

2022

**SOCIAL AND
ENVIRONMENTAL REPORT**
FOR THE YEAR ENDED 28 FEBRUARY 2022

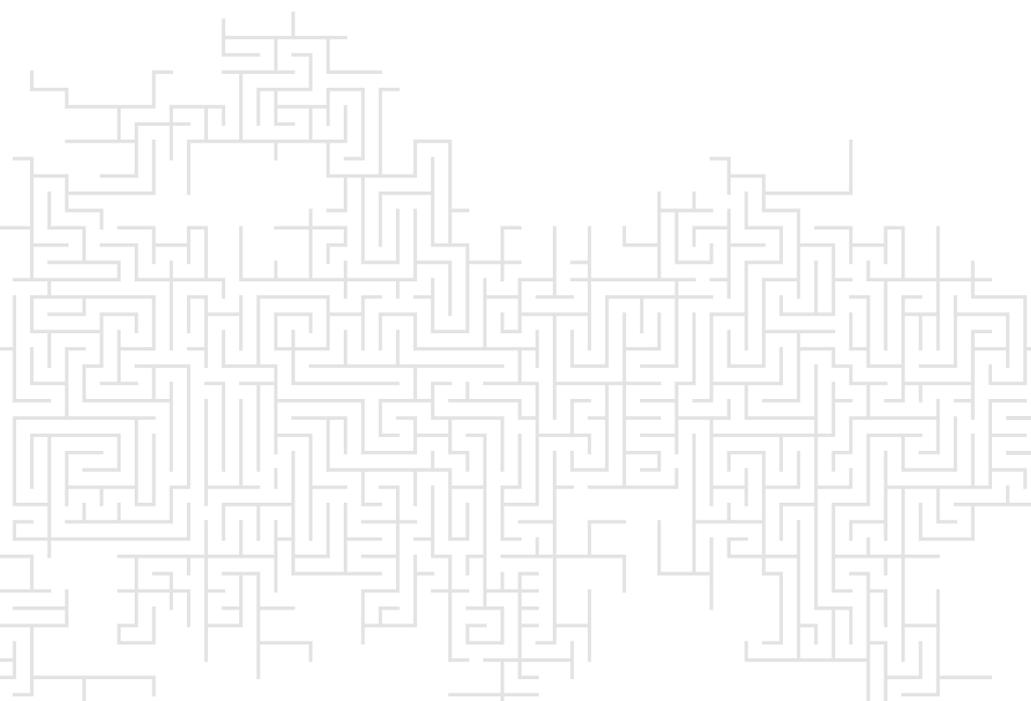


Santova

INNOVATIVE SOLUTIONS • ENDLESS POSSIBILITIES

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ABOUT THIS REPORT

The Social and Environmental ("S&E") Report 2022 ("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.

The Report provides an account of the social and environmental elements of sustainability within the Santova Group ("the Group") over the financial year. The Report demonstrates the Group's social and environmental position with respect to its internal operating environment ("IOE"), external operating environment ("EOE"), strategy and performance. The Report 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 Companies Act of South Africa ("SA"), No. 71 of 2008, as amended ("the Companies Act"), and other regulations];
- ▣ The requirement to disclose 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 2016, Institute of Directors Southern Africa ("King IV™");
- ▣ The recommendations of the International Integrated Reporting Council ("IIRC"); and
- ▣ The effect of the 'six capitals' on the creation of value over time.

SIX CAPITALS

As in previous years, this Report has been drafted to consider a wide 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 1 of the AIR, the Report has taken cognisance of the recommendations of the Integrated Reporting Framework of the IIRC and therefore deals with elements of the 'capitals' and in particular, the more material elements of natural capital, social and relationship capital, 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 3](#) of the Report.

SIX CAPITALS

As explained in more detail in Our Approach to Reporting on page 1 of the AIR, our 2022 Reporting Suite encompassed by the AIR, AFS and S&E Report sets out our performance in the following categories: economic, governance, financial and environment. Our integrated reporting may be considered from a 'capitals' perspective by considering the table set out below, which demonstrates the 'capitals' used by Santova to create value:

	 INTELLECTUAL CAPITAL	 HUMAN CAPITAL	 SOCIAL & RELATIONSHIP CAPITAL	 FINANCIAL CAPITAL	 MANUFACTURED CAPITAL	 NATURAL CAPITAL
DESCRIPTION	<ul style="list-style-type: none"> In-house developed Supply Chain capabilities and IT resources and software 	<ul style="list-style-type: none"> Group employees' skills, knowledge and experience 	<ul style="list-style-type: none"> Relationships between Group and Stakeholders 	<ul style="list-style-type: none"> Funding supplied by Shareholders, Bankers and Creditors 	<ul style="list-style-type: none"> Global infrastructure of offices and equipment 	<ul style="list-style-type: none"> Office-based usage of water, energy, land and carbon emissions
ASSOCIATED STAKEHOLDERS	<ul style="list-style-type: none"> Employees IT Service Providers Clients 	<ul style="list-style-type: none"> Employees Suppliers Clients 	<ul style="list-style-type: none"> Shareholders Employees Clients Agents Suppliers Governments / Regulators Communities 	<ul style="list-style-type: none"> Shareholders Financial Institutions / Bankers Credit Underwriters Creditors 	<ul style="list-style-type: none"> Suppliers Employees Communities 	<ul style="list-style-type: none"> Governments / Regulators Suppliers Communities
ASSOCIATED STRATEGIC INITIATIVES	<ul style="list-style-type: none"> Innovation (Technology) Innovation (Supply Chain) Diversification 	<ul style="list-style-type: none"> Innovation (Talent Pool) Intellectual Capital (Executing at High Standards) Growth (Organic) 	<ul style="list-style-type: none"> Diversification Intellectual Capital (Executing at High Standards) Growth (Organic) 	<ul style="list-style-type: none"> Growth (Acquisitive) Growth (Organic) 	<ul style="list-style-type: none"> Diversification Growth (Acquisitive) Growth (Organic) 	<ul style="list-style-type: none"> Diversification Growth (Acquisitive) Growth (Organic)
LOCATION IN ANNUAL INTEGRATED REPORT	<ul style="list-style-type: none"> Vision and Purpose Our Business Model Our Key Relationships Our Investment Case Our Key Differentiators How We Manage Risk Our Key Inherent Risks Our Strategy Chairman's and Chief Executive Officer's Review Governance Review 	<ul style="list-style-type: none"> Who We Are Our Culture and Values Where We Operate Our Business Model Our Key Relationships How We Create and Distribute Value Our Key Differentiators How We Manage Risk Our Key Inherent Risks Our Strategy Chairman's and Chief Executive Officer's Review Who Governs Us How We Remunerate 	<ul style="list-style-type: none"> Our Culture and Values Our Business Model Our Key Relationships How We Create and Distribute Value Our Investment Case Our Key Differentiators How We Manage Risk Our Key Inherent Risks Our Strategy Chairman's and Chief Executive Officer's Review Shareholder Information 	<ul style="list-style-type: none"> Our Business Model Our Key Relationships How We Create and Distribute Value Our Investment Case Our Competitive Positioning Our Strategy How We Performed (Financial Highlights) Group Financial Review Shareholder Information 	<ul style="list-style-type: none"> Where We Operate How We Create and Distribute Value Our Business Model Our Competitive Positioning Our Key Differentiators Our Strategy Chairman's and Chief Executive Officer's Review Group Financial Review 	<ul style="list-style-type: none"> Where We Operate Our Business Model How We Create and Distribute Value
LOCATION IN SOCIAL AND ENVIRONMENTAL REPORT	<ul style="list-style-type: none"> Human Resources Training and Skills Development Our COVID-19 Response Quality 	<ul style="list-style-type: none"> Human Resources Wellness Training and Skills Development Skills Development Programmes Employment Equity Health and Safety HIV/AIDS and Other Diseases Our COVID-19 Response 	<ul style="list-style-type: none"> Human Resources Training and Skills Development Skills Development Programmes Employment Equity Broad-based Black Economic Empowerment Corporate Social Investment Health and Safety HIV/AIDS and Other Diseases Our COVID-19 Response Environment 	<ul style="list-style-type: none"> Our COVID-19 Response 	<ul style="list-style-type: none"> Our COVID-19 Response Environment 	<ul style="list-style-type: none"> Our COVID-19 Response Environment
LOCATION IN ANNUAL FINANCIAL STATEMENTS (Includes Audit & Risk and Social & Ethics Committees' Reports)		<ul style="list-style-type: none"> Social and Ethics Committee Report 	<ul style="list-style-type: none"> Social and Ethics Committee Report 	<ul style="list-style-type: none"> Annual Financial Statements Audit and Risk Committee Report 	<ul style="list-style-type: none"> Annual Financial Statements (Segment Report) 	
PREDOMINANT INFLUENCING KING IV™ PRINCIPLES	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

