurance, Legal & Sustainability	7,77	4,16	Promotion of Access to Information Act ("POPIA"), Legal Updates, Compliance, Insurance

As indicated above, this financial period was disrupted by COVID-19 and the resultant restrictions. This naturally had an effect on the percentage of training conducted as illustrated earlier in this section but it also affected the selection of training courses. Personal Development training had constituted the highest percentage of training for the previous three financial years but this year was notably lower as it had to give way to core Supply Chain Management, Operation and Sales training, which constituted 51,67% of all training (2020: 32,74%). Specific Position Control training was targeted in Accounts, which notably increased the percentage of Accounting and Tax training to 15,00% (2020: 2,38%).

Compliance, Insurance, Legal & Sustainability training increased marginally to 7,77% (2020: 4,16%) largely as a result of the implementation of POPIA in SA. The remaining training percentages remained fairly constant.

It should be noted that a large percentage of operational training (Supply Chain Management, Operations & Sales) is IT-based as the Group delves further into the technical side of its operating systems and information management, as part of its overall service (product) evolution. Thus, much of the operational training could also be considered IT training but has not been double-counted with the above.

# HUMAN CAPITAL continued

## SKILLS DEVELOPMENT PROGRAMMES

Skills development programmes within the Group have been designed, implemented and refined over the years, to achieve the high demands of the Group's strategic initiatives in the areas of training, skills development and EE. Ordinarily, the principle programme is the Santova Graduate and Talent Programme ("the Programme"), which does not operate using a single model but offers flexibility and allows bespoke solutions that are focused on the specific individuals within the Programme. This approach also ensures that the Programme

can be adapted and utilised around the world with the 'look and feel' differing in each region but without compromising the Programme's basic principles and goals.

However, in the period under review, this Programme was placed on hold due to the COVID-19 pandemic and the resultant disruptions to the workplace. Only three employees were on the Programme at the end of this financial year (2020:13). The Programme will resume in phases over the coming two years.

PROGRAMME	INDUSTRY	QUALIFICATIONS	CANDIDATES	LOCATION	DESCRIPTION	NO. AS AT 28 FEBRUARY 2021
Learnership Programmes (Traditional)	Logistics & Insurance	Grade 12	Internal (Employed) or External (Unemployed)	South Africa	These programmes are described in detail in the table below.	13
Santova Graduate & Talent Programme	Logistics & Insurance	Degree or Outstanding Attributes & Potential	Internal or External	South Africa	A 'graduate-style' programme, which offers appropriate candidates an opportunity within the logistics or insurance businesses. The Programme is tailor-made to suit both the candidate's and Group's needs.	15

As evidenced in the table above, in SA, Santova also offers Traditional Learnership Programmes, which provide the best formal training available for 'day-to-day' logistics and insurance operations. It is for this reason that this form of study may also form part of the Santova Graduate and Talent Programme. Accordingly, in the table above, if any employee is studying both a learnership and is part of the Graduate and Talent Programme, that employee will be counted in both programmes.

The below table contains the breakdown of employees studying a learnership, whether part of the Learnership Programme or the Santova Graduate and Talent Programme, as at 28 February 2021:

LEARNERSHIP PROGRAMME	NQF LEVEL	INDUSTRY	MINIMUM QUALIFICATIONS	DESCRIPTION	NO. AS AT 28 FEBRUARY 2021
General Education & Training Certificate: Domestic Services	1	General	Grade 7	This is a 1-year programme specially designed for disabled candidates and implemented by a specialist service provider	2
National Certificate: Freight Forwarding & Customs Compliance	3	Logistics	Grade 12	Candidates rotate formally through departments 3 or 4 times per year	-
National Certificate: Freight Forwarding & Customs Compliance (including an additional elective)	4	Logistics	Grade 12 & NQF 3 Qualification or equivalent	Candidates occupy a fixed role but may rotate if a need or opportunity arises	5
Further Education & Training Certificate: Short-term Insurance	4	Insurance	Grade 12	Candidates rotate from time-to-time during the year	-
National Certificate: Supply Chain Management	5	Logistics	NQF 4 or University Degree	Candidates usually occupy a fixed role, but may also change roles if a need or opportunity arises	6

