

18 July 2018

Dear business partner

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

The Iemas Board of directors as well as the Executive Management of Iemas fully support initiatives from Government to redress inequality, as manifested in B-BBEE legislation. We recognise that B-BBEE aims to uplift the broader society and bringing about much-needed socio-economic transformation.


The Co-operative implemented measures, and participated in initiatives and programmes, in support of the overall B-BBEE objectives. This resulted in Iemas achieving a rating of a level 3 contributor in 2017, under the previous Financial Sector Codes.

The amended Financial Sector B-BBEE Codes were gazetted and implemented on 1 December 2017. Since Iemas's financial year ended on 31 August 2017, the Co-operative had to be rated under the amended codes. The Amended Financial Sector Code differs significantly from the previous codes, including but not limited to, the implementation of priority elements, significant changes to skills development scoring and also new measures that were introduced under supplier and enterprise development.

Rated for the first time under the amended Financial Sector Code, Iemas achieved a score of 48,61 resulting in the organisation being classified as a level 8 contributor, but because of sub-minimum scores to be achieved in certain priority areas, the score was adjusted to a "Non-Compliant Contributor". Management has appointment Illumin8 BEE Consultants to assist in the development and implementation of a revised B-BBEE strategy to become compliant under the amended Financial Sector Codes and to achieve an acceptable score and level.

Being a Co-operative and a member organisation, any B-BBEE strategy should take into account the corporate strategy and purpose of the organisation, the possible impact on its members, the risk of dilution of annual rewards paid to members, the availability of resources to fund the strategy as well as the availability of opportunities to implement identified initiatives. Iemas remains committed to achieve an acceptable rating in the short to medium term through the execution of a balanced B-BBEE strategy.

Attached, find the B-BBEE scorecard for Iemas Financial Services for the financial year ended 31 August 2017.



PDE van Dyk

Group Manager: Credit and Legal Services



RENAISSANCE

SA Ratings

Making BEE our Business

This is to certify that

IEMAS FINANCIAL SERVICES (CO-OPERATIVE) LIMITED

INCLUDING SUBSIDIARIES IN ANNEXURE A (ATTACHED HERETO)

has been independently verified in accordance with the Codes of Good Practice, issued in terms of section 9(1) of the Broad Based Black Economic Empowerment Act 53 of 2003 (Gazetted 11 October 2013). This Broad-Based BEE Verification Certificate is based on information provided to Renaissance SA Ratings, a SANAS accredited BEE Verification agency.

NON-COMPLIANT CONTRIBUTOR

MEASURED ENTITY:

Company Name: Iemas Financial Services (Co- operative) Limited
 Address: Iemas Office Park, Corner Kwikkie Crescent and Embankment Road, Zwartkop Ext. 7, Centurion
 Registration Number: 1996/000001/24
 VAT Number: 4140107899

BEE STATUS

Scorecard: Generic Scorecard - Amended Financial Sector Code, Generic Entities
 B-BBEE Recognition Level: 0%
 Black Owned: 90.14% Black Ownership
 Black Women Owned: 26.21% Black Women Ownership
 Empowering Supplier: YES
 Designated Group Supplier: NO

Scorecard Information	Score	Target Score
Ownership	25.00	25.00
Management Control	10.16	20.00
Skills Development	4.03	20.00
Enterprise and Supplier Development	6.42	35.00
Socio-Economic Development	3.00	5.00
Total Score	48.61	105.00

Date Issued: 18 June 2018

Date Expired: 17 June 2019

Technical Signatpry: J Lee

Certificate Number: RS-8126-0618-C55

Signature:

For any enquiries contact Jeanette: (012) 348 1838 or
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 A van den Berg, P Grobler