As the Group operates predominantly within a service industry, Human Capital naturally 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 co-ordinate 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. Technological innovation:

To provide the necessary IT and 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. This may include driving best practice, developing smarter policies and procedures, implementing new IT systems (which includes the automation and integration of data and systems) or 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. This is achieved through the implementation and ongoing enforcement of the Group's Vision, Purpose, Culture and Values and in providing the appropriate mix of financial and non-financial benefits and rewards to employees.



4

DIVERSIFICATION

1. Talent pool:

To facilitate the human capital needs of the Group's diversification.

To allow for the relocation of strategic employees (where required) for geographical diversification.

2. Training and skills development:

To provide the required skills development to enable service/product development.

To support the provision of the necessary intellectual capital to allow for currency, industry and trade route 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.

In 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 legal criteria in each jurisdiction respectively. Payroll is outsourced in all international regions and other external specialist service providers are used where required.

Significant HR projects in the year included the following:

- The project to convert all current SA employment contracts and associated documentation from multiple paper storage repositories to a centrally managed, cloud-based database was completed in the year under review. The next stage is for both SA and international offices to convert any remaining historical documents that are not designated to be destroyed;
- The central HR Management system was completed in the year under review. The next stage is to develop the reporting functionality and automation; and
- The most recent offices to be acquired, Thailand and Germany, were integrated into the Group HR process and procedure following the completion of their respective 'earn out' periods.

HR Statistics Table:

	2022	2021
Total number of employees	245	259
Number of permanent employees	244	254
Number of contractors	1	5
Employees who are permanent (%)	100,00	98,00
Employees who are women	116	124
Employees who are women (%)	47,00	48,00
Employee turnover (all forms of departures/total no. employees) (%)	20,00	21,00
Person hours worked	453 760	479 776
Number of lost days due to absenteeism	690	1 623
Rate of absenteeism (%)	1,22	2,69
Number of lost days due to industrial action/strikes	-	-
Total number of South African employees	110	118
Total number of employees who are Historically Disadvantaged South Africans ("HDSA")	70	78
SA employees who are HDSA (%)	63,60	66,10

The total number of employees in the Group decreased by 14 to 245 in 2022 (2021: 259). The marginal reduction, as a result of ongoing operational efficiency, was evenly split between the SA and international offices with no particular region going through any material change. The breakdown of the number of employees by region (and the comparison to last year) is graphically represented on the map on the following page.

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 has increased slightly and remains high at 99,6% (which has been rounded to 100% in the HR Statistics Table);
- The number of women employees has remained fairly constant despite the headcount reduction in the previous year;
- Employee turnover has reduced marginally to 20% which remains consistent with previous years and is indicative of the industry;
- Person hours worked was reduced, largely due to the decrease in the headcount;
- The rate of and the days lost due to absenteeism have decreased predominantly due to two factors: firstly, the reduction in employee headcount; and secondly, due to our employees' ability to work remotely;
- The number and percentage of employees who are Historically Disadvantaged South Africans ("HDSA") decreased slightly during the period, to 70 employees (2021: 78) and 63,6% (2021: 66,1%). The reasons for this are discussed in the Employment Equity ("EE") section on [page 11 to 13](#) of this Report; and
- The table below shows that the number and percentage ratio of SA to international employees remained roughly the same despite the reduction in the total number of employees year-on-year ("YOY").

