

Name of Measured Entity: B & R PRODUCTS (PTY) LTD  
Certificate number: GEN0218 /2014  
B-BBEE Approved Registered Auditor: Corné van Dyk  
B-BBEE Approved Registered Registration No: 507128B



### CODE SERIES 100 : MEASUREMENT OF THE OWNERSHIP ELEMENT OF B-BBEE

| Weighting Points | Ownership                                                                                                                                                                                                                                                                                      | Weighting Points | Compliance Target             | Score |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------|-------|
| 20               | 1.1. Voting Rights:                                                                                                                                                                                                                                                                            |                  |                               |       |
|                  | 1.1.1 Exercisable Voting Rights in the Enterprise in the hands of black people                                                                                                                                                                                                                 | 3                | 25% + 1 Vote                  | 0.00  |
|                  | 1.1.2 Exercisable Voting Rights in the Enterprise in the hands of black women                                                                                                                                                                                                                  | 2                | 10%                           | 0.00  |
|                  | 1.2 Economic Interest                                                                                                                                                                                                                                                                          |                  |                               |       |
|                  | 1.2.1 Economic Interest of black people in the Enterprise                                                                                                                                                                                                                                      | 4                | 25%                           | 0.00  |
|                  | 1.2.2 Economic Interest of black women in the Enterprise                                                                                                                                                                                                                                       | 2                | 10%                           | 0.00  |
|                  | 1.2.3 Economic Interest of the following black natural people in the Enterprise:<br>1.2.3.1 black designated groups<br>1.2.3.2 black participants in Employee Ownership Schemes<br>1.2.3.3 black beneficiaries of Broad-based Ownership Schemes<br>1.2.3.4 black participants in Co-Operatives | 1                | 2.50%                         | 0.00  |
|                  | 1.3 Realisation Points                                                                                                                                                                                                                                                                         |                  |                               |       |
|                  | 1.3.1 Ownership Fulfilment                                                                                                                                                                                                                                                                     | 1                | Refer to paragraph 10.1       | 0.00  |
|                  | 1.3.2 Net Value                                                                                                                                                                                                                                                                                | 7                | Refer to Annexe C paragraph 4 | 0.00  |
| 3                | 1.4 Bonus Points                                                                                                                                                                                                                                                                               |                  |                               |       |
|                  | 1.4.1 Involvement in the ownership of the Enterprise of black new entrants                                                                                                                                                                                                                     | 2                | 10%                           | 0.00  |
|                  | 1.4.2 Involvement in the ownership of the Enterprise of black:<br>1.4.2.1 Participants in Employee Ownership Schemes<br>1.4.2.2 beneficiaries of Broad-based Ownership Schemes<br>1.4.2.3 Participants in Co-Operatives                                                                        | 1                | 10%                           | 0.00  |
|                  |                                                                                                                                                                                                                                                                                                |                  |                               |       |
|                  |                                                                                                                                                                                                                                                                                                |                  |                               |       |
| Total            |                                                                                                                                                                                                                                                                                                | 23               |                               | 0.00  |

### CODE SERIES 200: MEASUREMENT OF THE MANAGEMENT CONTROL ELEMENT FOR B-BBEE

| Weighting Points | Management Control                                                                               | Weighting Points | Compliance Target | Score |
|------------------|--------------------------------------------------------------------------------------------------|------------------|-------------------|-------|
| 10               | 2.1 Board Participation                                                                          |                  |                   |       |
|                  | 2.1.1 Exercisable Voting Rights of Black Board Members using the Adjusted Recognition for Gender | 3                | 50%               | 0.00  |
|                  | 2.1.2 Black Executive Directors using the Adjusted Recognition for Gender                        | 2                | 50%               | 0.00  |
|                  | 2.2 Top Management                                                                               |                  |                   |       |
|                  | 2.2.1 Black Senior Top Management using the Adjusted Recognition for Gender                      | 3                | 40%               | 0.00  |
|                  | 2.2.2 Black Other Top Management using the Adjusted Recognition for Gender                       | 2                | 40%               | 0.00  |
| 1                | 2.3 Bonus Points                                                                                 |                  |                   |       |
|                  | Black Independent Non-Executive Board Members                                                    | 1                | 40%               | 0.00  |
| Total            |                                                                                                  | 11               |                   | 0.00  |