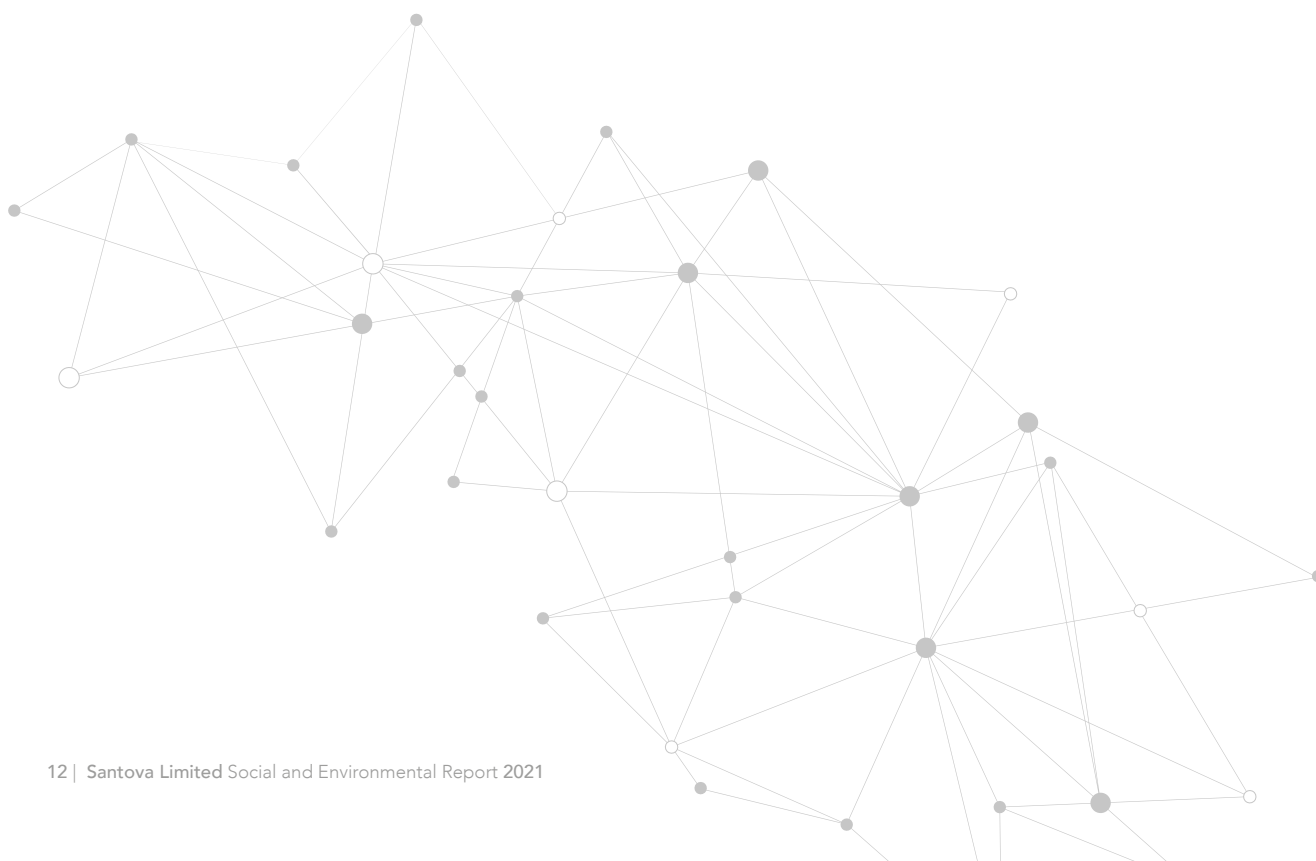
## HUMAN CAPITAL continued

As detailed on the previous page, a variety of Traditional Learnership Programmes are offered in the logistics and insurance entities in SA. The programmes are outcomes-based and designed for candidates to gain both theoretical knowledge and practical skills in the workplace. Training is achieved through formal, online training curriculums provided by external service providers as well as internal 'on-the-job' training provided by colleagues and management. Despite the COVID-19 pandemic and the drop in headcount, the total number of employees on a Traditional Learnership Programme remained the same YOY, as existing employees participated in the programmes.

Of the two programmes, the Santova Graduate and Talent Programme is the preferred one to develop talent. Retention of former graduates is also important and is demonstrated in the below global statistics:

	2021	2020
Total number of employees currently on the Santova Graduate and Talent Programme	3	15
Total number of employees retained from prior Graduate and Talent Programmes	27	26
Global employees who are current or retained Graduate and Talent Programme employees (%)	12	13

It is pleasing to note that the number of employees retained from prior Graduate and Talent Programmes has not reduced (and has in fact increased by one person) despite the drop in the total employee headcount YOY. The above table demonstrates that 12% of all Santova employees globally, are current or retained employees from the Santova Graduate and Talent Programme. This year, the total is a made up mostly of employees retained from prior programmes who are difficult to retain as they are an attractive prospect to competitors, considering the skills shortage in our industry.



# SOCIAL RESPONSIBILITY & INVESTMENT

## EMPLOYMENT EQUITY ("EE")

The HR Department in conjunction with the Skills Development and EE Committee ("the Committee") establishes and sets the EE plans and targets. The Committee also oversees the preparation of the various EE reports and formally approves these reports prior to submission to the Department of Labour in SA. Management within each SA entity is responsible for managing the day-to-day EE needs and implementing the targets set out in their individual EE plans.

The tables and graphs prepared for this section of the Report are based on consolidated statistics from all the SA entities and have been prepared as at 28 February 2021 and not as at the date of last submission to the Department of Labour during the last financial year. As per Department of Labour requirements, the statistics are categorised into the four race groups: African (A); Coloured (C); Indian (I); and White (W).