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

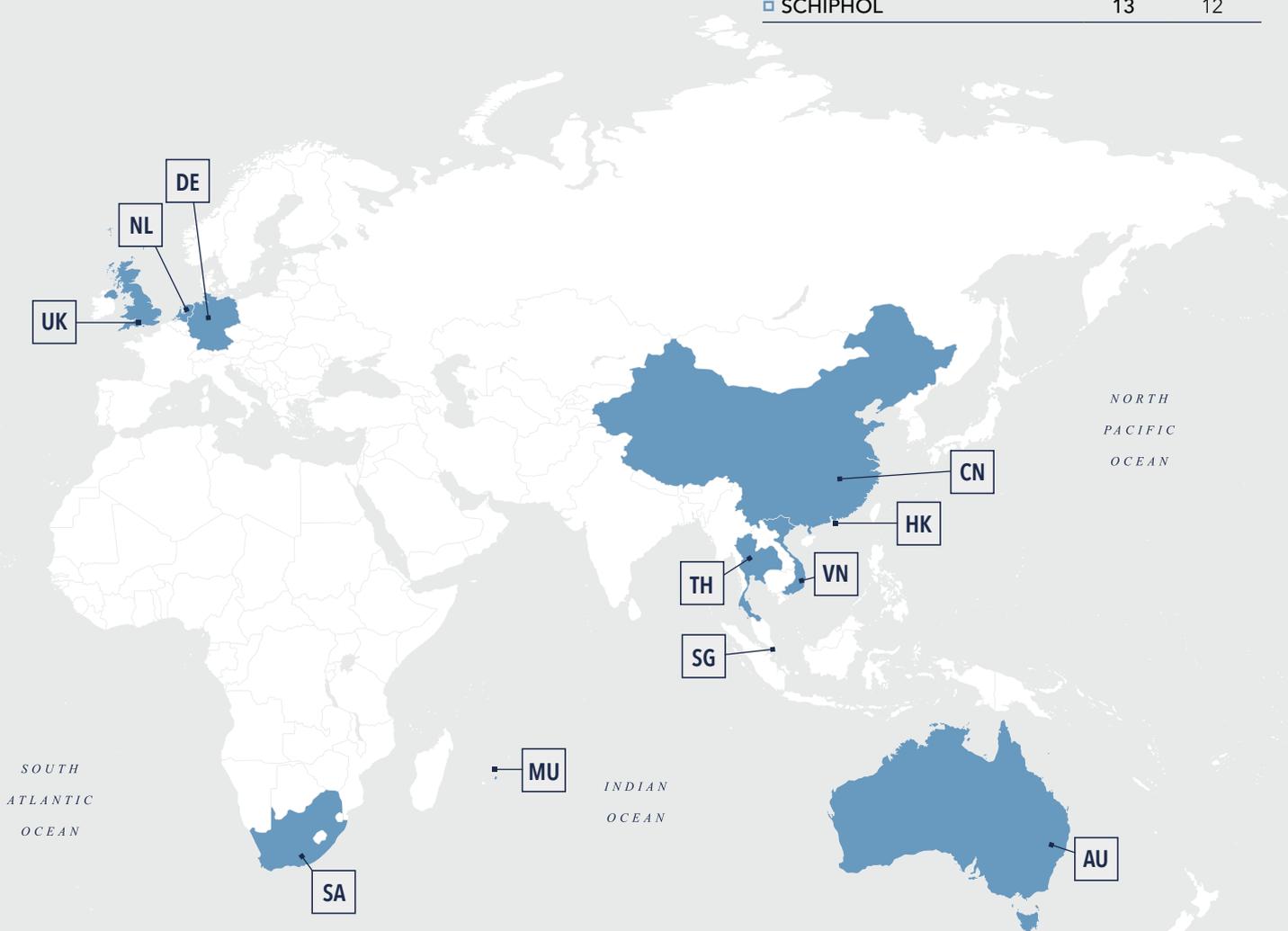
TOTAL NUMBER OF EMPLOYEES WORLDWIDE			
2022	245	2021	259
SOUTH AFRICA - % OF TOTAL EMPLOYEES			
2022	44,9	2021	45,6
INTERNATIONAL - % OF TOTAL EMPLOYEES			
2022	55,1	2021	54,4

HUMAN CAPITAL continued

UNITED KINGDOM (UK)	2022	2021
▣ HEATHROW	9	10
▣ TAMWORTH	18	16
▣ LEEDS	26	23
▣ MANCHESTER	4	7
▣ MILTON KEYNES	9	10

GERMANY (DE)	2022	2021
▣ FRANKFURT	5	7
▣ HAMBURG	8	11
▣ DÜSSELDORF	0	2

THE NETHERLANDS (NL)	2022	2021
▣ ROTTERDAM	9	12
▣ SCHIPHOL	13	12



MAURITIUS (MU)	2022	2021
▣ EBENE	2	2

SOUTH AFRICA (SA)	2022	2021
▣ DURBAN	72	77
▣ UMHLANGA	5	6
▣ JOHANNESBURG	21	23
▣ CAPE TOWN	10	9
▣ PORT ELIZABETH	1	2
▣ PIETERMARITZBURG	1	1

CHINA (CN)	2022	2021
▣ HONG KONG (HK)	10	7

SINGAPORE (SG)	2022	2021
	13	14

THAILAND* (TH)	2022	2021
	4	4

AUSTRALIA (AU)	2022	2021
▣ SYDNEY	9	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
<ul style="list-style-type: none"> □ productivity and performance □ morale and job satisfaction □ employee teamwork □ employee retention □ the Santova employment brand □ the general health of the workforce 	<ul style="list-style-type: none"> □ absenteeism □ employee turnover □ employee illness and healthcare needs □ overall workplace stress

In the international offices, the Employee Wellness Programme ("the Programme") is conducted on a more informal and flexible basis, and generally includes 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 SA, the Programme is overseen by the HR Department and 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 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), which were placed on hold during the COVID-19 pandemic, resumed during the year under review. Four formal wellness days were held in Durban, Johannesburg and Cape Town;
- Sports events to encourage healthy living resumed in the last year for both SA and international offices;
- Five blood donor clinics were hosted in the period under review in Durban;
- An eye clinic was hosted during the year in the Durban region offering eye tests to the Durban and Umhlanga employees;

- The Umhlanga (SA), Cape Town (SA) and Tamworth (UK) programmes, which provide fresh fruit to employees, were resumed during the year and the Heathrow (UK) office has also joined the programme;
- Santova's 'Years of Service Awards' programme resumed for both international and SA offices and three events were held during the year;
- 25 social events were held during the year in offices around the globe with most events returning to 'in person' events in line with applicable COVID-19 restrictions in each region. These events included: Chinese New Year celebration events, Years of Service Award events, Valentine's Day celebrations, Spring Day events, Heritage Day celebrations, summer events, coffee truck socials, general office socials and year-end functions; and
- The 'Santova For You' employee incentive and loyalty programme, that was designed to provide non-financial benefits to employees and allow the Group to express its appreciation and gratitude to employees for their valuable contribution to Santova's collective journey, resumed fully during the year under review.

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
SOURCE OF TRAINING NEED	SOURCE OF TRAINING NEED
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)
REASONS FOR TRAINING	REASONS FOR TRAINING
<ul style="list-style-type: none"> □ To induct the employee into their physical surroundings □ To explain the basic policy and procedure framework of the Group □ To ensure the employee is operationally 'sound' and/or trained to fulfill job requirements for operations departments □ To incorporate the employee into Santova's Culture and Values (culture fit) □ To incorporate the employee into his/her department or team (team fit) □ To provide an induction to risk, Group history, and where appropriate JSE and share trading policy for senior employees 	<ul style="list-style-type: none"> □ To respond to changes in technology □ To respond to changes in practice or internal procedures □ To encourage general employee wellness □ To cater for general 'refresher' training of an employee, if required □ To stimulate and promote career growth □ To return an employee back to a motivated 'stretch zone' □ To comply with one of the Santova training programmes

HUMAN CAPITAL continued

Internationally, training is managed by the Business Unit ("BU") Leaders, supported by the Group Head Office. 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.

