SUSTAINABILITY REPORT

FOR THE YEAR ENDED 30 JUNE

2021

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NAVIGATION TOOLKIT

Reference marker for additional information on the website, **www.adaptit.com**

Reference marker for additional information in the **Integrated Annual Report**

Reference marker for additional information in this **Sustainability Report**

Achieve more.

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ABOUT THE SUSTAINABILITY REPORT

Adapt IT Holdings Limited ("Adapt IT" or "the company") presents, alongside the Integrated Annual Report, the 2021 Sustainability Report, which intends to document:

- the environmental, social and governance (ESG) performance of the company; and
- the vision, strategy, actions and goals to improve these.

Since 2019, Adapt IT has been on a journey to improve its sustainability reporting by aligning it more closely with international reporting standards, implementing standards by the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the Sustainability Accounting Standards Board (SASB). Adapt IT continues to implement these standards thus there will not be substantial changes to the Sustainability Report this financial year as the same performance areas will be addressed.

Adapt IT is cognisant of the value of ESG, and already embraces strong governance and sustainable business practices, as set out in this report, with the company's approach to governance detailed in the Corporate Governance Report on page 53 of the Integrated Annual Report.

As a responsible corporate citizen Adapt IT further understands the need to maximise both the economic and non-economic value generated for key stakeholder groups.

REPORTING SCOPE

The Adapt IT Sustainability Report for the financial year ended 30 June 2021 covers information from Adapt IT and its subsidiaries in all regions of operation, namely, South Africa, Mauritius, Australia, Botswana, Singapore, Ireland, Kenya, Nigeria and New Zealand. Of these regions, South Africa is the most significant operation, contributing the largest percentage to revenue of 76%.

The scope of the report is determined by considering Adapt IT's strategy, stakeholders, value chain and material sustainability issues.

The Sustainability Report is part of Adapt IT's annual suite of publications that cater for the needs of stakeholders. Stakeholders are encouraged to refer to the Integrated Annual Report (available on www.adaptit.com).

Adapt IT publishes unaudited interim reports, as well as integrated annual reports for each financial year, with the most recent publication prior to this one being the Interim Report of the half year ended 31 December 2021 (available on www.adaptit.com).

The data in this Sustainability Report is supplied by internal teams as well as reputable external sources such as assurers, regulators and (to a limited extent) service providers. The report considers the reasonable concerns of other key stakeholder groups with whom Adapt IT engages.

Stakeholder feedback on the report is welcome; questions or recommendations may be directed to sustainability@adaptit.com.

REPORTING FRAMEWORK

Adapt IT adopts the GRI Sustainability Reporting Standards to report on the company's activities in relation to sustainability. As such, Adapt IT declares that this report has been prepared in accordance with the GRI Sustainability Reporting Standards "Core" option. In addition, Adapt IT has opted to reference the sustainability disclosures for the Software and IT Services industry as set out by the SASB.

The reporting process for the annual reports was guided by the principles and requirements contained in the International Financial Reporting Standards (IFRS), the GRI Sustainability Reporting Standards, the King Code on Corporate Governance 2016 (King IV™), the Listings Requirements of the Johannesburg Stock Exchange (JSE) and the requirements of the remit assigned to the Social and Ethics Committees in terms of the South African Companies Act of 2008, as amended.

ASSURANCE

Adapt IT has adopted a combined assurance framework that the board of Directors ("board") believes is appropriate with respect to Adapt IT's stage of development and strategies. This framework is overseen by the Audit and Risk Committee and involves obtaining assurance from executive and senior management, internal assurance providers and external assurance providers on risk areas identified.

As part of the adoption of Adapt IT's assurance framework, the following independent external assurances were obtained:

Business process	Nature of assurance	Status	Provider
Financial/operational Annual financial statements Internal audit	External assurance Internal assurance (outsourced)	Assured Assured	KPMG PricewaterhouseCoopers (PwC)
Empowerment Broad-based Black Economic Empowerment (B-BBEE)	Black Economic Empowerment (BEE) Scorecard	In place	Empowerlogic (Pty) Ltd
Ethics Whistleblowing hotline Anti-Bribery and Corruption Policy	External assurance Internal assurance	In place In place	KPMG Compliance Manager

SUSTAINABILITY GOVERNANCE

Adapt IT's Social and Ethics Committee is responsible for ensuring that the sustainability objectives are effectively integrated into the business. The committee is chaired by Oliver Fortuin, Lead Independent Non-executive Director. Its members are Chief Executive Officer (CEO) Tiffany Dunsdon and Independent Non-executive Director, Catherine Koffman. Chief Financial Officer (CFO) Nombali Mbambo and Chief Operating Officer (COO) Tony Vicente are attendees.

Sustainability considerations are included in the committee's semi-annual meetings. Further details on the Social and Ethics Committee are set out on page 61 of the Integrated Annual Report.

BOARD APPROVAL

The Directors of Adapt IT acknowledge responsibility for the integrity of this Sustainability Report. The Directors have applied their minds to the report and believe that the information is reliable, and that it fairly presents both the economic and non-economic value created by Adapt IT.

Craig Chambers
Chairman: Board

Oliver Fortuin
Chairman: Social and Ethics Committee

Social and Ethics Committee

CHAIRMAN'S LETTER

"Sustainability responsibilities of organisations continue to broaden with changing operating environments, but sustainability has always been a key imperative for Adapt IT and its stakeholders."

Oliver Fortuin
Chairman, Social and Ethics Committee

In an environment with a multitude of ever changing challenges, sustainability is determined by an organisation's ability to adapt and identify opportunities to support its stakeholders – it is a business imperative that Adapt IT recognises and by which it has always sought to operate. As the pandemic continues to present varying challenges within the company's operations, Adapt IT's leadership continues to implement and monitor measures that are aimed at supporting its employees and customers while mitigating impact on the business. Overall, the leadership team is focused on positioning the business for sustainability beyond the immediate impacts of the pandemic to what it believes will become the new normal. Our interconnectedness and interdependencies as the human race are plain to see through recent experience and this has broadened and challenged our mindset on sustainability considerations.

COMMITMENT TO ESG IMPERATIVE

Notwithstanding the challenging operating environment, Adapt IT continues to maintain its commitment to pursuing success beyond financial achievements. Making positive impacts and reducing negative impacts on the environment and wider society are steadfast goals of the company, and which are continuously monitored. Climate change is a reality for all and thus curbing its progression is the responsibility of everyone, with a role to be played by every stakeholder. As a responsible citizen, Adapt IT includes ESG considerations in its decision making, including ensuring that operations and reporting are aligned with key aspects of environment, social and governance topics. A review was performed during the financial year and it was found that the reporting framework in place is congruent with key aspects of ESG.

Adapt IT's operations are based on strong value systems. Improvements in sustainability reporting, initiated in 2019 and in line with international standards, is a relatively new undertaking for the company and continues to be an area of focus and improvement.

As discussed on page 1 of this report, the company has selected the GRI Sustainability Reporting Standards as a guideline against which the company will reflect on its positive and negative impacts.

Being an organisation that seeks growth beyond the borders of South Africa, it is imperative that alignment with the international standards is maintained.

TECHNOLOGY PROFICIENCY

As has been proven since the onset of the Covid-19 pandemic, technology has a critical role to play in the lives and livelihoods of people. The uptake of aspects of technology, the use of which had not previously permeated beyond the workplace, has accelerated considerably. Adapt IT, as a technology provider, seeks to facilitate improved technology proficiency through its offerings. Given that technology is a key enabler of processes, it is expected that it will play a significant role in the long term recovery and development of economies around the world and the company is well placed to contribute in this digital transformation.

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TRANSFORMATION

A long standing objective of Adapt IT is making a meaningful contribution towards the South African transformation imperative. Deep inequality exacerbates the impact of challenging periods such as the pandemic and civil unrest where the disadvantaged tend to bear the brunt of the difficulties. This reminds us that the work of genuine transformation is ever more important to create a sustainable society in which all can participate.

During the 2021 financial year, Adapt IT (Pty) Ltd achieved its target of being rated a B-BBEE Level 1 contributor in respect of the 2020 financial year. The target remains maintaining the current Level 1 rating into the future. Current scorecard elements are reported on in more detail on page 23 of this report.

ETHICAL CULTURE

Adapt IT believes in an ethical culture that is steeped in a strong values base. The company holds itself and its employees to high ethical standards in the execution of work, with embedded standards of good, right and fair conduct. The company aligns itself with the Organisation for Economic Co-operation and Development (OECD) recommendations regarding corruption (refer to www.oecd.org for further details). Ethical behaviour and anti corruption measures are instilled formally through the Adapt IT Behaviours Charter, policies, procedures, training and compliance with the relevant laws and regulations, including the company's Ethics and Conduct Policy and Anti-bribery and Corruption Policy.

Adapt IT values are approved at board level and are the yardstick against which all employees are measured. The Executive Committee has oversight of ethical considerations and is involved in the active pursuit to maintain ethical standards within the company. The board provides effective leadership based on an ethical foundation, providing oversight to ensure that the company's ethics are managed effectively. Roles of the board are described in the Integrated Annual Report on pages 57 to 61 (the report is also available on the company website (www.adaptit.com). The board is confident that adequate practical arrangements are in place to support the meeting of ethical standards.

Adapt IT believes that its activities and policies align with the UN Sustainable Development Goals through the implementation of GRI Sustainability Reporting Standards. The company is committed to consciously evaluating sustainability in order to actively assess and report on the progress made.

APPRECIATION

In closing, I thank my fellow committee members and the executive team for their insights and advice through another challenging year, our employees for their resilience even as many of them face immense personal challenges, and our customers for their commitment during a tumultuous time. Adapt IT remains resilient and will forge ahead through any challenges set before it.

Oliver Fortuin
Chairman, Social and Ethics Committee
27 September 2021

CEO'S STATEMENT

"ESG matters are more important than ever for organisations globally to address, and Adapt IT is proud to have implemented a sustainability reporting framework that addresses many of the same issues as those highlighted in the ESG Framework developed by the World Economic Forum (WEF) in collaboration with Deloitte, EY, KPMG and PwC.

The company is committed to making a contribution towards slowing the progression of climate change and to being a socially responsible corporate citizen at the same time. Adapt IT's governance matters are thoroughly documented in the Integrated Annual Report, and remain an intrinsic part of the company's clear commitment to transparency."

Tiffany Dunsdon
Chief Executive Officer

At Adapt IT sustainability has always been a multifaceted objective that focuses not only on the longevity of the company, but also actively seeks out opportunities for the group to make positive contributions as well as to minimise any negative impacts as far as possible. This is done both within the realm of business and beyond.

The impact of climate change is presenting increasing challenges for both people and organisations alike. It is the responsibility of all to make as much of a contribution as possible towards limiting this evolving crisis. To this end, Adapt IT continues to limit its environmental impacts as much as possible, in addition to making meaningful contributions to vulnerable communities, who tend to bear the brunt of climate change-induced challenges.