### Employment Equity 2021

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	-	-	1	3	-	-	-	-	-	-	4
Senior management	1	-	1	8	-	-	3	8	-	-	21
Professionally qualified and experienced specialists and mid-management	2	-	4	8	2	-	11	5	-	-	32
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	4	1	4	2	2	2	12	6	-	-	33
Semi-skilled and discretionary decision-making	6	2	1	-	13	4	1	-	-	-	27
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	1	-	-	-	-	-	1
<b>TOTAL EMPLOYEES</b>	<b>13</b>	<b>3</b>	<b>11</b>	<b>21</b>	<b>18</b>	<b>6</b>	<b>27</b>	<b>19</b>	-	-	<b>118</b>

### Employment Equity 2020

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	-	-	1	4	-	-	-	-	-	-	5
Senior management	1	-	1	10	-	-	3	8	-	-	23
Professionally qualified and experienced specialists and mid-management	1	-	6	7	2	1	11	8	-	-	36
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	5	1	9	3	8	4	13	7	-	-	50
Semi-skilled and discretionary decision-making	13	3	4	1	25	4	2	-	-	-	52
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	1	-	-	-	-	-	-	1
<b>TOTAL EMPLOYEES</b>	<b>20</b>	<b>4</b>	<b>21</b>	<b>26</b>	<b>35</b>	<b>9</b>	<b>29</b>	<b>23</b>	-	-	<b>167</b>

# SOCIAL RESPONSIBILITY & INVESTMENT continued

As mentioned, there has been a notable reduction in employees in SA. This is as a result of the following:

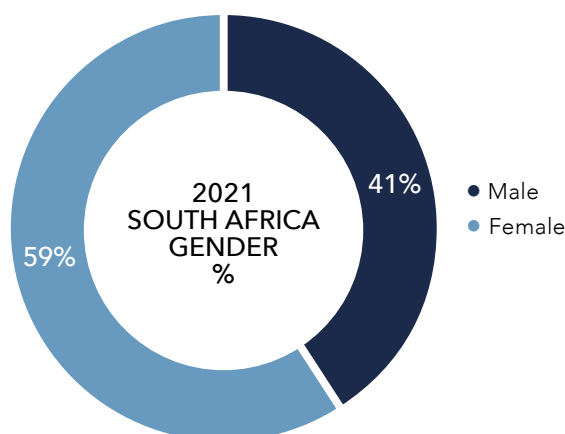
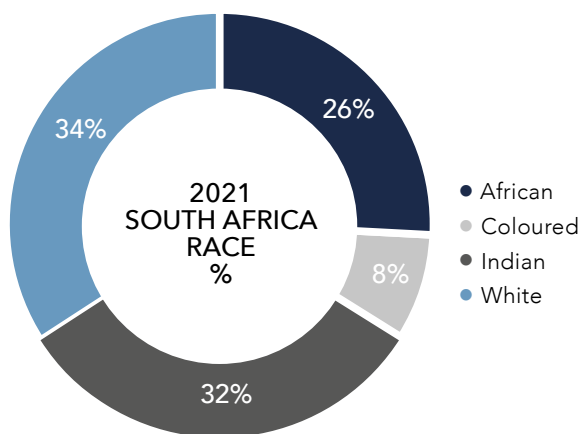
- + In part due to the operating efficiency, restructuring and rightsizing projects that have been underway for the last three years;
- + In part due to the decision to ‘pause’ the Graduate and Talent Programme resulting in these heads not being replaced by a new group; and
- + Mostly due to the COVID-19 pandemic, which resulted in the majority of employees departing through natural turnover not being replaced and an unfortunate but necessary retrenchment exercise during the year.

This reduction in SA employees did not have a significant effect on the management numbers but had a notable effect on the ‘Semi-skilled and discretionary decision-making’ level, which was previously made up of predominantly African employees. This unfortunate effect, resulting from the drop in overall headcount, will impact on the EE goals for the year ahead.

The following tables and charts demonstrate the overall EE ratios and the effects of the reduction in headcount:

RACE	2021		2020	
	TOTAL	%	TOTAL	%
African	31	26	55	33
Coloured	9	8	13	8
Indian	38	32	50	30
White	40	34	49	29
<b>Total</b>	<b>118</b>	<b>100</b>	<b>167</b>	<b>100</b>

GENDER	2021		2020	
	TOTAL	%	TOTAL	%
Male	48	41	71	43
Female	70	59	96	57
<b>Total</b>	<b>118</b>	<b>100</b>	<b>167</b>	<b>100</b>



EE goals and targets continue to be an area of focus for Santova and each branch is provided with appropriate, region-specific information on a regular basis to assist with this process. With a general shortage of skills continuing to impact our industry, and accordingly EE, the Group has historically relied on its Skills Development Programmes to assist with its EE needs. As discussed, these programmes were not able to function as effectively during this last financial year as a result of the COVID-19 pandemic.

As previously mentioned, the percentage of women was not affected by the reduction in employee headcount for the period under review and, in fact, the percentage of females increased to 59% in SA (2020: 57%).

All the SA entities that are designated employers reported timeously during the period to the Department of Labour for EE purposes. It should be noted that each of the SA entities report separately to the Department of Labour and not as a consolidated SA Group as has been set out for summary purposes above.

# SOCIAL RESPONSIBILITY & INVESTMENT continued

## BROAD-BASED BLACK ECONOMIC EMPOWERMENT ("B-BBEE")

The B-BBEE strategy for Santova in SA is set by the Board in conjunction with the Executive Committee ("EXCO") and B-BBEE Consultant based on the latest applicable Sector Codes of Good Practice ("the Codes"). The implementation and daily management of the B-BBEE strategy is then, in turn, overseen by management in their respective regions within SA.

The new Transport Sector sub-sector codes had yet to be published at the time of writing this Report and accordingly, the three entities within this sector, namely Santova Limited (Forwarding & Clearing sub-sector), Santova Logistics (Forwarding & Clearing sub-sector) and Santova NVOCC (Maritime sub-sector), were all audited on the old Codes. It is not anticipated that there will be a material impact when switching to the new Codes as all three of these entities have been preparing for the new Codes for the last five years. It should be noted that Santova Logistics, a Generic Enterprise, improved its score once again during the period, and remains a Level 2 B-BBEE contributor. Santova Financial Services (Financial Services) and Santova International Trade Solutions (General) are subject to the new respective Codes.