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**CODE SERIES 300: MEASUREMENT OF THE EMPLOYMENT EQUITY ELEMENT OF B-BBEE**

| Weighting Points | Employment Equity                                                                                                         | Weighting Points | Compliance Target | Score       |
|------------------|---------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|-------------|
| 15               | 3.1 Black Disabled Employees as a percentage of all employees using the Adjusted Recognition for Gender                   | 2                | 3%                | 0.00        |
|                  | 3.2. Black employees in Senior Management as a percentage of all such employees using the Adjusted Recognition for Gender | 5                | 60%               | 0.00        |
|                  | 3.3 Black employees in Middle Management as a percentage of all such employees using the Adjusted Recognition for Gender  | 4                | 75%               | 0.00        |
|                  | 3.4 Black employees in Junior Management as a percentage of all such employees using the Adjusted Recognition for Gender  | 4                | 80%               | 0.00        |
| 3                | 2.1.5. Bonus points for meeting or exceeding the EAP targets under each category under 3.2 to 3.4                         | 3                |                   | 0.00        |
| <b>Total</b>     |                                                                                                                           | <b>18</b>        |                   | <b>0.00</b> |

**CODE SERIES 400: MEASUREMENT OF THE SKILLS DEVELOPMENT ELEMENT OF B-BBEE**

| Weighting Points | Skills Development                                                                                                                                                                                                         | Weighting points | Compliance Target | Score       |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|-------------|
| 15               | 4.1 Skills Development Expenditure on any programme specified in the Learning Programmes Matrix                                                                                                                            |                  |                   |             |
|                  | 4.1.1 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for black employees as a percentage of Leviable Amount using the Adjusted Recognition for Gender                   | 6                | 3%                | 0.00        |
|                  | 4.1.2 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for black employees with disabilities as a percentage of Leviable Amount using the Adjusted Recognition for Gender | 3                | 0.3%              | 0.00        |
|                  | 4.2 Learnerships                                                                                                                                                                                                           |                  |                   |             |
|                  | 4.2.1. Number of black employees participating in Learnerships or Category B, C and D programmes as a percentage of total employees using the Adjusted Recognition for Gender                                              | 6                | 5%                | 0.00        |
| <b>Total</b>     |                                                                                                                                                                                                                            | <b>15</b>        |                   | <b>0.00</b> |

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**CODE SERIES 500: MEASUREMENT OF THE PREFERENTIAL PROCUREMENT ELEMENT OF B-BBEE**

| Weighting points | Preferential Procurement                                                                                                                                                                                               | Weighting points | Compliance Target | Score |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|-------|
| 20               | 2.1.1. B-BBEE Procurement Spend from all Suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend                                                          | 12               | 70%               | 12.00 |
|                  | 2.1.2. B-BBEE Procurement Spend from Qualifying Small Enterprises and Exempted Micro Enterprises based on the applicable B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend | 3                | 15%               | 0.21  |
|                  | 2.1.3. B-BBEE Procurement Spend from any of the following Suppliers as a percentage of the Total Measured Procurement Spend:                                                                                           |                  |                   |       |
|                  | 2.1.3.1 Supplier that are 50% Black Owned (3 out of 5 Points)                                                                                                                                                          | 3                | 12%               | 0.00  |
|                  | 2.1.3.2. Suppliers that are 30% Black Women Owned (2 out of 5 points)                                                                                                                                                  | 2                | 8%                | 0.00  |
| Total            |                                                                                                                                                                                                                        | 20               |                   | 12.21 |

**CODE SERIES 600: MEASUREMENT OF THE ENTERPRISE DEVELOPMENT ELEMENT OF B-BBEE**

| Weighting points | Enterprise Development                                                                                                                                    | Weighting points | Compliance Target | Score |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|-------|
| 15               | Average Annual value of all Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target | 15               | 3% of NPAT        | 15.00 |
| Total            |                                                                                                                                                           | 15               |                   | 15.00 |