Another benefit of having sustainability strategies in place was that Adapt IT was able to successfully reduce the impact of Covid-19 on employees through early virtualisation of the work environment and the provision of support resources, as well as to support external communities that required assistance the most. This support took the form of offering underprivileged schools a means of continuing with their curricula when traditional methods of teaching and learning were severely hampered by the pandemic. Details thereon are addressed in the Social Responsibility section of this report, on page 27.

The company's view on sustainability continues to evolve in response to various changes in the operating environment. As such, Adapt IT continues to seek opportunities to improve its sustainability stewardship and report in a manner that will enable better identification of areas where improvements can be made.

Any risks to the sustainability of the company are important to Adapt IT and measures to enable early identification and mitigation are essential.

People, knowledge and innovation that make growth possible are key to securing Adapt IT's long term success. The company's commitment to society, the environment and its stakeholders keeps it cognisant of impacts that have a bearing beyond only financial achievements.

This report outlines Adapt IT's reflections on the significant impacts that were applicable during the 2021 financial year and is aimed at supporting information requirements for stakeholders who have ESG considerations to take into account or who are interested in the company's efforts in this regard.

I commend the teams' hard work and efforts towards maintaining the resilience of the company; I look forward to more sustainability achievements in the future.

Tiffany Dunsdon
Chief Executive Officer
27 September 2021

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PURPOSE, PERSONALITY, VALUES AND CULTURE

PURPOSE

A provider of leading specialised software and digitally-led business solutions that assist clients across targeted industries to **Achieve more** by improving their:

- Customer experience
- Core business operations
- Business administration
- Enterprise resource planning
- Public service delivery

PERSONALITY

Leading. Professional. Experts.

VALUES

- Respect
- Honesty
- Responsibility
- Accountability

THE CULTURE WE EMBRACE

RESPECT

- Embrace and value the diversity of our cultures, skills, experience and individual contributions
- Listen sincerely and actively, and communicate without raising our voices or using offensive language
- Arrive on time for all our engagements with colleagues, customers and partners
- Take care of company property, and enable a clean and considerate office space
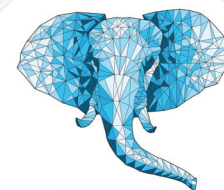
**RESPECT**
EMBRACING AND VALUING OUR DIVERSITY

HONESTY

- Are ethical, truthful and transparent in all that we do
- Build trust through constructive feedback within all our teams
- Do what is right in all circumstances even when no one is watching
- Acknowledge our mistakes without fear or prejudice

HONESTY
ETHICAL BEHAVIOUR

RESPONSIBILITY

- Build synergies and relationships to the benefit of the organisation
- Continuously innovate, creating efficiencies in our internal processes and product development
- Are customer-centric, delivering superior quality through high performance
- Are socially responsible by contributing to the wellbeing and upliftment of our communities
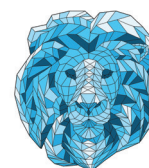
RESPONSIBILITY
HIGH PERFORMANCE AND INNOVATION

ACCOUNTABILITY

- Deliver on the commitments made to our colleagues, customers and partners
- Take ownership by always driving the next steps to achieve a successful outcome
- Complete our assigned tasks timeously
- Are adaptable to changes, and open to doing things differently

ACCOUNTABILITY
TAKING OWNERSHIP

CREATING VALUE

BUSINESS MODEL

INPUTS

INTELLECTUAL CAPITAL

- Highly qualified technology professionals
- Vertical market expertise
- Goodwill
- Brands and intellectual property (IP)
- Innovation and research
- Clearly defined strategy
- Learning and skills development

HUMAN CAPITAL

- Entrepreneurial and skilled leadership team
- Highly qualified technology professionals in South Africa, Mauritius, Australia, Botswana, Singapore, Ireland, Kenya, Nigeria and New Zealand
- Skilled integrated sales capacity and channel partners
- B-BBEE status and ownership
- Effective performance evaluation

SOCIAL AND RELATIONSHIP CAPITAL

- Long-term customer relationships
- Value-adding partnerships
- Ecosystem relationships with Original Software Manufacturers (OSMs)
- Investor and stakeholder engagement
- Community investment and development
- Skills and enterprise development
- Preferential procurement

FINANCIAL CAPITAL

- Shareholder and debt funding
- Retained profit used for growth
- Effective working capital management
- Capital allocation

MANUFACTURED CAPITAL

- Regional campuses and sales presences in Africa, Ireland, Australia, New Zealand and Singapore
- Online platforms
- Enabling built and online corporate environments
- Industry-specific IP development

NATURAL CAPITAL

- Low materials consumption in operations
- Emissions, effluent and waste managed through group sustainability initiatives
- Energy efficient workplace

VALUE CREATION

VISION

To be a leader in specialised software and digitally-led business solutions.

PURPOSE

Growing our business, people and solutions to enable our clients and investors to **Achieve more.**

SECTOR FOCUS

EDUCATION
MANUFACTURING
FINANCIAL SERVICES
ENERGY
COMMUNICATIONS
HOSPITALITY

Consult on user needs and process requirements using deep vertical industry expertise and IT skills	Develop or customise software products to meet customer needs (own IP +3IP) Cloud platform	Implement and integrate IP upgrades	Continuous support, services and maintenance (SLA)
CONSULTING FEES	INITIAL LICENCE FEES ANNUAL LICENCE SOFTWARE AS A SERVICE (SAAS) FEES	PROJECT FEES	ANNUAL MAINTENANCE AND SUPPORT FEES

Diversified sustainable revenue model with annuity income of approximately 66%.

Highly successful remote support model provides significant operating leverage benefits.

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OUTPUTS

SOFTWARE AND PRODUCTS

A wide range of flagship products and software is available from the group and delivered to clients in various locations across the world. For further information on the list of software and products, visit www.adaptit.com.

SOLUTIONS AND SERVICES

Front Office

- Mobile point-of-sale platforms
- Student self service and e-learning platforms
- Corporate customer self service platforms
- Advanced analytics platforms

Middle Office

- Integrated logistics and laboratory information management solutions
- Permit to work and energy isolation management solutions
- Advanced planning, transport and distribution solutions
- Terminal automation solutions
- Turn key oil and gas management solutions
- Integrated operations management platforms
- Hotel operations and distribution platforms

Back Office

- Automated support and maintenance solutions
- Human Capital Management (HCM) and payroll outsourcing solutions
- Automated financial reporting solutions
- Tax practice management solutions
- Secretarial process management solutions
- Timetabling and rostering solutions
- Telecommunications and Technology Expense Management (TEM) solution
- Enterprise performance management solutions (EPM)

Enterprise Resource Planning (ERP) Solutions

- SAP™ ERP solutions
- Microsoft Enterprise Resource Planning (ERP) solutions
- Oracle ERP solutions
- Sugar industry specific ERP solutions

OUTCOMES

INTELLECTUAL CAPITAL

- Goodwill
- Brands and IP
- Innovative solutions

HUMAN CAPITAL

- Leadership and managerial expertise
- Highly motivated employees
- Employee retention improved
- Skilled organisation with Adapt IT Values central to all operations
- Competency development

SOCIAL AND RELATIONSHIP CAPITAL

- Long-term customer relationships
- Established investor relations
- Community investment and involvement
- B-BBEE status and ownership
- Contribution to local economy
- Improvement to clients' business efficiencies

WEALTH CREATED AND DISTRIBUTED (%)

	Salaries, wages and other benefits	Retained in group	Taxation	Providers of capital
2020	74	9	6	11
2021	77	9	6	8

☐ 2020 ☐ 2021

MANUFACTURED CAPITAL

- IP
- Platform for integration of acquisitions

NATURAL CAPITAL

- Reduced emissions through creation of regional campuses
- Employee travel reduced through regional office creation in all areas of operations
- Energy efficient workplace

SOFTWARE DEVELOPMENT CAPABILITY IN SOUTH AFRICA

Adapt IT has internal software development capabilities that have been augmented through acquisitions to serve clients in an integrated approach. These capabilities are located predominantly at the Johannesburg campus, with a regional presence in Durban and Cape Town, and smaller teams in other international offices.

INTEGRATION OF SOFTWARE CAPABILITY

Adapt IT integrates the businesses it acquires to enable and encourage collaboration and to further enhance the cross selling of software solutions, operational efficiencies and innovative abilities across the organisation (see additional information on acquisitions on page 27 of the Integrated Annual Report).

The integrated shared services* function allows for cross divisional governance and oversight of sales, market positioning, finance and client support. Financial consolidation allows for a direct line of sight and the ability to have a centralised treasury function.

Shared services functions are defined as financial management, human capital management, legal and commercial, strategy, marketing, Information and Communications Technology (ICT) support and facilities management.

LOCATION OF MARKET DEVELOPMENT CAPABILITIES

Adapt IT's capabilities in the Pan Africa, Asia Pacific and European markets enable market development and expansion within those regions, with project delivery being supported from South Africa where the majority of the software development capabilities exist.

Adapt IT's locally-based personnel across these markets is advantageous in building and maintaining key relationships (refer to page 3 of the Integrated Annual Report for the map indicating revenue by geography and the location of Adapt IT's market development focus).

SUSTAINABILITY MATERIALITY ANALYSIS

CONTENT DEFINITION

In defining the content for this report, Adapt IT reviewed material topics addressed in the 2020 Sustainability Report. These were based on GRI and SASB reporting standards and remain material for the 2021 financial year and therefore the 2021 Sustainability Report. In line with the GRI Sustainability Reporting Standards, the reporting principles applied in the compilation of report content include those used to:

• define report content, which aid in determining content for inclusion; and

• define report quality, which guides the process to ensure the quality and presentation of information in a sustainability report.

REPORTING PRINCIPLES FOR DEFINING REPORT CONTENT

• Stakeholder inclusiveness

• Sustainability context

• Materiality

• Completeness

REPORTING PRINCIPLES FOR DEFINING REPORT QUALITY

• Accuracy

• Balance

• Clarity

• Comparability

• Reliability

• Timeliness

This section provides an overview of how these principles were applied in the process of defining content to include in this report.

STAKEHOLDER INCLUSIVENESS

Adapt IT engages and communicates with various stakeholder groups in order to share information with them. The company responds to their expectations and/or concerns using a diverse and encompassing range of channels in an appropriate and efficient manner. Stakeholder engagement provides insight into concerns of stakeholders, which informs the assessment of material issues. Further information on stakeholder engagement is available from pages 10 to 15 in the Integrated Annual Report.