The B-BBEE information for each of the SA Group entities for the previous year is as follows:

	SANTOVA LIMITED	SANTOVA LOGISTICS	SANTOVA FINANCIAL SERVICES	SANTOVA INTERNATIONAL TRADE SOLUTIONS	SANTOVA NVOCC
Entity	Group Holding Company	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Enterprise	Exempted Micro Enterprise ("EME")	Generic Enterprise	EME	EME	EME
Codes	Transport Sector: Forwarding & Clearing Sub-Sector Codes	Transport Sector: Forwarding & Clearing Sub-Sector Codes	Financial Services Sector Codes	General	Transport Sector: Maritime Sub-Sector Codes
Auditor / Audit Type	aBEerate Verification Agency (Pty) Ltd	aBEerate Verification Agency (Pty) Ltd	Sworn Affidavit	Sworn Affidavit	aBEerate Verification Agency (Pty) Ltd
Latest Audit Certificate Number	SG200095-10404-TS	SG-200255-10674-KG	N/A	N/A	SG200061-10295-KG
Next Audit	May 2021	February 2022	August 2021	August 2021	May 2021
B-BBEE Score	N/A	97,50	N/A	N/A	N/A
B-BBEE Contributor	Level 3	Level 2	Level 2	Level 2	Level 4
Procurement Recognition	110%	125%	125%	125%	100%

There are two other SA registered companies in the Santova Limited Group of Companies that are not rated for the purposes of B-BBEE. The first is Santova International Holdings, which is an official South African Reserve Bank approved domestic treasury management company that does not trade nor does it employ any employees but serves as the holding company for the international entities. The second is Santova Corporate Services, which is a Group shared services company that does not trade and whose seven employees predominantly provide shared services/support to the Group's offshore operations.

The procurement spend information for the combined SA entities during the financial year, is as follows:

Total procurement spend* directed to 'discretionary/measured' suppliers	R57 936 924
Procurement spend to historically disadvantaged suppliers:	
- Black-owned and black women-owned	R47 987 457
- B-BBEE compliant	R57 399 588

\*The above spend totals are calculated using the procurement recognition levels of the respective suppliers. Therefore, the above spend totals have been adjusted according to the suppliers' B-BBEE recognition percentage.

Santova Ltd submitted its 2020 B-BBEE Compliance Report timeously to the B-BBEE Commission and received its "Form B-BBEE 5" Notice of Compliance from the Commission. The updated 2021 B-BBEE Compliance Report will be submitted before the end of May 2021 as per the usual process. A copy of the most recent compliance report may be found at [www.santova.com](http://www.santova.com)

# SOCIAL RESPONSIBILITY & INVESTMENT continued

## CORPORATE SOCIAL INVESTMENT ("CSI")

The Board recognises that the Group has a responsibility, beyond the generation of profits, to undertake social and economic development ("SED") activities. Consequently, each region around the world is subject to the Group's CSI Policy read with the Group's overall Corporate Citizen Policy. These policies:

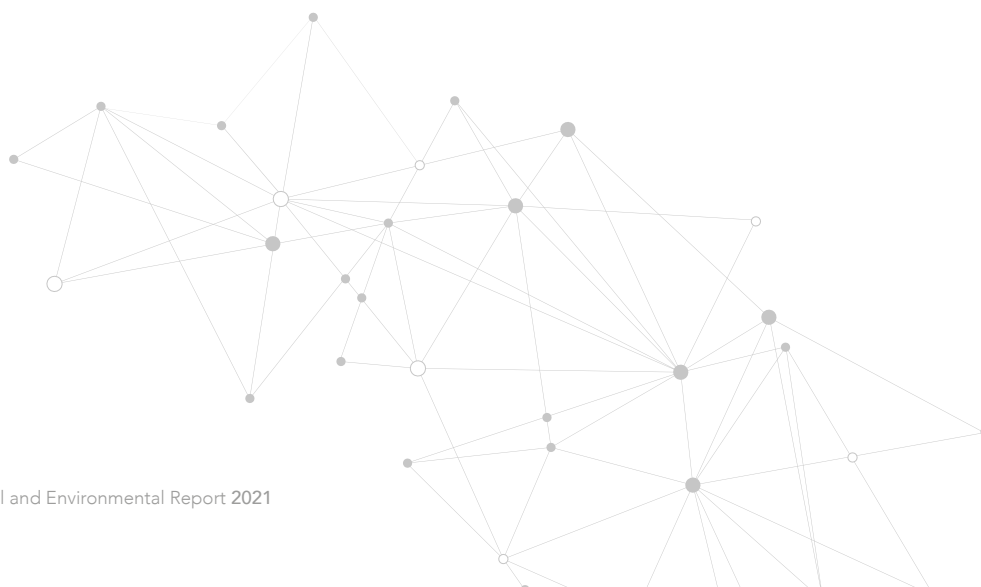
- + Respect Principle 3 of King IV™, which states that the governing body should ensure that the organisation is, and is seen to be, a responsible corporate citizen;
- + Set the tone and direction of CSI within the Group;
- + Require that the Group supports people, organisations and communities that are external to the business with cash and non-cash grants, activities and other initiatives;
- + Require every region and branch of Santova to engage in social investment and reporting, that not only complies with the policy, but also complies with the further instructions, ideas and strategy communicated by the various role players tasked with the management and reporting of CSI; and
- + Encourage each region to support projects that are meaningful to their specific community.