	2022	2021
Total number of employees trained	147	120
Rand value of total employee training spend	R849 579	R764 866

TRAINING SPLIT	NO. OF EMPLOYEES	%	RAND VALUE OF TOTAL EMPLOYEE TRAINING SPEND	%
South Africa	115	78	613 099	72
International Offices	32	22	236 479	28
Total	147	100	849 578	100

The tables above represent the global statistics for training during the period. There was a pleasing improvement in both the number of employees trained and the SA Rand value of total employee training. This is largely due to:

- Training events increasing in frequency across the globe following the disruption previously caused by the COVID-19 pandemic; and
- A particularly notable increase in training events in SA in the period under review.

The number of employees trained in SA increased significantly during the year with 115 employees being trained (2021: 74). There was a marginal drop in training in the international offices resulting in an upswing of 78% of training being conducted in SA during the year (2021: 62%).

Despite the marginal drop in international training, the Rand value of international training increased to R236 479 (2021: R153 501), which is due in part to the category of formal and external training events undertaken.

TRAINING COURSE CATEGORIES	2022 % OF TRAINING	2021 % OF TRAINING	MOST COMMON EXAMPLES
Accounting & Tax	3,85	15,00	Accounts Updates, Tax Updates, Specific Position Control, Work-in-Progress
Safety, Health, Environment & Quality	3,63	3,33	Occupational Health & Safety, Fire Fighting, Accident Prevention, Emergency Response
HR & Culture	4,06	6,67	HR, HR System Training, Payroll
Information Technology	1,92	6,67	Operating System Training, Microsoft Office Programmes, TradeNav Developments, Cyber Security, Digital Marketing
Personal Development	0,43	8,89	Performance Development Review ("PDR"), Personal Coaching, Life Skills Training
Supply Chain Management, Operations & Sales	56,62	51,67	INCO Terms, Dangerous Goods, Hazardous Goods, Customs, Sales, Imports, Exports, Air, International Forwarding, International Trade, DDMRP
Compliance, Insurance, Legal & Sustainability	29,49	7,77	General Legislation and Legal Updates, Training on Terms and Conditions, Compliance, Insurance

As indicated above, global training increased in terms of total heads trained as well as the value of total training in Rands for the year under review.

The noteworthy changes were:

- The reduction in Accounting and Tax training with a simultaneous increase in Compliance, Insurance, Legal and Sustainability training - which was more as a result of the marked increase in Santova's internal terms and conditions (legal contract) training sessions than as a result of any reduction in Accounting and Tax related training.

- Information technology ("IT") Training figures were lower this year, primarily due to much of this type of training now being categorised under Operations and Sales and Supply Chain Management, as IT necessarily underpins the majority of current operational developments.

There was less Personal Development training held during the year largely because the timing of the Personal Development 'road shows' fell just outside of the year under review. This type of training will increase notably in the year ahead, with a number of training 'road shows' already arranged at the time of reporting.

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. There are two broad categories of programmes offered as set out in the table below and described further in this section of the Report:

PROGRAMME	INDUSTRY	QUALIFICATIONS	CANDIDATES	LOCATION	DESCRIPTION	NO. AS AT 28 FEBRUARY 2022
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.	6
Learnership Programmes (Traditional)	Logistics & Insurance	Grade 12	Internal (Employed) or External (Unemployed)	South Africa	These programmes are described in detail in the table on the following page.	11

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.

In the period under review, this Programme resumed having been placed on hold last year due to the COVID-19 pandemic and the resultant disruptions to the workplace. As mentioned in our last report, the Programme will be regrown in stages over time. Six employees are now on the Programme (2021: 3) and the Programme is set to expand further in the year ahead

Of the two categories of 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:

	2022	2021
Total number of employees currently on the Santova Graduate and Talent Programme	6	3
Total number of employees retained from prior Graduate and Talent Programmes	25	27
Global employees who are current or retained Graduate and Talent Programme employees (%)	13	12

Once again, it is pleasing to note that the percentage of employees who are current or retained from prior Graduate and Talent Programmes has not reduced (and has in fact increased by one percent) despite the drop in the total employee headcount YOY. There are currently 25 employees retained from prior programmes. These employees are difficult to retain as they are an attractive prospect to competitors, considering the skills shortage in our industry.

As evidenced in the opening table of this section above, in SA, Santova also offers Traditional Learnership and Internship Programmes with 11 participants in the financial year. These programmes 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/internship and is part of the Graduate and Talent Programme, that employee will be counted in both programmes.

HUMAN CAPITAL continued

The table below contains the numerical breakdown of employees studying a learnership, whether part of the Learnership Programmes or the Santova Graduate and Talent Programme, as at 28 February 2022:

LEARNERSHIP PROGRAMME	NQF LEVEL	INDUSTRY	MINIMUM QUALIFICATIONS	DESCRIPTION	NO. AS AT 28 FEBRUARY 2022
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	0
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	6
National Certificate: Short-term Insurance	5	Insurance	Grade 12 & NQF 4 Competence	Candidates usually occupy a fixed role, but may also change roles if a need or opportunity arises	1
Higher Certificate: Short-term Insurance	5	Insurance	Grade 12 & NQF 5 Competence	Candidates usually occupy a fixed role, but may also change roles if a need or opportunity arises	1
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	0
Institute of Certified Bookkeepers (ICB) National Certificate in Office Administration	5	General Commercial	Grade 12	Candidates study general administrative functions in an online course to become an Office Administrator	1

As set out above, 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 by external service providers as well as internal 'on-the-job' training provided by colleagues and management. Additional courses were added to the Learnership offering during the period under review with the inclusion of a new insurance programme as well as an internship programme in office administration.