**CODE SERIES 700: MEASUREMENT OF THE SOCIO-ECONOMIC DEVELOPMENT ELEMENT OF B-BBEE**

| Weighting Points | Socio-Economic Development                                                                                                | Weighting Points | Compliance Target | Score |
|------------------|---------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|-------|
| 5                | Average Annual value of all Socio-Economic Development Contributions by the Measured Entity as a percentage of the target | 5                | 1% of NPAT        | 4.11  |
| Total            |                                                                                                                           | 5                |                   | 4.11  |

**LIST OF CONTRIBUTIONS TOWARDS ENTERPRISE DEVELOPMENT:**

| Date       | Beneficiary | Type of Contribution | Amount       |
|------------|-------------|----------------------|--------------|
| 15/04/2015 | INCUVEST    | Grant Contribution   | R 101 224.00 |

**LIST OF CONTRIBUTIONS TOWARDS SOCIO-ECONOMIC DEVELOPMENT:**

| Date         | Beneficiary  | Type of Contribution | Amount      |
|--------------|--------------|----------------------|-------------|
| 15/04/2015   | DOOR OF HOPE | Grant Contribution   | R 29 977.00 |
| FIN YEAR2014 | VARIOUS      | Grant Contribution   | R 4 650.00  |

## LIMITED ASSURANCE REPORT OF THE INDEPENDENT B-BBEE APPROVED REGISTERED AUDITOR

### To the directors/members of B & R PRODUCTS (PTY) LTD

We have completed our limited assurance engagement on the B-BBEE Status as set out on page 1 of the Broad-Based Black Economic Empowerment ("B-BBEE") Verification Certificate of the measured entity (the "Certificate"), and the Scorecard as set out on pages 2 to 4 of the Certificate. We clarify that our engagement is on the basis of information provided by management.

### Directors' responsibility

The directors/members are responsible for the preparation of the Scorecard and determining the B-BBEE status in accordance with the Codes of Good Practice on Black Economic Empowerment ("the Codes of Good Practice"), gazetted on 9 February 2007 in terms of the Broad-Based Black Economic Empowerment Act of South Africa ("the B-BBEE Act"). The directors are also responsible for such internal control as management determines is necessary to enable the preparation of information and the B-BBEE Scorecard that is free from material misstatement, whether due to fraud or error.

### B-BBEE Approved registered auditor's responsibility

Our responsibility is to express a limited assurance conclusion on the B-BBEE Status reflected in the Certificate based on the procedures we have performed. We conducted our limited assurance engagement *in accordance with the South African Standard on Assurance Engagements (SASAE) 3502: Assurance Engagements on Broad-Based Black Economic Empowerment (B-BBEE) Verification Certificates*. This standard requires us to comply with ethical requirements and to plan and perform this engagement to obtain limited assurance about whether the Certificate is free from material misstatement.

A limited assurance engagement with respect to a B-BBEE Verification Certificate involves performing procedures regarding the Scorecard and B-BBEE Status of the measured entity based on the criteria and requirements contained in the Codes of Good Practice. The procedures performed depend on the assurance provider's judgement. The nature of those procedures is different from and the extent is substantially less than in a reasonable assurance engagement, and consequently they do not enable us to obtain the assurance necessary to become aware of all significant matters that might be identified in a reasonable assurance engagement.

We believe that the evidence we have obtained in our limited assurance engagement is sufficient and appropriate to provide a basis for our conclusion.

### Summary of work performed

Our work performed included:

- Obtaining an understanding of the entity and its environment and the underlying records sufficient to identify areas in the Scorecard where material misstatements are likely to arise, and to be able to design procedures to address those areas;
- Inquiring of management and employees responsible for the preparation of the B-BBEE compliance information;
- Performing such additional procedures we considered necessary;
- Re-performing calculations to determine whether the scores reflected in the Scorecard have been classified and determined in all material respects in accordance with the Codes of Good Practice.

### Limited assurance conclusion

Based on our procedures performed, nothing has come to our attention that causes us to believe that the B-BBEE Status reflected in the Certificate has not been determined, in all material respects, in accordance with the Codes of Good Practice gazetted on 9 February 2007 in terms of the B-BBEE Act.

### Restriction on liability

Our engagement has been undertaken so that we are able to report to those who engaged us in accordance with the terms of our engagement. We do not accept or assume responsibility to anyone other than those who engaged us, for our work, for this report, or for the conclusion we have reached.