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This section addresses Adapt IT's engagement with the following stakeholders:

Stakeholder	Areas of focus	Strategic response includes
SHAREHOLDERS AND INVESTMENT COMMUNITY	Sustainability of business Return on invested capital	Development and roll out of a robust integrated strategy and implementation thereof
		Geographic, client and services diversification Focus on organic growth
	Reduction of debt levels and application of capital	Detailed cash forecasting and management
		Paying down debt
		Sound capital allocation
EMPLOYEES	Transformation	Social and Ethics Committee's commitment to implementing B-BBEE Codes of Good Practice
	Provision of gainful employment	Providing employment and creating opportunities for economic participation and empowerment
	Fair labour practices Attracting top talent	Open communication around fair management practices together with alignment to group-wide policies
	Skills development, training and learnerships	Adapt IT provides internal training, study assistance to employees as well as graduate programmes, internships and learnerships
	Employee health and safety	Continued implementation and update of policies and protocols and programmes that support employee safety and wellness
CUSTOMERS	Customer value creation	Industry-specific innovative solutions
		Annual customer satisfaction survey
	Service delivery	High-quality services and solutions
	Expert customer support	Continuous training of employees for better solution delivery and support
GOVERNMENT	Statutory and legal compliance	Compliance with applicable acts, guidelines, procedures and policies
		Providing regular and transparent information
	Fair and sustainable business practices and contribution to shaping industry policy	Full contribution to the fiscus through taxation and levies
		Proactive consulting and contribution as required
		Independent project governance reviews
FINANCIAL INSTITUTIONS AND FUNDERS	Relationship manager engagement	Ongoing executive engagement with financial partners
	Prudent financial management	Highly qualified finance team; best practice risk management structures
COMMUNITIES	Good corporate citizenship sustainable business practices	Provision of employment opportunities within communities and proactive contribution to Information Technology (IT) educational needs
	Sustainable community contributions	Commitment to monitoring operations to ensure that harm is not done to communities within which Adapt IT operates
		Youth employment initiatives such as learnership and trainee programmes
SUPPLIERS AND PARTNERS	Continued growth and meaningful relationships	Management of long term relationships with partners for sustained growth

SUSTAINABILITY MATERIALITY ANALYSIS CONTINUED

SUSTAINABILITY CONTEXT

In the process of identifying a framework and standards to apply in this report, a number of sustainability standards were reviewed to identify the best fit. The framework implemented is aligned with the operating environment of Adapt IT as well as international standards, as indicated in the Reporting Framework section (page 1).

Sustainability is a common thread throughout the accompanying Integrated Annual Report as well; it is the foundation upon which value is created for all stakeholders.

MATERIALITY

There is a wide range of topics that relate to sustainability that organisations can report on. As such, Adapt IT conducted an exercise to identify those topics relevant to the organisation. In selecting material topics, Adapt IT considered those that were previously reported on – these were selected from GRI and SASB disclosures.

The list of topics was reflected upon to determine whether or not economic, social or environmental impacts occurred. Adapt IT is satisfied that the list considered in 2020 remains relevant in this current sustainability report.

In reviewing the topics, the following were considered:

- Whether impacts associated with each topic occurred internally or externally or across both.
- Whether there were significant positive or negative impacts that occurred from an economic, social and environmental perspective.
- Whether the topic had significant influence (positive or negative) on stakeholders' assessments and decision making.
- The likelihood and severity of impacts, the risks or opportunities related to the topics, and the criticality on long term performance and opportunities for Adapt IT to grow from these impacts.

Priorities were reassessed to determine the desired level of coverage, as indicated in the prioritisation table.

Low reporting priority	Medium reporting priority	High reporting priority
Reported to fulfil regulatory or other reporting requirements May be excluded if not material	May be excluded if not material	Must be included in the report
ENVIRONMENTAL • Environmental Compliance • Energy • Waste • Water and Effluent	**SOCIAL** • Human Rights Assessment • Public Policy • Supplier Social Assessment • Local Communities **SYSTEMIC RISKS FROM TECHNOLOGY DISRUPTIONS** • Performance Issues • Description of Business Continuity Risks Related to Disruptions of Operations • Number of Licences or Subscriptions and Percentage that is Cloud-based	**ECONOMIC** • Economic Performance • Market Presence • Procurement Practices • Anti-corruption • Anti-competitive Behaviour **SOCIAL** • Employment • Labour/Management Relations • Occupational Health and Safety • Training and Education • Diversity and Equal Opportunity • Non-discrimination • Equal Remuneration for Women and Men • Child Labour • Forced or Compulsory Labour • Rights of Indigenous Peoples • Customer Privacy and Data Security

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COMPLETENESS

Adapt IT has undertaken, throughout the collection and presentation of available information, to provide as clear a picture as possible for stakeholders to assess the organisation. During the reporting process areas where management approach and disclosure measurement mechanisms need to be implemented and/or improved are noted for better reporting in the future.

REPORT QUALITY

In ensuring that the quality of content in the report is up to standard, the following key focus areas are at the forefront throughout data collection, analysis and presentation:

- The provision of accurate and detailed information as far as possible. Where there are deficiencies in the level of detail of available data, this has been acknowledged and improvement initiatives will be pursued in order to better track and maintain impacts and related information.

- The reporting of negative and positive impacts associated with the topics covered, including favourable and unfavourable results and topics, in order to maintain balance.

- Information has been presented in a manner that is understandable and accessible to ensure the understanding of all stakeholders. Feedback and comments from stakeholders are welcome as they may improve reporting.

- The aim of reporting is to demonstrate Adapt IT's performance over time, and not at a point in time. All sustainability reporting remains in accordance with the GRI Sustainability Reporting Standards, which will enable performance tracking and comparison over time.

- Adapt IT's integrated annual reports are subjected to external assurance, in order to assure stakeholders of their reliability.

- Adapt IT publishes integrated annual reports (which include sustainability reports) as well as interim and full year financial results. Information is useful when it is available and when it is still relevant for stakeholders to make decisions. As such, the aim is to produce and publish reports in a timely manner.

SUSTAINABILITY REVIEW

"Adapt IT is committed to sustainable business practices within its operations, in the way that it interacts with its stakeholders by managing social and environmental impacts in a meaningful way."

Stakeholders are impacted by Adapt IT's decision making, thus they have always been a key consideration in defining the company's sustainability approach. Beyond compliance with regulatory requirements, the company seeks to ensure its longevity as well as to effect positive impact on society, the economy and the environment for the long term.

It is important to Adapt IT that its operations help with the upliftment of businesses by improving how they function using its solutions and through prioritising partnerships with local entities. In this report, "local" refers to any business, entity or individual primarily based in, or originating from, the country in question.

Sustainability has always been a driving factor in Adapt IT, as this enables the company to continue making positive impacts for its stakeholders in the long term. To this end, the organisation has always maintained the stance to address any challenges and threats to sustainability as proactively as possible.

With the Covid-19 pandemic having presented challenges of its own, proactive and agile response to external factors has become imperative. Adapt IT continues to address and alleviate the impact that the pandemic has had on the company. A report on the response of the company relating to the impact of the pandemic on the business can be found in the CEO's Report on pages 30 and 31 of the 2021 Integrated Annual Report.

The monitoring and management approach highlighted in the Integrated Annual Report has been instrumental in mitigating the impact of the pandemic on the company and its people. Further details on the impact of the pandemic on people can be found on page 20 of this report.

The sections that follow address the company's review of its performance in various sustainability aspects during the 2021 financial year.

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Sustainability Review
ECONOMIC SUSTAINABILITY

"Adapt IT implements an economic management strategy that balances investing in growth and rewarding providers of financial capital, while focusing on keeping the business sustainable."

APPROACH TO ECONOMIC SUSTAINABILITY

In its operations, Adapt IT balances the interests of all stakeholders, with particular attention to achieving efficiencies for clients, optimising shareholder value and reinvesting internally in people and technology. The company endeavours to find a fair balance between competitive pricing to clients, returns for shareholders and remuneration to employees.

Financial performance is covered extensively in the accompanying Integrated Annual Report. The board believes that the well diversified base positions Adapt IT well to continue to succeed in the years ahead.

Adapt IT generated wealth of R790 million for the year ended 30 June 2021 from which employees benefited in the amount of R607 million 77%) and other stakeholders benefited in varying proportions as indicated in the value-added statement on the next page.

Adapt IT's strong performance record has enabled it to continue investing in product development, infrastructure, people and operational systems that support customers and underpin the company's organic and acquisitive growth strategies.

Adapt IT's financial management is an ongoing process, with monthly reporting and analysis conducted to ensure prudent overall performance within the operations. As part of the company's continued diligence and adherence to good governance, it follows the requirements of IFRS.

Furthermore, the company adheres to legislation, regulations and codes such as the Broad-Based Black Economic Empowerment (B-BBEE) Codes of Good Practice, the Companies Act, Prevention and Combating of Corrupt Activities Act, the United Kingdom Anti-Bribery Act, Foreign Corrupt Practices Act, King Code on Corporate Governance (King IV™) and other legislation which inform policies that relate to the following:

• Economic performance

• Procurement

• Employment in different markets

• Employee benefits

• Anti-bribery and anti-corruption

• Anti-competitive behaviour

• Conflict of interest

In order to ensure that policies are reflective of laws and regulation, reviews of updates are continually conducted; where changes are required, these are incorporated in the policies within stipulated timelines.

In addition, the annual reporting that is a requirement of the JSE Listings Requirements enables Adapt IT to perform comprehensive reviews of its operations as part of the reporting process. It is this, and other more frequent and continuous processes, that afford the opportunity to identify areas of improvement and develop plans to address them.

Sustainability Review
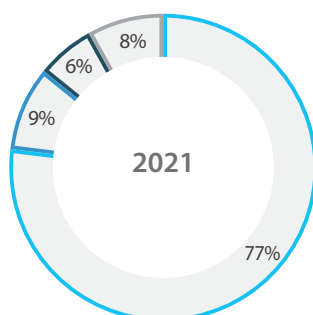
ECONOMIC SUSTAINABILITY CONTINUED

ECONOMIC PERFORMANCE
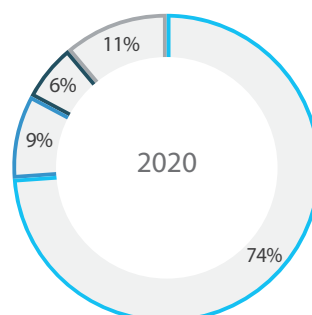
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Adapt IT has compiled this information from its audited financial statements, available in the Integrated Annual Report at www.adaptit.com.
See highlights of wealth created illustrated in the table below:

	Consolidated 2021 R'000	%	Consolidated 2020 R'000	%
Revenue	1 503 378		1 483 347	
Less:				
Net cost of products and services	(718 123)		(675 179)	
Value added	785 255		808 168	
Wealth created	**785 255**		808 168	
Applied to:				
Employees				
Salaries, wages and other benefits	607 374	77,4	602 298	74,5
Providers of capital	60 856	7,7	84 699	10,5
Interest on borrowings	60 856	7,7	84 699	10,5
Dividends to shareholders	–	–	–	–
Government				
Taxation	47 922	6,1	50 519	6,3
Income taxation: normal and deferred	42 040	5,3	44 029	5,5
Skills development levies	5 882	0,8	6 490	0,8
Retained in the group	69 103	8,8	70 652	8,7
Wealth distributed	**785 255**	**100,0**	808 168	100,0

2021
- 8%
- 6%
- 9%
- 77%

2020
- 11%
- 6%
- 9%
- 74%

Salaries, wages and other benefits

Retained in the group

Taxation

Providers of capital

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MARKET PRESENCE

The Adapt IT strategy, in markets outside of South Africa, is to employ leadership from within those markets; senior management is recruited from candidates who reside within the country of operation. This ensures that the operation is led and developed by individuals with local relationships and a good understanding of the local business environment.