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 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 2022 and not as at the date of last submission to the Department of Labour during the prior 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 2022

OCCUPATIONAL LEVELS	MALE				FEMALE				FOREIGN NATIONALS		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	-	-	1	5	-	-	-	-	-	-	6
Senior management	1	-	1	7	-	-	3	6	-	-	18
Professionally qualified and experienced specialists and mid-management	2	-	5	7	1	-	8	6	-	-	29
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	3	1	4	2	2	-	10	6	-	-	28
Semi-skilled and discretionary decision-making	7	1	1	1	12	4	3	-	-	-	29
Unskilled and defined decision-making	-	-	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-	-	-
TOTAL EMPLOYEES	13	2	12	22	15	4	24	18	-	-	110
Independent Contractors	-	-	1	-	-	-	-	-	-	-	1

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
TOTAL EMPLOYEES	13	3	11	21	18	6	27	19	-	-	118

SOCIAL RESPONSIBILITY & INVESTMENT

continued

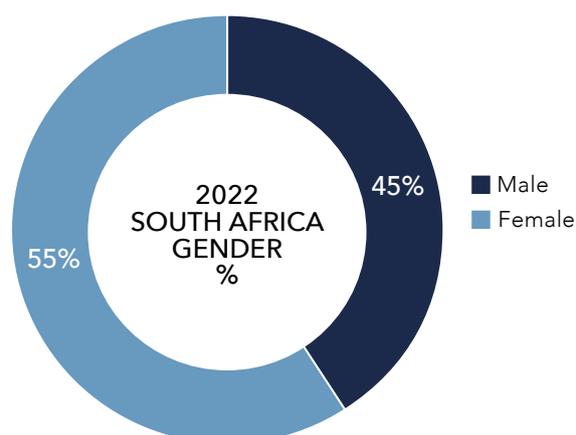
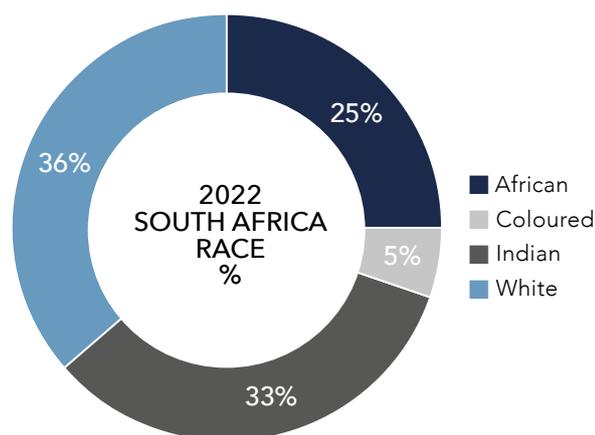
It should be noted that the Independent Contractor reported above is neither a permanent employee nor a casual/temporary employee of the Santova Group but is included in the employee payroll for tax reasons. As the Independent Contractor is not an employee, they are not included in the employee headcount for either the EE or HR sections.

There was no material change in the Race composition and the ratio of females to males remained high with 55% of the total SA employees being female.

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

RACE	2022		2021	
	TOTAL	%	TOTAL	%
African	28	25	31	26
Coloured	6	5	9	8
Indian	36	33	38	32
White	40	36	40	34
Total	110	100	118	100

GENDER	2022		2021	
	TOTAL	%	TOTAL	%
Male	49	45	48	41
Female	61	55	70	59
Total	110	100	118	100



EE goals and targets remain important for Santova and are a renewed area of focus following the previous year, which saw the SA business notably affected by COVID-19 and the resultant redundancies – particularly within the EE transformed 'lower semi-skilled and discretionary decision-making' occupational levels.

Separate to this, part of Santova's strategy for a number of years has been Innovation and Operational Efficiencies, which has seen the significant advancement and automation of IT systems resulting in two changes:

- ▣ the headcount has reduced as modernisation has taken effect; and
- ▣ the workforce has 'matured' into a more senior and highly skilled contingent.

These combined factors have contributed to some very significant changes in the last five years with regards to the composition of the SA businesses in terms of occupational levels. For example, in 2017 there were 93 'semi-skilled and discretionary decision-making' (non-management) employees out of a total SA headcount of 217 representing 42,9% of SA employees. In 2022, there are just 29 'semi-skilled and discretionary decision-making' (non-management) employees out of a total SA headcount of 110, representing 26,4% of the SA businesses. Comparatively, this transformed level of employees represents 16,5% less of the total workforce than it did five years ago.

The challenge for Santova and indeed the entire industry since the advent of EE has been a shortage of skills, particularly amongst Black prospective candidates within management levels (Top, Senior, Middle and Junior Management). Whilst the position has improved over the last five years, the shortage remains and the limited candidates available are relatively costly and more difficult to retain. Santova has used its internal skills development programmes to train and promote talent from within and considerable effort has gone into producing large numbers of suitable employees and managers every year. However, naturally, these highly and specially trained employees have become popular targets for competitors, which contributes to this overall challenge of skills shortages.

SOCIAL RESPONSIBILITY & INVESTMENT

continued

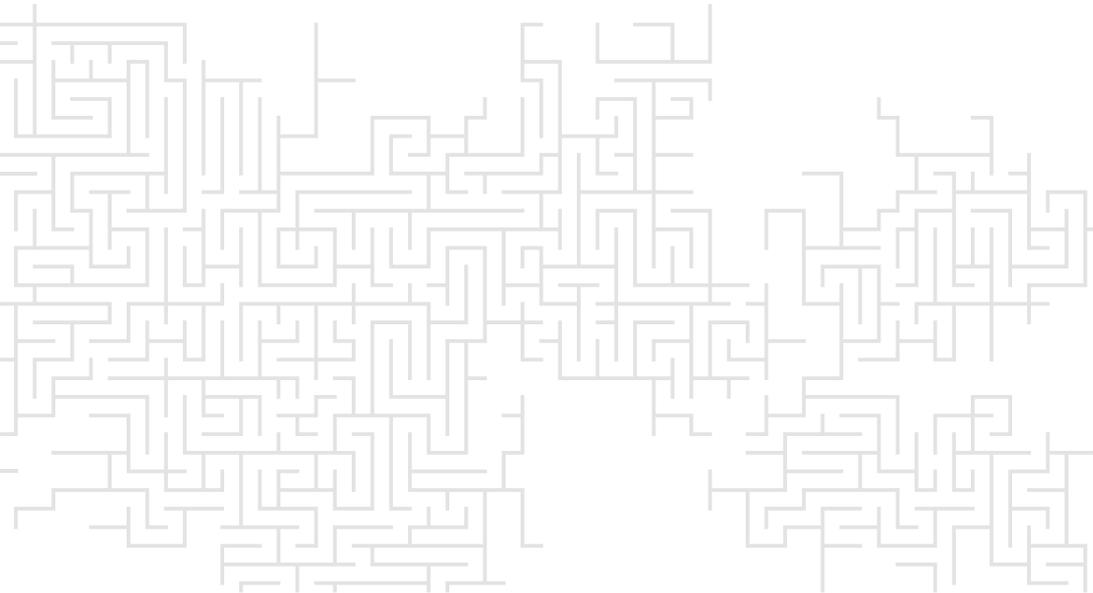
With the non-management transformed occupational level of the business now representing 16,5% less than it did five years ago and with the management levels falling within the heart of the remaining skills shortages challenge in SA, EE goals and targets have been understandably impacted.