The purpose of the CSI Policy is to:

<b>ENSURE</b>	a positive impact on all stakeholders, including communities, environment (both ecological and social), employees and others
<b>CONFIRM</b>	that the Group undertakes the appropriate level of philanthropic and social initiatives aimed at uplifting people, organisations and communities
<b>ENHANCE</b>	the reputation and brand of the Group
<b>CREATE</b>	a formal, documented approach that resonates with the overall Corporate Citizen Policy of the Group

The combined monetary contribution of the entities within the Group during the current financial year is set out in the following table:

Total Rand Value of all spend on all CSI/SED Projects	R484 699
Total Rand Value of CSI/SED spend: Education	R125 865
Total Rand Value of CSI/SED spend: Basic Needs/Social	R40 406
Total Rand Value of CSI/SED spend: Enterprise Development	R318 428
Total Rand Value of CSI/SED spend: Other	-





# SOCIAL RESPONSIBILITY & INVESTMENT continued

In the past financial year, the following monetary and non-monetary charity and community initiatives and causes were supported:

CHARITY / COMMUNITY INITIATIVES & CAUSES	BRIEF DESCRIPTION	DELIVERABLE ACHIEVED	SANTOVA REGION
The Abantu Bakithi Development Trust	A registered Trust that seeks to empower South African youth through education. The Trust assists with the funding of primary, secondary and tertiary education by offering educational bursaries.	Socio-Economic Development & annual cash grant	All South African Offices
ABI Freight Carriers CC	An enterprise development initiative where our office provides commercial guidance as well as financial, sales and resource support.	Enterprise Development & monthly cash grant	Durban
Agile Commodities (Pty) Ltd	An enterprise development initiative where our offices provide financial support.	Enterprise Development & annual cash grant	All South African Offices
The Association for the Physically Disabled ("APD")	A registered non-profit organisation ("NPO") that assists people with most forms of physical disability.	Participation in Casual Day, the foremost fundraising project for the APD.	All South African Offices
Blood Donor Clinic	This year, due to COVID-19, only one blood donor clinic was held during the financial year at the Durban office.	Employees donated blood	Durban
Drighlington Rugby Club	The sponsorship of equipment for a local community children's rugby team.	Cash grant	United Kingdom Leeds
Domino Trading (Pty) Ltd	An enterprise development initiative, which forms part of the Domino Foundation that creates essential structures geared towards supporting people, projects and programmes that meet the needs of individuals and communities physically, emotionally, cognitively and spiritually through mercy, justice and empowerment.	Enterprise Development & annual cash grant	All South African Offices
The Haven Care Centre	A non-governmental organisation ("NGO") that provides shelter, food and clothing to the disadvantaged and strives to integrate coping and self-sufficient people back into the community at the appropriate time.	Monthly cash grant	Johannesburg
Hillcrest Aids Centre	An NGO that adopts a holistic, family-centric and asset-based approach to tackling HIV/AIDS and strives at all times to deliver practical, sustainable and community-led projects and services.	Monthly cash grant	Durban
Nine Vine (Pty) Ltd	An enterprise development initiative where our office provides commercial guidance as well as financial and resource support.	Enterprise Development & monthly cash grant	Durban
Pudsey in Bloom	A volunteer organisation working in an area around the centre of Pudsey to plant and maintain the car park areas, bus stations, library square and the pocket parks around town in a sustainable manner.	Cash grant	United Kingdom Leeds
Pudsey Lowtown Primary School	This project involved the donation of tea and coffee supplies to support a local community school fundraiser.	Donated items	United Kingdom Leeds
Shemane Express Deliveries	An enterprise development initiative where our office provides commercial guidance as well as financial and sales support.	Enterprise Development & annual cash grant	Durban
St Martin's Diocesan Home for Children	A registered NPO that cares for children in all areas, including education, feeding and housing.	Monthly cash grant	Durban & Umhlanga

# SAFETY, HEALTH, ENVIRONMENT & QUALITY

## HEALTH AND SAFETY

The Group Health and Safety Committee ("the Committee") monitors compliance with the various laws and regulations for health and safety around the world. The various regions within the Group are divided up into health and safety 'locations' and each 'location' is responsible for the complete process of health and safety in their area.

In SA, formal committees meet on a regular basis in each location. Internationally, health and safety is handled less formally. However, every location is required to have the necessary appointed representatives (first aid, fire and general health and safety) and are required to conduct regular health and safety audits.

During this financial year, the Committee developed a health and safety dashboard to assist with managing the oversight of all locations globally and created a new cloud-based health and safety database. The Committee appointed a new secretary and embarked on the next phase of formalising the international health and safety efforts through the appointment of additional international employees in each location. These representatives report to, and are monitored by, the Committee. The Committee provides the necessary guidance and direction and the appointed secretary of the Committee remains in regular contact with the appointed representative in each location. The Committee and the various locations utilise the services of external consultants whenever necessary.