Senior management refers to individuals that fulfil functional management roles such as Human Capital Management (HCM), Commercial, Finance and Operation executives – the Paterson Grade equivalent being the D5 and E1 ranges.

In South Africa, the most significant operation of Adapt IT, 94% of top and senior management are residents of the country.

PROCUREMENT PRACTICES

The procurement team is committed to ensuring that procurement processes are enhanced as required; a review of processes allows the identification of areas of improvement. Primary to the team is the task of maintaining ethics within the supply chain. When selecting suppliers, the team considers the quality of products or services, compliance with regulations and Adapt IT's expectations, price, financial stability and quality of customer service. The assessment process followed is highlighted in the Supplier Assessment section of this report.

Approximately 10% of Adapt IT's procurement is for products and solutions across the supply chain that are procured from multinational companies either directly in the country of origin or represented by distributors in South Africa. The nature of the technologies that underpin the company's offerings necessitates procurement from international service providers, as there are no viable local options. For the year under review, 90% of total procurement spend in South Africa qualified as B-BBEE spend – procurement with B-BBBEE compliant suppliers was approximately R308 million.

Adapt IT defines local vendors as those that originate from South Africa, however, a concerted effort is made to comply with B-BBEE Codes by procuring from businesses that are compliant with the codes.

New vendors are required to complete a compliance declaration where standard terms and conditions demand that they supply goods and services in compliance with industry practice and Adapt IT's policies and procedures.

Adapt IT has assisted emerging entrepreneurs for almost two decades through preferential procurement and training opportunities. The organisation has engaged these small businesses in various projects. In agreement with customers, these entrepreneurs receive project management skills, preferential payment terms and business management advice.

Adapt IT continuously reviews procurement practices and updates the procurement policy to align with new B-BBEE Codes, while consistently holding suppliers to the highest standards of ethics.

ANTI-CORRUPTION

Adapt IT understands good corporate citizenship drives sustainable revenue, profit growth, and return on investment. It prides itself on compliance with legislation, and commitment to ethical, fair and sustainable business practices. It is steadfast in its position against participation in corruption and bribery and is fully committed to maintaining transparency within operations. To this end, policies are well communicated within the organisation and are available to all.

Continuing to drive an ethical culture from board level throughout the operations, Adapt IT has introduced policies to all its employees to align to the King IV™ recommended practices. In identifying effective prevention controls and detection mechanisms, Adapt IT has regard not only to international best practice as well as local laws such as the Prevention and Combating of Corrupt Activities Act of 2004, but also to any local standards specific to Adapt IT's markets.

The Conflict of Interest and the Anti-Bribery and Corruption policies offer guidelines on how to avoid conflicts of interest and highlight the application of prevention controls and detection mechanisms. They address the responsibility of all employees and third parties to disclose personal or financial interests by completing the Declaration of Interests. A training drive was led by the Governance team to educate employees on these and other policies such as:

- Gifts, Entertainment and Hospitality Policy
- Sponsorships and Donations Policy
- Compliance Due Diligence Policy
- Whistleblowing Policy

Divisional executives are tasked with the responsibility of implementing Adapt IT mitigation measures that appropriately and adequately manage conflicts of interest. They are required to review and identify preventative controls against corruption. Furthermore, they are responsible for taking appropriate decisions and actions in accordance with the provisions of policies.

Successful combating of corruption is a collective effort between all stakeholders; the 24-hour Ethics Hotline and EthicsDefender Application (App) provide anonymous channels for stakeholders to report conduct that they suspect and know to be inconsistent with the provisions of the Adapt IT policies. All allegations or incidents are investigated, and appropriate action taken.

ANTI-COMPETITIVE BEHAVIOUR

Adapt IT does not practice or condone anti-competitive behaviour. There have been no incidents or legal actions for anti-competitive behaviour, antitrust and monopolistic practices in the history of the company.

INDUSTRY ASSOCIATIONS

Adapt IT is not currently a member of any industry or other associations.

Sustainability Review
PEOPLE

"Adapt IT people are the pillar upon which the company's success rests; it is imperative to ensure that opportunities for professional development and progress are made accessible to all employees."

APPROACH TO PEOPLE

Adapt IT believes in cultivating a work environment that encourages excellence and offers support to its employees. The Covid-19 pandemic continues to be a major challenge and is having an impact on the wellbeing of Adapt IT employees in various ways. It is thus important to ensure that employees are supported as best as is possible. The role of the HCM department is to work with the divisions to ensure that necessary assistance is available to employees.

To this end, Adapt IT has in place various policies and procedures aimed at governing as well as supporting and informing employees of critical people-based aspect of the business. Reviewed and updated regularly, these key policies include, amongst others:

• Covid-19 Policy

• Recruitment and Selection Policy

• Relocation and Transfer Policy

• Disciplinary Policy

• Grievance Policy

• Remote Work Policy (under review)

As at 30 June 2021, Adapt IT had 1 079 (2020: 1 117) employees throughout its operations in South Africa as well as international offices in Botswana, Kenya, Mauritius, Australia, New Zealand, Ireland and Singapore. The employee complement is made up of permanent employees, fixed-term contractors, independent contractors and trainees.

The employment relationships between Adapt IT, its employees and workers within its supply chain in South Africa are governed by the Basic Conditions of Employment Act, the Employment Equity Act, the Labour Relations Act and by contractual agreements that adhere to these acts. The same principle of abiding by applicable labour law applies in areas of operation outside of South Africa.

By ensuring that contracts are within the law, avenues for recourse are available to employees and the company as stipulated in the various legislation. The continuous review of updates to labour laws further provides the opportunity to identify areas to be changed within policies and terms of engagement.

For this section of the report, financial data as obtained from the ERP system and employee data from the HCM systems has been used to ensure employee information is collated and appropriately reported on. Reporting covers the following:

• Employment

• Labour laws

• Diversity and equal opportunity

• Occupational health and safety

• Training and education

• Non-discrimination

• Child and forced labour

• Rights of indigenous people

EMPLOYMENT

Adapt IT continues to focus on its talent management strategy; the Executive Committee, the board, the Remuneration Committee as well as the Social and Ethics Committee members monitor attrition and implement strategic initiatives to ensure that talent is retained. The HCM department is responsible for all matters that relate to employee policies and people initiatives.

Employee engagement is a key barometer of the state of employees and is instrumental in highlighting areas that management can improve on. To this end, Adapt IT conducts an annual engagement survey, with the assistance of an independent third party.

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Key indicators assessed in the survey include:

- Employees' alignment with the company's strategic intent.
- Employees' commitment to doing more than is required to help the company achieve its goals.
- Talent fit and retention of engaged employees.
- Improvement of overall engagement levels.

Efforts to improve on the prior year's engagement survey have resulted in a positive outcome, as noted in the table below:

Engagement scores	% Score as at July 2021	% Score as at July 2020	Bench-mark	Observation
Fully engaged employees	48%	45%	43%	Improvement – more engaged employees 8,8 overall
Engaged/key contributors	35%	36%	38%	Slight decrease
Not engaged	14%	15%	14%	Slight improvement
Disengaged	3%	4%	5%	Slight improvement

Adapt IT continues to focus on the following strategic initiatives related to people management:

- Training line managers to manage employees' performance and coach them in support of achieving their individual performance development plans.
- Succession planning is implemented for leadership roles and identified critical roles, which are a key intervention for business continuity.
- Focusing on activities that promote employee engagement and which support gaining a better understanding of how the organisation can improve on the employee value proposition.
- Enhancing and rolling out culture initiatives to drive a cohesive values-based culture.
- Increasing workforce analysis to obtain deeper insights and strategically manage the workforce.

EMPLOYEE BENEFITS

In addition to the statutory requirements of parental and annual leave, all permanent employees are offered several benefits, including life insurance, disability cover and medical aid. The insurance benefits are provided for in employees' remuneration and are compulsory for all permanent employees.

Retirement contributions are provided for in remuneration packages of permanent employees however, this is not a compulsory benefit, and employees may choose not to contribute to a retirement fund.

Employee wellbeing is a key consideration and thus affords employees some flexibility in order to facilitate a healthy work/life balance. The after effects of the pandemic have further highlighted the importance of this balance.

EMPLOYMENT AND LABOUR LAW

The fair treatment and empowerment of employees is more than a compliance consideration and rooted in the genuine investment in employees as the core of Adapt IT's continued performance and growth. Compliance with the relevant labour laws and any related legislation, codes, rules or policies will continue to be paramount to Adapt IT.

The company promotes employees' wellbeing and development by enhancing their capability to build innovative solutions as the key to delivering Adapt IT's vision of being a leading specialised software and digitally-led business solutions provider.

Adapt IT maintains and develops HCM and operating policies to align with the most recent developments in labour legislation and promotes continuous improvement in the workplace. Any new policies are communicated throughout the company to facilitate awareness and compliance.

The HCM department is responsible for ensuring that disciplinary cases are dealt with in line with the law and in a fair manner.

There is no trade union representation within Adapt IT and therefore there is no collective agreement or salary bargaining forum in place.

Culture based initiatives continue to be pursued in order to further entrench the values and promote a unified culture. One of the cultural projects that has been implemented is the monthly Culture Awards, whereby divisional and group executives are able to award employees who have best demonstrated the Adapt IT values.

CHILD, ILLEGAL AND FORCED LABOUR

Adapt IT prohibits child labour and does not recruit illegal or forced workers. Strict adherence to legislation such as the Basic Conditions of Employment Act and the Labour Relations Act is central to Adapt IT's operations. The Acts prohibit child, forced or compulsory labour or any illegal labour practices. Adapt IT adheres strictly to the law and there are no risks for incidents or occurrences of child, forced, compulsory or illegal labour. This principle is followed in every country in which Adapt IT operates.

DIVERSITY AND EQUAL OPPORTUNITY

Adapt IT is focused on diversity at board, executive and employee level, believing this to have strategic, transformational and operational benefits. This diversity covers race, gender, culture, age and skills. Diversity and equal opportunity thinking underpins the approach to succession planning and hiring policies.

Sustainability Review

PEOPLE CONTINUED

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

GOVERNANCE BODIES

Adapt IT has always prided itself on a strong and diverse board. Board diversity in all forms – race, gender, business acumen, skills, and experience – continues to drive board succession planning when required leadership attributes are taken into consideration. Refer to page 54 of the Integrated Annual Report for more information on the board of directors.