Despite the various challenges set out above, what is pleasing to note is that there has been an improvement in EE within the management levels (Top, Senior, Middle and Junior Management) over the last five years. In 2017, Black Management accounted for 26,7% of all levels of management whereas in 2022 Black Management now accounts for 38,2% and the figure is set to improve in the year ahead.

Another challenge to consider is that EE goals and targets are easier to achieve in times of growth in numbers of employees. As Santova has consistently reduced employee headcount YOY, EE efforts have been limited to employee turnover.

The leadership within each SA branch is provided with appropriate, region-specific information on a regular basis to assist with the EE process and to monitor goals and targets so that consistent gains can be made despite the above challenges.

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 in the figures presented in the tables and charts on the previous two pages.



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 Sub-sector codes have 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 six years. It should be noted that Santova Logistics, a Generic Enterprise and the largest trading entity within SA, remained a Level 2 B-BBEE contributor, and Santova NVOCC (Pty) Ltd increased to a Level 3 contributor during the financial year. 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	SANTOVA EXPRESS SOUTH AFRICA
Entity	Group Holding Company	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Enterprise	Exempted Micro Enterprise ("EME")	Generic Enterprise	EME	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	Transport Sector: Road Freight 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	aBEErate Verification Agency (Pty) Ltd
Latest Audit Certificate Number	KG-210072-10876-DM	SG-210248-11059-KG	N/A	N/A	KG-210044-10805-DM	KG-210112-10923-DM
Next Audit	May 2022	February 2023	August 2022	August 2022	May 2022	July 2022
B-BBEE Score	N/A	93,94	N/A	N/A	N/A	N/A
B-BBEE Contributor	Level 3	Level 2	Level 2	Level 2	Level 3	Level 3
Procurement Recognition	110%	125%	125%	125%	110%	110%

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	R61 857 270
Procurement spend to historically disadvantaged suppliers:	
- Black-owned and black women-owned	R56 415 585
- B-BBEE compliant	R62 025 620

*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 2021 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 2022 B-BBEE Compliance Report will be submitted to the B-BBEE Commission before the end of May 2022 in accordance with the usual process. A copy of the most recent compliance report may be found at 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 policies, but also complies with the further instructions, ideas and strategies 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 specific purpose of the CSI Policy is to:

ENSURE	a positive impact on all stakeholders, including communities, environment (both ecological and social), employees and others
CONFIRM	that the Group undertakes the appropriate level of philanthropic and social initiatives aimed at uplifting people, organisations and communities
ENHANCE	the reputation and brand of the Group
CREATE	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:

	2022	2021
Total Rand Value of all spend on all CSI/SED Projects	R1 751 982	R484 699
Total Rand Value of CSI/SED spend: Education	R405 412	R125 865
Total Rand Value of CSI/SED spend: Basic Needs/Social	R254 338	R40 406
Total Rand Value of CSI/SED spend: Enterprise Development	R1 071 624	R318 428
Total Rand Value of CSI/SED spend: Other	R20 608	-

As can be seen in the table above, CSI/SED expenditure has improved significantly since the last financial year, which was affected by the COVID-19 pandemic.

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
AgriBioTech NPC	The AgriBioTech NPC has been established to nurture, mentor, train and incubate 'agripreneurs' in the value-adding to biological resources space through the development of product prototypes, efficacy testing, enterprise development, and value-chain development at the AgriSPACE campus in Kokstad, South Africa.	Socio-economic Development & annual cash grant	All South African Offices
Angels Care Centre No. 2	Angels Care is a non-profit organization that provides holistic care and optimal growth for children from indigent homes in the greater Howick area of KwaZulu-Natal. This is attained by addressing the basic needs of children and ensuring their access to healthcare, a quality education and other human services. The services provided include education and food security for children and youth development.	Socio-economic Development & annual cash grant	Durban & Pietermaritzburg
Blood Donor Clinic	Five blood donor clinics were held during the financial year at the Durban office.	Employees donated blood	Durban
Campus Laundry Diaries	An enterprise development initiative where washing powder was donated to enable Campus Laundry Diaries strive towards their vision of building a sustainable and convenient service company.	Enterprise Development & donated goods	All South African Offices
Centrepoint	Centrepoint is the UK's leading youth homelessness charity.	Cash grant	Leeds, United Kingdom
Circus Starr	A circus for children with disabilities, families on low incomes, those facing challenges such as domestic violence, bereavement or who may be living with a life-limiting condition.	Cash grant	Leeds, United Kingdom
Darlington Rugby Club	The sponsorship of equipment for a local community children's rugby team.	Cash grant	Leeds, United Kingdom
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
Hillcrest Aids Centre t/a Woza Moya	Hillcrest Aids Centre t/a Woza Moya is a non-governmental organisation ("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. Woza Moya is their economic empowerment project assisting those in desperate need to acquire a craft skill (beading in this instance) to earn income through the sale of their craft.	Socio-economic Development & annual cash grant	Durban
Inanda Child Welfare	The Inanda Child Welfare South Africa is a welfare organisation focusing on family care, protection and development and working with children from birth up to nine years of age.	Socio-economic Development & annual cash grant	Durban