	2021	2020
Number of Fatalities	0	0
Number of First Aid Cases	1	27
Number of Medical Treatment Cases	0	1
Number of Lost Time Injuries	0	5
Total Number of Recordable Injuries	1	6
Fatal Injury Frequency Rate	0	0
Lost Time Injury Frequency Rate Target (set in previous year)	1	1
Lost Time Injury Frequency Rate	0	0,17
Total Recordable Injury Frequency Rate Target (set in previous year)	1,49	1,49
Total Recordable Injury Frequency Rate	0,04	0,95

The number of First Aid Cases has dropped notably due to the COVID-19 pandemic. The pandemic resulted in employees working remotely, which had an effect on the number of First Aid Cases as employees had not been physically present in the office locations in most regions for much of the financial year.

It should be noted that the Group's direct activities are mostly office-based and therefore the large majority of the prior year's First Aid Cases are innocuous 'plaster-type' cases that require the use of the First Aid Box.

Medical Treatment Cases and Lost Time Injury Cases have also dropped for the same reason and accordingly the Lost Time Injury Frequency Rate and the Total Recordable Injury Frequency Rate have fallen proportionately. Both the Lost Time Injury Frequency Rate and Total Recordable Injury Frequency Rate remain within the target.

Our response to the COVID-19 pandemic is reported in detail on [page 4](#) of this Report.

	FOR 2022	FOR 2021
Lost Time Injury Frequency Rate Target	1	1
Total Recordable Injury Frequency Rate Target	1,49	1,49

# SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

## HIV/AIDS AND OTHER LIFE-THREATENING DISEASES

The Global Head Office and the HR Department oversee the application of the HIV/AIDS, Life-Threatening and Notifiable Diseases Policy. This policy was established to:

<b>CREATE</b>	a working environment where employees who suspect that they might be suffering from a life-threatening illness can seek assistance and feel free to confide in their management regarding their suspected condition
<b>ENSURE</b>	fairness and consistency in the handling of matters involving life-threatening diseases and compliance with applicable legislation
<b>PROVIDE</b>	procedure and guidelines for dealing with employees who contract a life-threatening, notifiable or communicable illness

The above policy covers the following areas: Counselling, Confidentiality, Education, Training, Testing, Notifiable Illness and Medical Conditions, Rules regarding Sick Leave, Obligation of a Safe Working Environment, Incapacity and Procedures, amongst other areas

HIV/AIDS testing is offered on a voluntary basis in SA at the wellness days arranged by Santova in conjunction with the medical aid service provider. However, as reported in the Wellness section on [page 9](#) of this Report, these wellness days were not able to be held during this financial year due to the COVID-19 pandemic and the resultant restrictions. These events, as well as regular HIV/AIDS voluntary counselling sessions and tests, shall return in the coming financial year.

There were however two employees who underwent independent voluntary HIV/AIDS testing and received pre-test and post-test counselling and therefore the total number of employees who received voluntary counselling and testing and the total number of employees tested is the same, as were last year's figures. An HIV/AIDS Care Programme is offered by the medical aid service provider in SA. However, enrolment in the programme is confidential and thus no statistics are available.

The relevant HIV/AIDS statistics for the Group are as follows:

	2021	2020
Total number of employees who received Voluntary Counselling and Testing	2	95
Employees tested for HIV/AIDS	2	95
HIV/AIDS Prevalence Rate %	0,79	0,64

The HIV/AIDS Prevalence Rate is calculated at Santova using confirmed and unconfirmed employee cases. There remain two known cases of HIV/AIDS in SA that had been previously reported to the HR Department. There have been no new cases reported and there are no unconfirmed cases. The total number of cases remained the same but the total number of permanent employees decreased, thus the HIV/AIDS Prevalence Rate increased slightly. This increase is therefore not a cause for concern.

The Group Risk Management Committee monitors the anonymous statistics of HIV/AIDS affected employees, provided by the HR Department, to decide whether any special action with regards to risk profiles, direct costs and indirect costs is warranted and whether the current measures and strategies in place within the Group are considered to be sufficient and reasonable. No special action was deemed necessary during the period under review as the marginal increase in the HIV/AIDS Prevalence Rate was due to a reduction of the permanent employee total and not due to an increase in cases.

Our COVID-19 response is currently reported separately on [page 4](#) of this Report but shall be incorporated into this section of the Report from the 2022 financial year onwards.

# SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

## ENVIRONMENT

The Group is committed to the principles of promoting a healthy and sustainable environment in all regions. Santova has a Group Environmental Policy, which is overseen by the Social and Ethics Committee.

The purpose of the policy is to:

<b>ADDRESS</b>	the measurement, awareness, strategy, goals and targets of environmental concerns
<b>REDUCE</b>	Santova's environmental impact and continually improve Santova's environmental performance
<b>DEVELOP</b>	office-focused initiatives that all employees are bound to respect and promote
<b>OBEY</b>	the requirements of current environmental legislation, regulations and codes of practice
<b>PROVIDE</b>	a guideline to employees regarding the environmental standards expected of suppliers
<b>REINFORCE</b>	a culture of environmental concern and promotion
<b>COMMUNICATE</b>	the Group's commitment to a healthy and sustainable environment

The relevant environmental statistics for the Group, during the period under review, are as follows:

	2021	2020
Total electricity consumption (MWh)	524,85	665,47
Total water consumption (KL)	1 697,16	1 983,18
Total direct and indirect consumption of petrol for primary purposes (L)	36 104,00	49 339,20
Total direct and indirect consumption of diesel for primary purposes (L)	10 049,00	19 369,00

SAI Logistics (UK), Maritime Cargo Logistics (Germany), Santova Logistics (Germany) and ASM Logistics (Mauritius) were unable to provide accurate data for their electricity and water calculations and therefore estimates were used.