THE BOARD OF DIRECTORS
Non-executive Directors

Craig Chambers
*Independent
Non-Executive Chairman*

Appointed to the board
3 May 2011

Oliver Fortuin
*Lead Independent
Non-Executive Director*

Appointed to the board
8 February 2013

Catherine Koffman
*Independent
Non-Executive Director*

Appointed to the board
9 February 2015

Zizipho Nyanga
*Independent
Non-Executive Director*

Appointed to the board
27 May 2019

Executive Directors

Tiffany Dunsdon
Chief Executive Officer

Appointed to the board
18 April 2002

Nombali Mbambo
Chief Financial Officer

Appointed to the board
18 August 2016

Tony Vicente
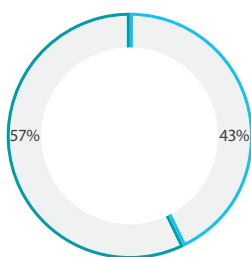*Chief Operating Officer*

Appointed to the board
10 May 2021

Sibusiso (Sbu) Shabalala
Chief Executive Officer

Appointed to the board
5 December 2007
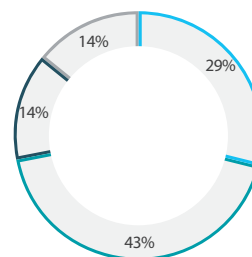
Resigned from the board
6 August 2021

TRANSFORMATION

57%   43%

○ Black   ○ White

GENDER

57%   43%
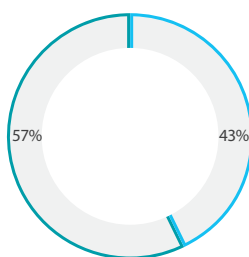
○ Female   ○ Male

TENURE

14%   29%

14%

43%

○ <2 years   ○ 3–9 years
○ 10–15 years   ○ >15 years

Achieve more.

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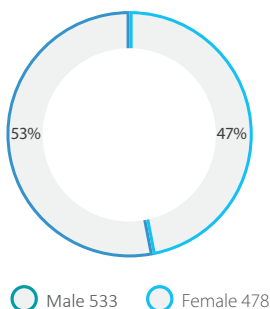**Sustainability
Review**
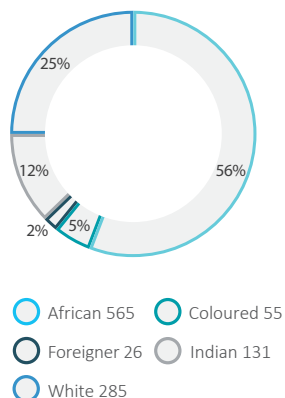
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EMPLOYEE STATISTICS – SOUTH AFRICAN OPERATIONS

Of the total employee headcount of 1 079, 1 011 are operational in South Africa and the breakdown is as follows:

HEADCOUNT

53% | 47%

○ Male 533 ○ Female 478

TRANSFORMATION

25%
12%
2% 5%
56%

○ African 565 ○ Coloured 55
○ Foreigner 26 ○ Indian 131
○ White 285

EMPLOYEE COMPOSITION

17
59
97
838

○ Permanent employees ○ Fixed term contractors
○ Independent contractors ○ Trainees
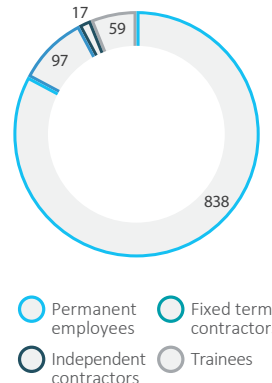
MANAGEMENT PROFILE (FEMALES)

Middle Management	27%	4%	16%	53%
Senior Management	40%	60%
Top Management	50%	50%

0 — 20 — 40 — 60 — 80 — 100

○ African ○ Foreign National ○ Indian
○ White

MANAGEMENT PROFILE (MALES)

Middle Management	22%	5% 2%	23%	48%
Senior Management	36%	9%	9%	9%	36%
Top Management	50%	50%

0 — 20 — 40 — 60 — 80 — 100

○ African ○ Coloured ○ Foreign National
○ Indian ○ White
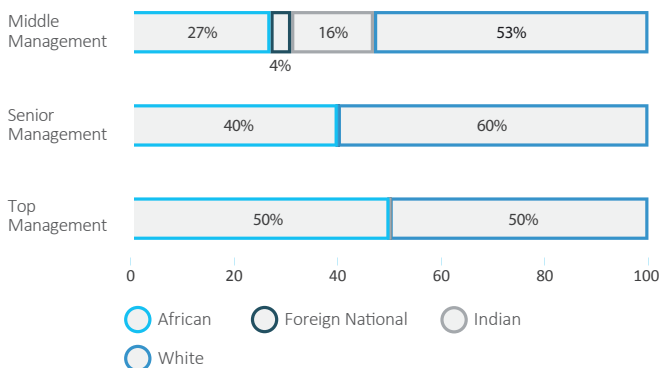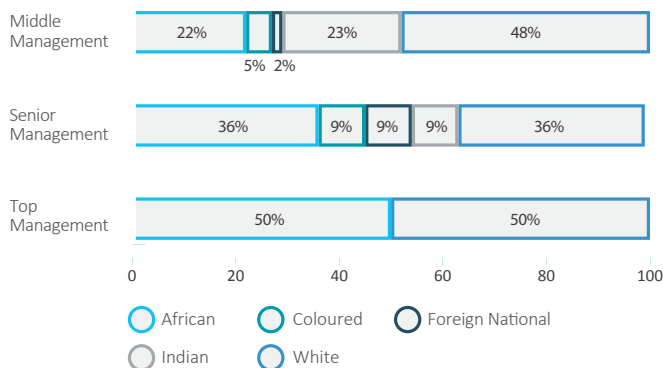
AGE ANALYSIS OF EMPLOYEES

Adapt IT strives to ensure diversity across the workplace. Transformation is well entrenched across operating divisions and continues to be a focus of the employment landscape. The highest percentage of permanent employees falls into the youth category (up to 35 years), contributing 48% to the total employee count, the grouping 36 to 45 years makes up 32% and the remainder (46 and above) makes up approximately 20% of the workforce. In this instance, the total workforce excludes beneficiaries of the YES programme and employees that terminated in May 2021 but were part of the June payroll.

AGE ANALYSIS

Age group	Count
60 and up	21
56–59	27
46–55	142
36–45	302
Up to 35	445
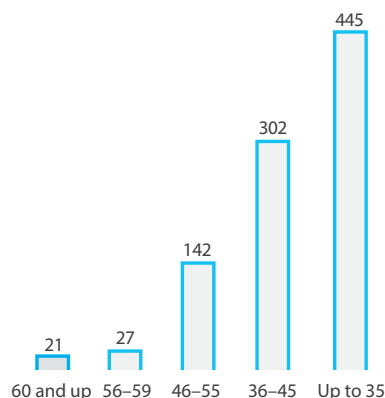
Sustainability Review

PEOPLE CONTINUED

CULTURAL DIVERSITY

Cultural diversity is important to Adapt IT and for this reason, a cultural initiative has been implemented to harness the different team cultures that exist within the business, overlaid with a foundation that is common across Adapt IT. Throughout the course of the financial year, various cultural projects have been executed in order to forge a culture that is aligned to the company values.

COUNTERING DISCRIMINATION

No incidents of discrimination or violation of the rights of indigenous people were reported during the reporting period. Employees are, however, encouraged to lodge grievances in line with the Ethics and Conduct Policy and have access to a hotline.

EQUAL REMUNERATION

Adapt IT is committed to fair remuneration practices and has implemented HCM procedures that offer a centralised system to improve employee satisfaction, retain and acquire talent as well as enhance employee work experience and the workplace environment.

To this end, the company employs benchmarking tools to ensure internal parity across salary bands, thereby maintaining fairness and standardisation and retaining key talent. To support the process, Adapt IT continues to subscribe to the PwC REMChannel salary benchmarking tool, which is periodically used to benchmark salaries to ensure the company remains competitive to the market whilst ensuring internal parity of equal pay for work of equal value.

The remuneration philosophy is developed on the back of an approved Reward and Remuneration Policy and it covers the following key areas:

- Guaranteed package salary adjustment principles
- Performance-based short-term incentives (bonus and sales commission principles)
- Eligibility criteria
- Exceptions

As at the end of June 2021, the ratio of basic salaries of women to men was as follows:

- At executive level – salaries for men are on average 31% higher than salaries for women, compared to 21% the previous year.
- At mid-level – salaries for men are on average 14% higher than salaries for women, compared to 17% the previous year. This was due to a conscious effort on the part of Adapt IT to ensure closer equality in salaries in functions that are the same.
- At junior level – salaries for men are on average 14% higher than salaries for women, compared to 15% the previous year.

There continues to be a focus on employee data and the improvement of workforce analytics. This will enable the HCM team to gain further insights and identify root causes for any demographic deviations such as male/female salary parity. Further rectifying procedures will be identified to address any deviations that are not justified.

OCCUPATIONAL HEALTH AND SAFETY

The health and safety of Adapt IT employees is of paramount importance and thus the company makes the effort to not only comply with safety standards, but seeks means to support employees' wellbeing as far as possible.

At all the buildings Adapt IT occupies, general safety features have been put in place, including quick and efficient evacuations in case of emergencies.

Compliance with the Occupational Health and Safety Act is priority thus the occupational and healthcare programmes include risk assessments, hygiene surveys, risk control measures and wellness days. Adapt IT recognises that employee wellbeing is critical to the continuous delivery of high quality services and to the achievement of set organisational targets. An employee wellness programme, covering all aspects of physical and mental wellness, including confidential counselling services, is in place.

In the earlier stages of the pandemic, Adapt IT enlisted the services of a third party provider to implement specific Covid-19 policies, procedures, and mitigation and monitoring measures to limit the spread of the virus within Adapt IT's offices. Risk mitigation measures that have been implemented are based on the recommendations made following the completion of a risk assessment by the independent third party. Furthermore, a wellness programme tailored to assisting employees to cope with the impact of the pandemic is ongoing.

Management is obliged to ensure that all safety and other legal requirements are complied with and that current best practices are identified and implemented. The training of employees on health and safety concerns is essential, particularly of those individuals in safety leadership roles such as health and safety representatives. Training is provided and where required certification is obtained for relevant employee representatives.

Adapt IT policy governs the management approach towards health and safety in the workplace in line with the prescripts of the Occupational Health and Safety Act. The policy references the following standards:

- South African Occupational Health and Safety Act, no. 85 of 1993 (OHS Act)
- OSHAS 18001: Occupational Health & Safety Management System
- ISO 14001: Environmental Management System
- ISO 9001: Quality Management System

The policy is applicable to all Adapt IT entities and is relevant to all permanent employees and contractors based in South Africa – 836 permanent employees, 103 fixed term employees, 98 independent contractors, 44 trainees – as well as other contractors that perform work within Adapt IT premises, such as security, building maintenance, catering and cleaning services.

COVID-19 IMPACT ON PEOPLE

The pandemic has been ongoing for over 18 months and has affected both businesses and individuals. It has affected the wellbeing of employees in a number of ways, including impacting their health and in some cases, changed their financial circumstances. Those who have lost family, friends and colleagues have also had to deal with grief. Adapt IT thus continually seeks to find the means to assist these individuals as far as is possible. The company recognises the strain

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that the pandemic has had on its people and thus established a Covid-19-specific wellness programme aimed at assisting employees to manage their wellness in various spheres. The programme includes webinars, in partnership with industry experts, that address matters related to:

- grief and loss;
- mental health;
- financial wellbeing; and
- physical health.