SOCIAL RESPONSIBILITY & INVESTMENT

continued

L. Net Solutions	An enterprise development initiative where our offices provide commercial support.	Enterprise Development	All South African Offices
Lee Johnson appeal for Henshaws College	Financial support for the 16 hour English channel crossing swim by Lee Johnson in support of Henshaws College in Harrogate. Henshaws College supports young people aged 16 to 25 years with a wide range of disabilities and complex needs.	Cash grant	Leeds, United Kingdom
Lichfield & Hatherton Canal Restoration Trust ("LHCRT")	LHCRT aims to reinstate the historic Lichfield and Hatherton Canals for the benefit of the community, providing a natural wildlife corridor for walkers, cyclists, boaters and visitors to use.	Cash grant	Tamworth, United Kingdom
Lichfield District Explorer Scouts	A Scout group with 177 registered members aged 14 to 18 years who participate in weekly activities that include participating in community service and the Duke of Edinburgh Award scheme.	Cash grant	Tamworth, United Kingdom
Myton Hospices	Myton hospices focus on enhancing life when care is no longer an option providing palliative care services in Coventry and Warwickshire.	Cash grant	Tamworth, United Kingdom
Nine Vine (Pty) Ltd	An enterprise development initiative where our office provides commercial guidance as well as financial support.	Enterprise Development & annual cash grant	All South African Offices
Pancreatic Cancer UK	An organisation that assists people affected by pancreatic cancer to make sense of their diagnosis and guides and supports them every step of the way.	Cash grant	Leeds, United Kingdom
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	Leeds, United Kingdom
Right Choice Project	Right Choice provides a food bank service as well as support for people with learning disabilities, learning difficulties, mental health problems, lone parents and people who may feel segmented in society.	Cash grant	Leeds, United Kingdom
Shemane Express Deliveries	An enterprise development initiative where our office provides commercial guidance as well as financial and sales support.	Enterprise Development & monthly cash grant	Durban
Sithanda Upliftment Projects NPC	Sithanda Upliftment Projects is committed to unlocking childhood discovery and uplifting individuals through the provision of Early Childhood Development (ECD) centers in underprivileged communities.	Socio-economic Development & annual cash grant	Durban
St Giles Hospice	St Giles Hospice was founded to improve the care of local people dying with cancer and is based in Whittington just six miles from our Tamworth office.	Cash grant	Tamworth, United Kingdom
St Martin's Diocesan Home for Children	A registered NPO that cares for children in all aspects including education, feeding and housing.	Socio-economic Development & monthly cash grant	Umhlanga
The Association for the Physically Disabled ("APD")	A registered 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
The Haven Care Centre	A 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.	Socio-economic Development & cash grant	Johannesburg
Trees for the Future	Trees for the Future trains communities on sustainable land use so that they can grow vibrant economies, thriving food systems, and a healthier planet.	Cash grant	Schiphol & Rotterdam, The Netherlands

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 in some of the smaller locations. 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.

All locations report to the Committee on a regular basis. The Committee uses its health and safety dashboard to assist with managing the oversight of all these locations globally. The Committee continued its phase of formalising the international health and safety efforts with additional training being held in many regions and with formal meetings taking place in certain international regions for the first time. The Committee and the various locations utilise the services of external consultants whenever necessary.

	2022	2021
Number of Fatalities	0	0
Number of First Aid Cases	10	1
Number of Medical Treatment Cases	0	0
Number of Lost Time Injuries	0	0
Total Number of Recordable Injuries	0	0
Fatal Injury Frequency Rate	0	0
Lost Time Injury Frequency Rate Target (set in previous year)	1	1
Lost Time Injury Frequency Rate	0,00	0,00
Total Recordable Injury Frequency Rate Target (set in previous year)	1,49	1,49
Total Recordable Injury Frequency Rate	0,00	0,00*

The number of First Aid Cases increased due to more employees returning to work at the office locations and fewer employees working remotely as a result of the eased restrictions relating to the COVID-19 pandemic. It should be noted that the Group's direct activities are mostly office-based and therefore the large majority of this year's First Aid Cases are innocuous 'plaster-type' cases that require the use of the First Aid Box.

*Last year's report incorrectly recorded a Total Recordable Injury Frequency Rate of 0,04. This should have been stated as 0,00 as we erroneously included the sole first aid case as a recordable injury. This has been corrected in the above prior year column for 2021. For the sake of clarity, our calculations include any cases that require time off work as a Lost Time Injury and a Recordable Injury is defined as a Fatality, Medical Treatment Case and/or Lost Time Injury.

As there were no Lost Time Injury Cases, Medical Treatment Cases and/or Fatalities for the second year in a row, the Lost Time Injury Frequency Rate and the Total Recordable Injury Frequency Rate have both remained at 0,00. Both the frequency rates remain within the targets presented below:

	FOR 2023	FOR 2022
Lost Time Injury Frequency Rate Target	1	1
Total Recordable Injury Frequency Rate Target	1,49	1,49

Our COVID-19 Response is reported on [page 20](#) of this Report.

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:

CREATE	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
ENSURE	fairness and consistency in the handling of matters involving life-threatening diseases and compliance with applicable legislation
PROVIDE	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. These wellness days, which were not held during the COVID-19 pandemic last year, resumed during this financial year and 79 employees received HIV/AIDS voluntary counselling sessions and tests at the four wellness days held.

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:

	2022	2021
Total number of employees who received Voluntary Counselling and Testing	79	2
Employees tested for HIV/AIDS	79	2
HIV/AIDS Prevalence Rate (%)	0,82	0,79

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 confirmed cases thus remained the same but the total number of permanent employees decreased, thus the HIV/AIDS Prevalence Rate increased. 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 headcount and not due to an increase in cases.

SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

OUR COVID-19 RESPONSE

The stubbornly persistent COVID-19 pandemic continues to have a far-reaching impact on business environments globally. While there are optimistic signs of a "return to normal" in many regions in which we operate, the impact and potential consequences of the COVID-19 pandemic have remained a firm focus area for Santova, given the unpredictable progression of the pandemic. Santova's response to the pandemic has been agile and continually adapted to the fluid environment, as set out in our response below. The success of our response can be seen in the financial results of each of our regions around the globe.

Our primary objective has been 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. Santova's response has, to date, been efficient and effective, which is validated by the financial performance of each of our regions.

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

- ▣ **OVERSIGHT**

The Santova 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 are appointed in each country to research, monitor and timeously disseminate, on a regular basis, official government regulations and medical advice for their specific regions.
- ▣ **COMMUNICATION**

Communication is handled in a decentralised manner with each region responding to current conditions 'as and when' required.
- ▣ **CAMPAIGNS**

Various campaigns continue to be run internally to encourage testing, highlight new variant symptoms, reaffirm best practices to prevent the spread of the virus, and to encourage employees to be vaccinated.
- ▣ **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.
- ▣ **ADMINISTRATION**

Regional Heads and BU Leaders, in conjunction with the legal and financial teams, successfully managed all areas of administration during the continued 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 Santova 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.

All offices that were required to complete a COVID-19 (or similar) risk assessments complied with this requirement during the financial year. Each of our offices also embarked on additional initiatives that were necessary or unique to their region, given the specific nature of their office size, layout and location, to enhance their COVID-19 response and the overall safety of our employees.