Please note that there was a calculation error in last year's South African figure for total water consumption, which contributed to the overall Group 2020 total. This was previously stated as 540,62 and has been corrected to 1 983,18.

Understandably, the total office usage of all resources that impact upon the environment (electricity, water and fuel) was reduced as a result of remote working and a lack of business travel across the Group for the majority of the period under review. These totals are expected to gradually increase again when pandemic restrictions are eased.

Whilst Santova's environmental initiatives and efforts are important, these need to be considered in the context of a largely 'office-based', non-asset owning fourth-party logistics ("4PL") service provider with a low impact on the environment. Nonetheless, it is still essential for Santova to undertake initiatives that minimise harm to the environment and to conduct its activities in a responsible manner.

# SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

Accordingly, the following initiatives were undertaken during this financial year:

INITIATIVE	EFFECT		REGION																				
			Cape Town, SA	Durban, SA	Düsseldorf, DE	Ebene, MU	Frankfurt, DE	Hamburg, DE	Heathrow, UK	Hong Kong, CN	Johannesburg, SA	Leeds, UK	Manchester, UK	Milton Keynes, UK	Pietermaritzburg, SA	Port Elizabeth, SA	Rotterdam, NL	Schiphol, NL	Singapore (SG)	Sydney, AU	Tamworth, UK	Thailand (TH)	Umlhanga, SA
Use of environmentally efficient IT systems	Automation of workflow (reduction of paper usage), use of cloud-based servers (reduction of electricity) or availability of information online (reduction of paper usage).	Tradenav	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Cargowise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Other Systems	✓	✓							✓			✓	✓	✓							✓
Development of or conversion to environmentally efficient IT systems	Automation of workflow (reduction of paper usage), use of cloud-based servers (reduction of electricity) or availability of information online (reduction of paper usage)	Development of Electronic Contracting	✓	✓							✓			✓	✓							✓	
		Preparation for new HR System	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Integration of Other Systems							✓	✓				✓									
Development of Electronic Invoicing	Specific initiative aimed at the reduction of paper usage by automatically generating invoices that are emailed to clients		✓	✓		✓					✓				✓	✓	✓	✓				✓	
Recycling Projects	Various initiatives resulting in the recycling of paper		✓	✓			✓		✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
	Various initiatives resulting in the recycling of printer cartridges		✓	✓				✓	✓	✓	✓	✓			✓	✓	✓			✓		✓	
Duplex Printing Projects	Reduction in paper usage		✓	✓		✓	✓	✓	✓	✓	✓				✓	✓				✓		✓	
Measurement of Data Footprint	Greater understanding and more detailed reporting of sustainability data		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Water Saving Initiatives	Various initiatives resulting in the reduction of usage and therefore saving of water		✓																				
"Cycle to Work" or "Employee Car Share" Schemes	"Cycle to Work" or "Employee Car Share" projects or schemes resulting in the reduction of the use of carbon-based fuel									✓	✓												
Energy Efficient Lighting	Reduction in energy consumption through the use of energy efficient light bulbs and electrical equipment or the use of natural light where possible				✓			✓	✓											✓	✓		
Full Paperless Office Drive	An ambitious project launched to achieve a near complete reduction in paper (in a traditionally paper-intensive industry)		✓			✓				✓	✓										✓		
Ethical IT Hardware Disposal	IT asset disposal by eWaste specialists reducing harm to soil and water and resulting in refurbishment, reuse, resale or recycling of IT assets		This new initiative was pioneered within the Group by the Durban, SA region and Group data will be collected for this initiative from all regions in the 2022 financial year.																				

In this last financial year, the carbon footprint calculation for the Group was as follows:









	2021	2020
Direct carbon emissions (direct burning of fuels: company vehicles and generators) (tCO <sub>2</sub> e)	77,82	137,99
Indirect carbon emissions (indirect burning via energy purchased: electricity, heat and steam) (tCO <sub>2</sub> e)	439,24	554,20
Indirect carbon emissions (indirect burning via 3rd party: local travel, international travel and employee travel claims) (tCO <sub>2</sub> e)	9,56	101,77
<b>Total carbon emissions (tCO<sub>2</sub>e)</b>	<b>526,62</b>	<b>793,96</b>

The notable decreases above can be attributed to the COVID-19 pandemic and the resultant reduction in local and international travel and office usage due to the various global 'lockdown' restrictions during the financial year.

# SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

## QUALITY

Quality is integral to the implementation of Santova's strategy and is evident in the following formal and informal concepts, processes and practices, which are essential to the Group:

<b>CULTURE AND VALUES</b>	Santova's continued application of its Culture and Values in every aspect of business.	
<b>BEST PRACTICE</b>	The enforcement of best practice in operational and administration departments.	
<b>EXTERNAL ASSURANCE</b>	The promotion of additional external assurance wherever possible throughout the Group.	
<b>INTERNAL AUDIT FUNCTION</b>	The development of the internal audit function within the finance function.	
<b>MAXIMUM EFFICIENCIES</b>	The ongoing restructuring and rightsizing of operational departments to ensure maximum efficiencies.	
<b>QUALITY CONTROL</b>	The application of sound quality control within operational and administrative functions.	
<b>KEY PERFORMANCE INDICATORS ("KPIs")</b>	The measurable values that demonstrate how effectively Santova is achieving key business objectives and targets.	
<b>POLICIES AND PROCEDURE</b>	The application of Santova's long standing and well entrenched policies and procedure.	