Due to the pandemic, some of Adapt IT's customers have experienced huge challenges and have in turn had to implement austerity measures within their businesses. As a result, some of the divisions such as Energy and Manufacturing have had to downsize their teams.

Through the Employee Contribution Pool that was established in May 2020, and ran until December 2020, funds were raised to increase support for employees who had been permanently impacted by the pandemic. The pool was established by Adapt IT group executives pledging 10% of their salaries for a period of six months and voluntary contributions from all employees. For the period May 2020 to December 2020, a total of R2 566 068 was committed to the pool by employees in the form of cost to company (CTC) reductions of their salaries, 271 days of leave forfeiture and cash donations. The pool was used to bolster retrenchment packages of permanently affected employees and to pay for their medical aid for a period of six months, starting in July 2020.

REMOTE WORK POLICY

Remote work will become part of the fabric of Adapt IT's approach to wellbeing beyond the Covid-19 pandemic. While flexible work policies had been a consideration within some of the teams, the pandemic has highlighted the ability of teams to maintain productivity in remote work settings. Adapt IT is in the process of reviewing a remote work policy, alongside which the use of tools to manage productivity will ensure that sustainable productivity levels are maintained.

The policy seeks to offer employees multiple remote work options to enable management and employees to determine categories that are suitable for the teams – employees may apply for suitable options in consultation with management. The policy will include the following options:

- Work in the office – employees will be primarily based in the office.

- Hybrid working model – employees will have the ability to work some days in the office and the remainder at home every week. This will allow employees some flexibility while retaining staff interaction and innovation.

- Work from home – in exceptional cases, employees' primarily work location will be their home.

Though Adapt IT premises are prepared for the full resumption of on-premise operations, the company has taken a conservative approach to operations at its offices. It has permitted a maximum occupancy of 50% with average occupancy rates less than 10% in Gauteng, Western Cape and KwaZulu-Natal respectively. The majority of Adapt IT employees continue to employ a hybrid approach of limited work from the offices and majority remote work.

REOPENING OF PREMISES

In preparation for the reopening of offices, Adapt IT consulted with independent providers to assist in implementing risk mitigation measures. A risk assessment was conducted at the head office in Johannesburg, which is the biggest Adapt IT office. The report highlighted various risk areas as well as mitigation measures. The risk matrix was shared with the regional offices to be implemented accordingly.

The identified mitigation measures are categorised into the following:

- Engineering measures or controls involve isolating employees from work related hazards. These are considered the most effective and where appropriate, these types of controls reduce exposure to hazards without relying solely on employee behaviour. They include measures such as installing high efficiency air filters, increased ventilation and physical barriers such as shields.

- Administrative measures, including safe work practices, require actions by both the employer and employee. These measures are changes in work policy or procedures to reduce or minimise exposure to a hazard. These measures were developed and updated in line with regulations and recommendations from the National Institute for Communicable Diseases (NICD) and the Department of Health.

- Personal Protective Equipment (PPE). While engineering and administrative controls are considered more effective in minimising exposure to Covid-19, PPE is needed to prevent certain exposures. The correct use of PPE can help prevent some exposures, and does not take the place of other prevention strategies.

A subsequent audit was performed by an independent third party at the Johannesburg campus against the initial risk register of the measures implemented and Adapt IT was found to be 100% compliant.

The company continues to closely monitor risk factors in the offices as well as infection trends within the country and will makes decisions on office occupancy in line with these key factors.

INFECTIONS

Adapt IT acknowledges that while measures are in place to minimise exposure to Covid-19, it is not possible to eliminate the risk altogether. As such, policies and procedures are in place should there be infections or suspected infections at the company's offices. Since the beginning of the pandemic, 90 employees reported that they tested positive for Covid-19, with 54 indicating that they contracted the virus outside of work, 25 did not know and 11 reported that they contracted the virus from work-related activities. Appropriate precautionary measures were taken for employees that had been in contact with the positives cases as well as sanitisation of areas where the employees may have been.

Adapt IT remains vigilant and continues to monitor updates related to Covid-19 so that relevant updates in mitigation measures are made as necessary. The wellbeing of Adapt IT employees is remains at the forefront of management decision making, therefore caution will continue to be maintained.

Sustainability Review
PEOPLE CONTINUED

LEARNING AND DEVELOPMENT

The success of Adapt IT and its innovation is rooted in the company's development of talent and continuous upskilling and education of employees. To this end, a considerable resources are committed to ensure that employees' skills and knowledge are aligned with business and technology developments.

Furthermore, all Adapt IT employees have a performance contract that is concluded with their managers, and reviewed at least once a year. The employee performance contract also incorporates individual development plans as part of continuous career development.

A comprehensive learning and development framework is in place to ensure that the skills development commitment is achieved, and that employees are developed to create a more highly skilled workforce. Between 1 April 2020 and 31 March 2021, investment in formal employee training was R14 310 726.

SKILLS DEVELOPMENT

Achieving the company's commitment to skills development has been significantly improved in the 2021 financial year through the implementation of various skills development initiatives, including the Learnership Programme, with a significant number of learners of different disabilities being included, as well as the introduction and implementation of the IT Bursary Programme, catering for qualifications in IT and Software Development specifically.

LEARNERSHIP PROGRAMME

Thorough the Youth Employment Services (YES) programme, an initiative aimed at youth employment and skill development, Adapt IT has been able to assist 44 trainees. The details of the programme are outlined in the Transformation section of this report, on page 24.

ADAPT IT BURSARY SCHEME

The bursary scheme has been successfully implemented with a service provider of bursary management services. There are 54 bursary recipients that have been registered in the programme following a selection process, including final year, Honours or postgraduate students. Furthermore, Adapt IT funds two disabled bursary beneficiaries through Valhalla Arts, a 100% disability-owned company.

ETHICS AND CONDUCT POLICY

Adapt IT is committed to maintaining the highest standards of honesty, integrity and ethical conduct. It has adopted an Ethics and Conduct Policy to promote and enforce ethical conduct, business practices and standards within its operations and in its relationships with all third parties. These behaviours are also embedded in the Behaviours Charter.

The policy is disseminated to all employees, procedures, training and compliance to the relevant laws and regulations. These measures are based on a strong foundation of ethical leadership and a commitment to making positive impacts.

Good governance is one of the driving factors behind the growth and success of many organisations, including that of Adapt IT. Recognising this, the group views its public reputation as one of its most important assets and undertakes to always promote an ethical culture. Effective controls have been put in place to help sustain the culture and good governance in all of Adapt IT's business operations. Adapt IT takes decisive action in any situation of non-compliance with our ethical conduct standards.

Adapt IT believes that combating dishonest and corrupt behaviour is an undertaking that is best won with the participation and assistance of everyone. The anonymous and externally managed 24 hour, toll free Ethics Hotline enables this, should there be a need to blow the whistle.

Adapt IT has adopted and implemented the following values:

- Respect
- Honesty
- Responsibility
- Accountability

These values, together with the behaviours associated with them, provide general guidelines as to how employees should interact with each other, Adapt IT stakeholders and third parties, as well as how employees should conduct themselves.

Adapt IT recognises its obligations to all its stakeholders – particularly employees, shareholders, third parties, competitors, the authorities and the wider community. This policy is supported by policies and procedures relating to specific issues, processes and situations, and is a general guide in day-to-day decisions for training programmes, over and above assuring third parties of the integrity of Adapt IT and its employees.

THE CULTURE OF THE ORGANISATION

The culture cultivated within the company is geared towards excellence, diversity and good corporate citizenship. Adapt IT believes that an ethical environment focused on the development of its people promotes the achievement of excellence.

Please see the illustration of behaviours that are encouraged and promoted on page 5 of this report.

WORKPLACE SKILLS PLAN

Training data is maintained according to the requirements of the Media, Information and Communications Technologies Sector Education and Training Authorities (MICT SETA), which prescribe monitoring periods between April and March. As such, from 1 April 2020 to 31 March 2021, 1 203 employees received formal training, however, time spent in training is not monitored.

African male	African female	African disabled	Coloured male	Coloured female	Coloured disabled	Indian/Asian male	Indian/Asian female	Indian/Asian disabled	White male	White female	White disabled	Total male	Total female	Total disabled	Age group less than 35	Age group 35 to 55	Age group greater than 55
320	327	2	34	13	0	99	62	1	190	158	2	643	560	5	641	525	43

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Sustainability Review
TRANSFORMATION

APPROACH TO TRANSFORMATION

Transformation and diversity have long been essential parts of Adapt IT's people strategy and a market differentiator, playing an important role in the success of the company. Therefore, Adapt IT will strive to remain at the forefront of transformation, not merely to fulfil B-BBEE requirements, but rather to entrench diversity – and the spirit thereof – within the organisation's culture and to ensure its sustainability into the future. This approach will also ensure that Adapt IT is fully representative of the combined skills and talents of the communities in which it operates.

B-BBEE encompasses many people based transformation measures aimed at improving equitable representation of all stakeholder groups to achieve a sustainable society.

EMPLOYMENT EQUITY

Adapt IT is committed to driving diversity and inclusion as a core part of the company's HCM strategy. The company's approach is to focus on skills and leadership development, with a particular emphasis on the identification of talented historically disadvantaged individuals for development and fast tracking into leadership roles. This business imperative is monitored by the Employment Equity Committee, which reports the progress and results of specific initiatives to the Social and Ethics Committee.

The demographic profile of Adapt IT at the end of the financial year is as follows:

SKILLS DEVELOPMENT

Adapt IT's strategy requires talent with deep industry expertise, and therefore there is a focus on developing and retaining technically skilled employees and experts. Achieving the company's commitment to skills development improved significantly during the financial year through the implementation of various skills development initiatives. These included the Learnership Programme, with a significant number of learners of different disabilities participating in the programme, and the introduction and implementation of a Bursary Programme for qualifications in Information Technology and Software Development.

Adapt IT, through the YES programme has employed 44 trainees, 27 of whom qualify as people with disabilities. Adapt IT also successfully implemented a Bursary Scheme for the first time in 2020, in partnership with a bursary administration service provider. There are currently 54 bursary recipients from designated groups who are registered for the scheme, following a comprehensive selection process.

B-BBEE SKILLS DEVELOPMENT SPEND

R2 746 130
R562 552
R7 758 703

- African
- Coloured
- Indian
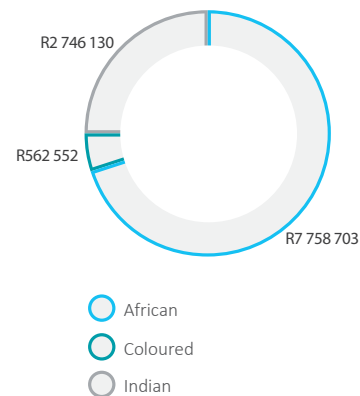
OWNERSHIP

As at 31 July 2021, 29% of the issued share capital of Adapt IT was held directly by black South African investors.