SAFETY, HEALTH, ENVIRONMENT & QUALITY

 continued

The vaccination status of our employees at the time of reporting is disclosed in the table below:

	Number	%
Number of Employees who are Vaccinated ¹ comprising:	176	71,84
Number of Employees who are Partially Vaccinated ²	2	0,82
Number of Employees who are Fully Vaccinated ³	59	24,08
Number of Employees who are Fully Vaccinated and who have also received a Booster Vaccination ⁴	115	46,94
Employees known to be Unvaccinated	21	8,57
Employees with an Unknown Vaccinated Status ⁵	48	19,59

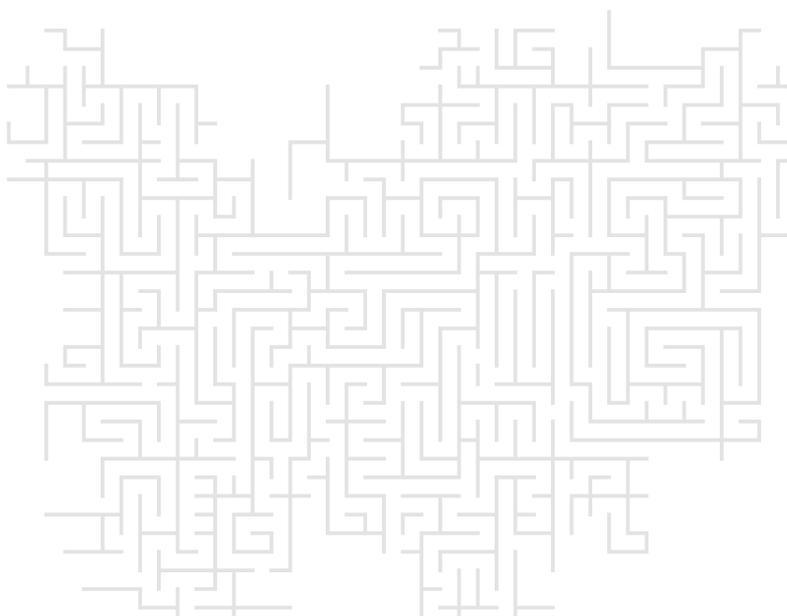
¹Partially vaccinated, fully vaccinated or fully vaccinated with a booster dose.

²One vaccination dose where two doses are required for a full vaccination.

³One or two doses where required for a full vaccination but without a booster dose.

⁴One or more doses received in addition to the full vaccination dose.

⁵Certain jurisdictions do not require employees to report their vaccination status and thus not all employees within the Group have a known vaccination status.



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:

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

		2022	2021
Total electricity consumption	(MWh)	482.0	524.9
Total water consumption	(KL)	1 382.0	1 697.2
Total direct and indirect consumption of petrol for primary purposes	(L)	32 006.0	36 104.0
Total direct and indirect consumption of diesel for primary purposes	(L)	2 200.0	10 049.0

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.

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

Electricity, water and fuel reduced YOY for the second year in a row as a result of COVID-19 restrictions continuing around the globe for longer than originally anticipated and, as a result, remote working continued for the majority of the year under review in most offices. These totals are expected to increase next year.

The Group did not have any environmental incidents, nor did the Group receive any environmental fines or complaints, during the financial year, as evidenced in the table below:

ENVIRONMENTAL INCIDENTS DURING THE YEAR	0
ENVIRONMENTAL FINES FOR NON-COMPLIANCE	0
ENVIRONMENTAL COMPLAINTS LEVIED AGAINST THE GROUP	0

SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

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

INITIATIVE	EFFECT	REGION																					
		Cape Town, SA	Durban, SA	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	✓	✓		✓	✓		✓	✓	✓			✓	✓					✓				
Trees for the Future	Planting a tree for every invoice issued in conjunction with Trees for the Future - a new initiative that is being piloted in our Netherlands office																						

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

		2022	2021
Direct carbon emissions (direct burning of fuels: company vehicles and generators)	(tCO2e)	79,40	77,82
Indirect carbon emissions (indirect burning via energy purchased: electricity, heat and steam)	(tCO2e)	406,12	439,24
Indirect carbon emissions (indirect burning via 3rd party: local travel, international travel and employee travel claims)	(tCO2e)	29,57	9,56
Total carbon emissions	(tCO2e)	515,09	526,62

SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

We recorded substantial decreases in all three areas listed in the table at the bottom of the page above between 2020 and 2021 due to COVID-19 travel restrictions. This year has seen an increase in direct and indirect travel related carbon emissions but interestingly, the indirect energy related emissions continued to decrease. This is largely as a result of many of the offices continuing with remote working for the majority of the year under review but, at the same time, travel began to open up. Carbon emissions from travel are expected to continue to rise and will rise considerably before we return to pre-COVID-19 levels.

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:

CULTURE AND VALUES	Santova's continued application of its Culture and Values in every aspect of business.	
BEST PRACTICE	The enforcement of best practice in operational and administration departments.	
OUTLOOK	Ensuring Santova's Vision, Purpose, Strategy and Outlook are considered in business and operational planning.	
EXTERNAL ASSURANCE	The promotion of additional external assurance wherever possible throughout the Group.	
INTERNAL AUDIT FUNCTION	The development of the internal audit function within the finance function.	
MAXIMUM EFFICIENCIES	The ongoing restructuring and rightsizing of operational departments to ensure maximum efficiencies.	
QUALITY CONTROL	The application of sound quality control within operational and administrative functions.	
KEY PERFORMANCE INDICATORS ("KPIs")	The measurable values that demonstrate how effectively Santova is achieving key business objectives and targets.	
POLICIES AND PROCEDURE	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 SA and international offices, quality concepts, processes and practices are governed by the local leadership together with the regular reporting processes required in terms of Santova's Group Governance Framework. This framework is demonstrated and discussed in more detail in the "Governance" section on page 33 of the 2022 AIR.

Further to the above, all regions have access to a series of automated reporting tools that have been developed and carefully refined over the last three 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 unit and to ensure the application of best practice.

There are three components that must be taken into account when considering Santova's automated reporting tools:

- ▣ People – Santova's HR capital continues to evolve into a more mature and highly skilled workforce;
- ▣ Processes – Processes are designed to be highly efficient and structured to inherently push the improvement of KPIs; and
- ▣ Systems – The development and automation of IT systems has created a natural quality efficiency. The use of dashboards and filters has allowed the workforce to manage by exception, which reduced the opportunity for 'human error' in mundane tasks and saved considerable time for the workforce to focus on more important areas.

SAFETY, HEALTH, ENVIRONMENT & QUALITY continued

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.

Our 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	R158 687 902 28%	R460 424 097 74%	R619 111 999
Net profit After Tax ("NPAT") % of total	R29 558 397 17%	R140 571 116 83%	R170 129 513
Taxes % of total	R13 369 693 25%	R40 956 525 75%	R54 326 218
CSI/SED Spend % of total	R1 635 041 93%	R116 941 7%	R1 751 982
Earnings Retained Earnings Retained After Dividends			R170 129 513 R170 129 513

AUDITOR'S REMUNERATION	% OF TOTAL	TOTAL
Audit Services	87%	R3 827 897
Non-Audit Services*	13%	R547 979
Total		R4 375 875

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



**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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