

**BLACK ECONOMIC EMPOWERMENT RATING**

Core Components	BEE Elements	Code Ref.	Weighting	Indicators	Indicator Weighting	Targets	Status	Bonus / Preferential Weighting Provisions
<b>Direct Empowerment</b>	Ownership	BEE 100	20 %	Unrestricted Voting Rights in the Enterprise in the hands of Black people	3%	25.% + 1 vote	0%	Introduction of new entrants and BEE ownership in excess of target
				Unrestricted Voting Rights in the Enterprise in the hands of Black women	2%	10%		
				Economic Interest in the Enterprise to which Black people are entitled	4%	25%		
				Economic Interest in the Enterprise to which Black women are entitled	2%	10%		
				Economic Interest in the Enterprise to which Black designated groups are entitled	1%	2.5%		
				Level of Unrestricted entitlement of Black people to receive their Economic Interest in the Enterprise (as percentage of total ownership)	8%	25%		
	Management	BEE 200	10%	Weighted Management Representation Scorecard (See BEE 200)	10%	40%	0%	Women Management, Different management positions weighed according to seniority and executive involvement
<b>Human Resources Development</b>	Employment Equity	BEE 300	10%	Weighted Employment Equity Scorecard (See BEE 300)	10%	50%	5%	Women representation
	Skills Development	BEE 400	20%	Investment in Skills Development (in addition to skills development levy), as a percentage of payroll	15%	3%	15%	Fast-track programs for black employees and management. Provision of skills development programs and learnership in priority skill areas
				Learnership- learnership positions (as a percentage of employees)	5%	3%	0%	
<b>Indirect Empowerment</b>	Preferential Procurement	BEE 500	20%	Affirmative Procurement from Excellent BEE Contributors (BEE Percentage Score as per scorecard, between 80 and 100 points)	18%	50%	9%	<ul style="list-style-type: none"> <li>- Procurement from <b>excellent contributors</b> (recognized at R1.25 for every R1 of spend)</li> <li>- Procurement from <b>good contributors</b> (recognized at R1 for every R1 of spend)</li> <li>- Procurement from <b>satisfactory contributors</b> (recognized at 50c for every R1 of spend)</li> </ul>
				Affirmative Procurement from Good BEE Contributors (BEE Percentage Score between 65 and 79)				
				Affirmative Procurement from Satisfactory BEE Contributors (BEE Percentage Score between 45 and 65)				
				Implementation of robust independent verification and reporting mechanism to avoid fronting				
	Enterprise Development	BEE 600	10%	Monetary Investment in SMME with excellent or good BEE contributions (as percentage of Net Asset Value/EBITDA/Total Procurement)	8%	5% - 10% (depending on base used)	0%	The sum percentage score achieved through monetary investment and quantifiable non-monetary support are summed to arrive at the enterprise development points. (The maximum achievable percentage score for enterprise development is 10)
				Quantifiable non-monetary support to SMME with excellent or good BEE contributions (as percentage of Net Asset Value/EBITDA/Total Procurement)	2%	2% - 5% (depending on base used)	2%	
	Residual Element	BEE 700	10%	Industry specific initiatives to facilitate the inclusion of black people in the sector (as a percent of net profit)	10%	3%	3%	Total contribution towards these initiatives are summed relative to net profit of an enterprise. The total achievable percentage score for these initiatives is 10. (Initiatives that does not promote the empowerment of black people are specifically excluded)
Industry specific initiatives to promote black economic empowerment (as a percent of net profit)								
Corporate social investment initiatives in health, education, poverty alleviation and community development (as a percent of net profit)								
<b>Total</b>	<b>Element Weighting</b>		<b>100%</b>	<b>Indicator Weighting</b>	<b>100%</b>		<b>34%</b>	