DRIVING BROAD-BASED BLACK ECONOMIC EMPOWERMENT

During the 2020 financial year, Adapt IT completed its annual assessment and achieved a Level 1 rating. Adapt IT views empowerment as a strategic imperative and a vital component of the sustainability of its operations in South Africa, and therefore continued to pursue efforts towards maintaining a Level 1 rating through efforts such as the enhancement of the YES programme during the 2021 financial year. The table below shows Adapt IT (Pty) Ltd's Level 1 scorecard.

Level 1 B-BBEE status	2021
Ownership	**19,95**
Management	**15,34**
Skills development	**16,11**
Supplier and enterprise development	**53,00**
Socio-economic development	**12,00**
Total score	**116,40**

Sustainability Review
TRANSFORMATION CONTINUED

YES PROGRAMME

The YES programme is a joint initiative by private sector and government that signifies considerable progress towards assisting South Africa's youth to gain work experience through employment placement. The programme aims to create one million work opportunities for unemployed black youth and so to transform their lives. During the financial year under review Adapt IT employed 44 trainees through the programme, with the aim of providing them with the skills to further develop their careers.

MANAGEMENT CONTROL

The diversity of Adapt IT's board, non-executive Directors and executive management is discussed from page 54 to 55of the Integrated Annual Report.

TRANSFORMING THE WORKFORCE

Adapt IT strives to ensure diversity across the workforce. Transformation is well entrenched across the business and continues to be a focus of the employment landscape. The employee statistics on page 19 of this report.

ENTERPRISE AND SUPPLIER DEVELOPMENT

Adapt IT believes in facilitating the development of sustainable businesses that will create jobs. The company provides opportunities as well as assistance to a number of small and medium enterprises (SMEs), and invests in various black-owned businesses through offering both financial and non-financial support. These enterprises are led by software and solutions professionals and entrepreneurs who have leveraged Adapt IT's assistance and enterprise development support to accelerate the success of their businesses.

The companies that have received the benefit of Adapt IT's assistance are: Infinitus Technologies (Pty) Ltd, ABD Consultants (Pty) Ltd, Slik Technology Solutions (Pty) Ltd, Sokone Technologies (Pty) Ltd, Uyandiswa Project Management Services (Pty) Ltd, Anathi Networking (Pty) Ltd, Jubilee Line Consulting (Pty) Ltd and Key Experts (Pty) Ltd.

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Sustainability Review

ENVIRONMENTAL MANAGEMENT

"Adapt IT's consumption footprint is managed carefully in order to limit the company's impact on the environment as much as possible, even though Adapt IT is a provider of services and has no manufacturing operations."

APPROACH TO ENVIRONMENTAL MANAGEMENT

Whilst this section relates to low priority topics, Adapt IT values the environment and has therefore included relevant information in this report. As a consumer of natural resources within the course of business, Adapt IT makes every effort to manage the use of such resources and so limit its impact on the environment. The target is therefore to maximise energy efficiency and minimise water consumption and waste generation across the group's operations.

Adapt IT is committed to managing its facilities to industry standards as far as possible and to managing down the impact of its travel needs. Since the emergence of the Covid-19 pandemic, it has been proven that high levels of effectiveness can be achieved through virtual meeting platforms thus reducing travel requirements.

The company continues to improve and embed environmental management systems into its normal business practices and operations. Nevertheless, it is important to note that Adapt IT is limited in what measures it can implement to manage down impacts. This includes financial considerations during this challenging economic climate, as well as limitations of tenancy.

The management of environmental sustainability related operations takes place predominantly at an operational level. Environmental performance related to business premises is managed and monitored by the operations managers and facilities teams, with the involvement of landlords where required.

At a board level, the Social and Ethics Committee is accountable for environmental sustainability.

The Johannesburg campus is the focus of this section of the report as it is the most significant location of operation. The section addresses the following:

- Environmental compliance
- Energy
- Waste
- Water and effluent

MANAGING ENVIRONMENTAL IMPACT

Adapt IT's initiatives towards the responsible use of resources are focused on the management of energy, water and waste. The company intends to continue to evaluate means of formal measurement and reporting of the relevant indicators in line with the requirements of the GRI's Sustainability Reporting Standards.

Adapt IT has undertaken to improve reporting on the various sustainability topics, an exercise that will allow it to identify areas of enhancement in reporting. Improvement initiatives that have been identified will, however, be undergoing feasibility review for various considerations, including financial ones.

The environmental management objectives include:

- Promoting a culture of environmental awareness
- Managing energy usage, enhanced by the single campuses in most regions of operation
- Reducing paper usage
- Regulatory compliance
- Migrating to Cloud-based data centres where possible

ENVIRONMENTAL COMPLIANCE

Adapt IT complies with environmental laws and by-laws. No fines or non-monetary sanctions have been received for non-compliance with environmental laws and regulations.

ENERGY

Though Adapt IT's ability to measure and assess energy consumption at the Johannesburg campus is limited, as there are limited mechanisms in place to measure and categorise the various forms of energy used, initiatives that aim to conserve energy are being pursued with the aim of managing impact in the interim.

There is an ongoing effort to improve the measurement and therefore optimisation of the overall consumption of energy. These include the use of LED lights, which are switched off in the evenings and on weekends, the staggered switching on of air conditioning to avoid spikes, and the heating, ventilation and air conditioning (HVAC) system is switched off at 18:00 every weekday and on weekends.

The adoption of remote work policies has had a considerable impact on demand for resources, including energy, at the company's various offices. It is expected that demand will remain low as the company redefines its working approaches and reviews a hybrid model incorporating long term remote working policies. The company sources energy for consumption from local municipalities and does not sell any energy back into the national grid.

Sustainability Review

ENVIRONMENTAL MANAGEMENT CONTINUED

WATER AND EFFLUENT

South Africa, Adapt IT's largest geography in employee and revenue terms, is a water-scarce country and even though operations do not use water beyond that which is used for office consumption purposes, the company acknowledges the need for conservative and sustainable use of this resource. While there is no manufacturing consumption, conservative water usage awareness is encouraged.

There currently is no standardised methodology across Adapt IT sites and progress varies across operations, for example:

- Durban office: storm water is attenuated and used for irrigation on site.
- Johannesburg campus: grey water (borehole and ground water) is filtered and softened to be used for non-drinking purposes, while municipal treated water is used for drinking. There are water tanks holding 30 000 litres of water as a reserve, affording the office two days' worth of water, should there be an interruption in availability of municipal water supply.

Water waste is discharged through the municipal sewage system and in the Johannesburg campus's canteen kitchen, effluent is discharged according to the by-laws that require the use of grease trappers, which are serviced on a monthly basis by an external service provider.

WASTE

Adapt IT's waste relates to consumption on the office premises as the company does not have manufacturing operations. Furthermore, it does not generate hazardous waste, however, the general management of waste is considered material as it is important to reduce negative impacts in as many areas as possible.

In the office there are recycling bins for plastic and paper, as well as general waste bins. All waste is collected and goes to a sorting area where it is sorted into various categories including recyclable waste, wet waste and waste for disposal. Wet waste is sent to a wet waste bio bin that collects waste for composting.

During the 2021 financial year, there was a 63% reduction in overall waste to 5 213kg (2020: 14 166kg). Overall plastic and plastic composite waste decreased from 1 322kg in the 2020 financial year, to 759kg this financial year although Tetra Pack waste increased by 19% from 213kg (2020) to 254kg. The company will continue to drive the reduction of the generation of plastic and plastic composite waste by implementing measures such as the wider adoption of reusable containers and the elimination of single use plastic. Where there had been a noticeable increase in the use of polyconfibre cups in the previous financial year, there was a 57% decrease this financial year.

TOTAL WASTE GENERATED

Waste type	FY2021 Weight (kg)	FY2020 Weight (kg)
Cardboard	547	988
Glass	114	570
Cans	94	513
Plastic PET	118	416
Common mix paper	80	393
Polyconfibre cups	162	374
White paper	129	360
Food waste – composting	0	240
Plastic LDPE	170	217
Tetra Pack	254	213
Plastic HDPE	55	102
Newspaper	30	0
General waste	3 460	9 780
Total waste	**5 213**	14 166

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SOCIAL RESPONSIBILITY

"The upliftment of disadvantaged South African communities has always been an undertaking that Adapt IT pursues with intention and commitment. Its longstanding record of endeavours within communities attests to this."

APPROACH TO SOCIAL RESPONSIBILITY

Adapt IT continues to find opportunities to make positive impacts within society as much as possible. It invests in communities and promotes human rights within its operations in line with laws and regulations such as:

- Basic Conditions of Employment Act
- Employment Equity Act
- Labour Relations Act
- Other local and international human rights regulations

Compliance with laws, regulations and policies (such as the Conflict of Interest Policy and Code of Ethics and Conduct) are applicable to Adapt IT employees and service providers in the employ of the company, as they govern the stance and operations regarding:

- Human rights
- Local community development
- Social supplier assessment
- Public policy

The company remains committed to making a difference to the lives of South Africans by investing time, effort and money into various initiatives. It has a duty to work within communities to create better, more equal societies in a sustainable manner. To this end, Adapt IT continually reviews updates on relevant laws and regulations in order to inform its policies and approach. The focus remains on strategically aligned causes in areas that relate to Adapt IT's business, and to which the business is best suited to making meaningful contributions, such as IT skills and education.

LOCAL COMMUNITY DEVELOPMENT PROGRAMMES

Adapt IT has always sought to make positive impacts within local communities by making investments that are aimed at yielding long term benefits, with particular focus on supporting education initiatives. The company continues to identify beneficiaries to support in the pursuit of contributing towards the enhancement of socio-economic development within disadvantaged South African communities.

ADAPT IT KNOWLEDGE CENTRES

In 2013 Adapt IT established the first of its Knowledge Centres aimed at building Information and Communication Technology (ICT) infrastructure (computer labs) to encourage the growth of ICT skills within these communities. The first Adapt IT Knowledge Centre was established with the opening of a facility in KwaZulu-Natal, followed by the launch of two more centres, one in Gauteng in 2014 and one in the Western Cape in 2015.

ADOPT-A-SCHOOL FOUNDATION

Over the past five years, Adapt IT, in partnership with the Adopt-a-School Foundation (AASF), has made considerable contributions to initiatives aimed at improving education within disadvantaged communities, with a particular focus on technology. AASF is an organisation founded in 2002 aiming to foster a timebound relationship between the school and funders.

Between 2016 and 2020 Adapt IT invested R7 880 500 on various upliftment projects with an additional R1 378 000 committed to an ongoing project for 2021 financial year. This aligns with the Adapt IT objective of supporting the future of South African education through the organisation's policy and sustainable financial practices. Thus far, Adapt IT has assisted the following schools, with the intention to support even more in the future:

- Rusthof Secondary School
- Eketsang Secondary School
- Lodirile Secondary School
- Hlahlindlela Secondary School
- Modilati Secondary School
- Mzomhle Senior Secondary School

Following the impact of the measures implemented to curb the spread of Covid-19, such as countrywide lockdowns and various restrictions implemented by the South African government, Adapt IT identified the need to support disadvantaged schools whose curricula were interrupted. To this end, a programme was developed to focus on educators and Grade 12 learners, consisting of a full year educator ICT development programme that provides training to the leadership of the school, including the School Governing Bodies (SGBs) and desktop support technicians (DSTs).