The above processes and practices assist Santova to measure, maintain and improve the five general aspects of quality in a business, namely:

+ Producing + Checking + Quality control + Quality management + Quality assurance

In the international offices, these concepts, processes and practices are governed by the local leadership together with the regular reporting processes required in terms of the Santova Corporate Governance Framework. This framework is demonstrated and discussed in more detail in the "Governance" section on page 31 of the 2021 AIR .

In SA, Santova Logistics traditionally controlled its operational and other activities through an International Organization for Standardization ("ISO") Quality Management System ("QMS"). This formal framework was replaced during the financial year with a series of automated reporting tools that have been developed and carefully refined over the last two years. These automated reporting tools are utilised by both regional and head office management, in conjunction with other established structures, to monitor, measure and improve KPIs within each business and ensure the application of best practice.

The automated reporting tools are used in addition to the following established structures utilised globally:

- + Controlled documentation provided on the internal Intranet;
- + Set policy and procedure providing necessary processes and guidance;
- + The Training Needs Analysis (SA) or alternative training processes (international) to govern employee training needs;
- + Internal audit function and external assurance overseen by the Audit and Risk Committee;
- + The management committees and forums within each region, involving key regional management, which meet on a regular basis;
- + The Risk Register to manage risks within the organisation governed by the Risk Management Committee; and
- + The Social and Ethics Register governed by the Social and Ethics Committee.

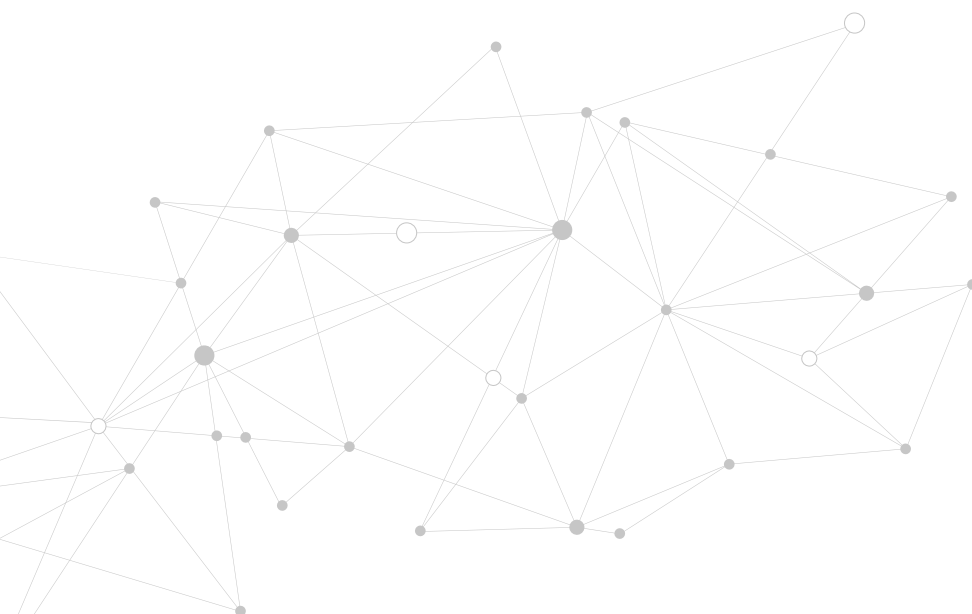
This new quality approach has progressed the focus of the five general aspects of quality in our organisation from the measurement of quality towards the value and outcome of the quality measurement. This has resulted in a shift from a predominantly bureaucratic system to a more relevant entrepreneurial system in line with our Vision, Purpose, Culture and Values.

## SUPPLEMENTARY DATA TABLE

	SOUTH AFRICA	GLOBAL (EX SOUTH AFRICA)	TOTAL
Revenue % of total	R121 916 761 28%	R320 277 310 72%	R442 194 071
Net Profit After Tax % of total	R6 202 135 9%	R63 516 177 91%	R69 718 312
Taxes % of total	R4 554 599 21%	R17 629 080 79%	R22 183 679
CSI/SED Spend % of total	R480 948 99%	R3 751 1%	R484 699
Earnings Retained Earnings Retained After Dividends			R69 718 312 R69 718 312

AUDITOR'S REMUNERATION	% OF TOTAL	TOTAL
Audit Services	87%	R3 502 234
Non-Audit Services*	13%	R512 159
<b>Total</b>		<b>R4 014 393</b>

\*The Group's Registered Auditor (Moore Johannesburg Inc.) does not provide Non-Audit Services.





INNOVATIVE SOLUTIONS • ENDLESS POSSIBILITIES

### **A Specialist Provider of Innovative Global Trade Solutions.**

- + Santova's diversification in terms of geographies, currencies, industries, products and services enables it to manage a global network of inter-connected activities for multinational organisations from origin to point-of-consumption.
- + This diversification also enables it to hedge against unexpected 'regional risks' whilst at the same time allowing it to capitalise on opportunities that may present themselves globally.

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