The programme provided computers and tablets pre-loaded with offline learning material for Grade 12 learners to assist them with preparation for final year examinations, the provision of laptops for educators as well as assistance with the appointment of fully trained DSTs who provide technical support to beneficiary schools. During the 2020 financial year, Adapt IT adopted Hlahlindlela Secondary School and Modilati Secondary School as beneficiaries for this programme aimed at countering the impacts of the Covid-19 pandemic. The primary beneficiary was Hlahlindlela, a school based in Hillcrest, KwaZulu-Natal with a total of 979 registered learners. The secondary beneficiary, Modilati, has 1 780 learners and is based in Hammanskraal in the Gauteng province.

Sustainability Review
SOCIAL RESPONSIBILITY CONTINUED

During the 2021 financial year, Adapt IT, in partnership with the AASF, adopted Mzomhle Senior Secondary School as a beneficiary of its upliftment programme. The school is located in East London, in the Eastern Cape province, and has 926 registered learners with 96 of those in Grade 11, and 150 of those in Grade 12. The programme includes providing 15 of the 30 educators with laptops, as rest of the educators had previously received laptops from a Department of Education initiative. Furthermore, it offers educators leadership development in Basic Computer Literacy, which will benefit the Grade 11 and Grade 12 learners, and it provides Grade 12 learner support on e-learning. Learners have been provided with tablets which have been pre-loaded with offline material that can be used by learners as a critical resource. The support provided to educators and learners will ensure that learning continues to take place remotely to allow for catching-up and sufficient opportunity to prepare for examinations.

Furthermore, the school has benefitted from ICT resources (such as laptops, computers, smart boards and connectivity) as well as the development of a DST for the school. The DST will be employed for two years to provide the necessary support to the any troubleshooting and other technical support needed at the school. Among other duties, the DST will help learners with coding and robotics.

These initiatives continue to help improve learning environments for underprivileged learners in various parts of the country. Providing improvements to schooling facilities and resources is an impactful approach to ensuring that learners have access to strong foundations that could impact their lives in the long term.

SUPPLIER SOCIAL ASSESSMENT

Adapt IT makes a concerted effort to adhere to the prescripts of the laws and regulations and ensure that suppliers are assessed to the satisfaction of the company's governance requirements. The governance vetting process for new suppliers ensures that potential vendors go through a qualification process. Governance personnel are responsible for this process.

Furthermore, Adapt IT seeks to align with B-BBEE Codes, the goal of which is to promote economic transformation and the empowerment of previously disadvantaged groups in South Africa.

To this end, all local vendors in South Africa are subjected to a registration process that requires them to provide their B-BBEE credentials, in addition to other requirements. The specific B-BBEE credentials required include:

- B-BBEE level and certificate or sworn affidavit letter for Exempt Micro Enterprises (EMEs)
- Black ownership percentage
- Black female ownership percentage
- Black disabled ownership percentage
- Confirmation of whether supplier is a recipient of Enterprise/ Supplier Development
- Confirmation of whether a first time supplier

These credentials indicate whether a supplier is B-BBEE compliant (including procuring from local vendors and creating employment opportunities for previously disadvantaged groups) and is a good citizen entity. Furthermore, requirements such as a Letter of Good Standing for Workmen's Compensation, and tax clearance and VAT registration certificates ensure that vendors are compliant with South African regulatory requirements.

No supplier grievances were lodged during the 2021 financial year.

PUBLIC POLICY

Adapt IT is not involved in any initiatives regarding public policy positions, policy development or lobbying. The company maintains an independent stance with political parties, politicians and related institutions. Adapt IT requires strict adherence to its Anti-bribery and Corruption Policy and Ethics and Conduct Policy.

HUMAN RIGHTS ASSESSMENT

There have been no human rights assessments conducted at any of the Adapt IT operations. The Human Rights Commission conducts assessments when there have been grievances filed and thus far, no human rights grievances have been lodged against Adapt IT.

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Sustainability Review

SYSTEMIC CONSIDERATIONS FROM TECHNOLOGY DISRUPTIONS

APPROACH

Adapt IT strives to operate using robust and reliable technology that provides the required functionality as well as resilient technology infrastructure. The company makes the necessary financial investments in order to enhance the capabilities of systems and technology efficiencies, and to maintain the integrity of information assets and privacy measures to secure data.

Adapt IT focuses on consolidating and standardising infrastructure and software used within the business. There is a consistent drive to seek opportunities to simplify and reduce dependence on internal infrastructure, and promoting the use of Cloud technologies, thereby reducing dependency on internal data centres.

IT related management, risk assessment and mitigation are operationally managed under the oversight of the IT Steering Committee (ITSC), which reports key matters to the Audit and Risk Committee.

Data security in Adapt IT is governed by the Information Security Policy, which is based on global leading industry practices and standards such as ISO/IEC 27001:2005. The policy encompasses people, process and technology elements within Adapt IT, and provides the framework by which data privacy and security are managed across the organisation. Procedures and controls have been implemented according to the policy and are monitored and reviewed annually through the General IT Controls audit performed by the company's auditors.

Furthermore, the Protection of Personal Information Act (POPIA) readiness implementation project aimed at ensuring Adapt IT's compliance with the Act has achieved its stated objectives. Monitoring of compliance becomes the focus going forward.

MANAGING SYSTEMS AND INFRASTRUCTURE

Adapt IT has focused on reinforcing the cyber security protection and governance across the organisation in order to assess the level of risk exposure and to address any vulnerabilities. A standards-based cyber security management framework has been defined and governance processes have been implemented across the organisation to ensure a sustainable reduction in and management of cyber security risk exposure.

Adapt IT places significant focus on customer privacy and data security risks, resulting in an approach that is continuously reviewed and enhanced. A consolidated and standardised strategy is implemented across Adapt IT's landscape, including the monitoring and proactive identification of data security risks.

During the 2021 financial year, the ITSC drove several projects reducing information security risks to a successful conclusion, including:

- Device encryption across the company's server and laptop landscape, ensuring that information assets remain secure.

- The improvement of the password policy with the aim of reducing the number of interactions with passwords across the organisation; including employee self-service password management.

- Multi-factor authentication was rolled out across the Office365 environment. In addition, the legacy connection and mail forwarding functions were disabled across the platform to further reduce the risk of information loss.

- Further integrations between HCM system and Active Directory were built, thus ensuring the joiners and leavers process was tightly integrated and that accounts are immediately suspended upon termination of employment.

- All "trusted" email senders, referred to as "whitelisted senders", coming through Adapt IT's Mimecast platform were reviewed. The organisation's whitelist senders were greatly reduced, placing further emphasis on best practice.

Adapt IT, with the assistance of an independent specialist IT and data protection law firm, established a project to assist with the company's readiness for the 30 June 2021 deadline for compliance with the requirements of POPIA. Adapt IT invested significant time and resources into a compliance programme, planning it carefully by undertaking various tasks to ensure full compliance. This included offering various levels of training to employees and implementing key actions to manage risks associated with the company's activities.

The company undertook various steps to comply with data protection laws, including:

- Finalising administrative requirements such the appointment of a board approved Information Officer.

- The updating and approval of relevant data protection and information security policies.

- The updating of the company's website with relevant data protection clauses.

- Entering into data processing agreements with customers and suppliers.

Sustainability Review

SYSTEMATIC CONSIDERATIONS FROM TECHNOLOGY DISRUPTIONS CONTINUED

BUSINESS CONTINUITY

The importance of business continuity has never been more critical with remote work being more widespread as a result of the Covid-19 pandemic. Due to the nature of its business and its reliance on Cloud-enabled technology over physical infrastructure, the company's transition to remote working has been largely effective, with a substantial majority of employees being able to work offsite.

Adapt IT experienced a few minor instances of service interruption, which caused temporary performance issues when connectivity operations were impacted. The business continuity plans were invoked in all instances, proving the robustness of the continuity and redundancy plans, with minor performance issues to our internal business. In all cases no customer downtime or outages were experienced.

CLOUD-BASED LICENCES AND SUBSCRIPTIONS

Adapt IT actively pursues a Cloud strategy to reduce system availability risks and take advantage of the scalability and agility advantages of the Cloud. This strategy dictates that internal and customer facing systems be Cloud-based where possible. The majority of Adapt IT's internal systems (over 80%) are either Software as a Service (SaaS) systems or employ Cloud services to host the systems.

Adapt IT has finalised its Amazon Web Services (AWS) Select partnership, further supporting its Cloud strategy. All Cloud environments are managed under a single consolidated management structure, allowing the ITSC to manage governance and access centrally, in line with the company's Information Security Policy. These further bolsters Adapt IT's resilience and business continuity strategy for both itself and its customers.

Adapt IT continues to drive further usage of SaaS systems and platforms, establishing strong partnerships with industry leading providers to support technology decisions and operations of the organisation.

SECURITY INCIDENTS AND MITIGATION

During the financial year under review, two security incidents occurred and were dealt with accordingly. The first incident arose from human error and involved a test environment for a Website Usage Portal, which was exposed to the public web with no authentication mechanism implemented, thereby exposing the data of four customers. The test environment was shut down immediately upon identification of this exposure. Fortunately, the extent of the incident was not significant, with no sensitive personal data being accessed. This further highlighted the importance of ongoing security awareness training within teams in order to address security risks that emanate from within the organisation.

In the second incident, two customers received fraudulent change of bank details requests from a debtors clerk's email address, which had been harvested from a laptop that had been stolen. No monetary loss was incurred as the customers contacted the finance team in order to determine the validity of the requests.

An organisation wide cyber posture assessment based on the National Institute of Standards and Technology (NIST) framework was performed by an external security provider to gain an understanding of Adapt IT's policy, people and process effectiveness with the aim of addressing and remediating any high risk areas. The objective was to review whether prior findings had been sufficiently addressed, as well as to establish a cyber posture project roadmap to address high risk areas across the business.

The ITSC further conducted an annual penetration review of the corporate network (Wide Area Network) and noted that the company has greatly reduced its internet facing connections, thus reducing exposure to any threats. Findings from the process were remediated within 30 days of the report being received.

Adapt IT established a greater than 80% completion rating for its ongoing cyber awareness training, 25 % above the industry benchmark and is one of Mimecast's top customers for cyber training and cyber platform effective usage.

During the 2021 financial year, there have been:

• no substantiated complaints from outside parties and regulatory bodies;

• no incidents of leaks, thefts, or losses of customer data;

• no legal proceedings associated with user privacy;

• no occurrences of data breaches involving personally identifiable information; and

• no occurrences of law enforcement requests for user information.

TECHNOLOGY, SYSTEMS AND PROCESSES

In order to deliver high quality solutions and services, the reliability and effectiveness of the company's technology, systems and processes is key. The soundness of processes across Adapt IT's service offering, data security and protection and efficiency enhancements are managed through proven and evolving governance practices. The company aims to reduce as far as possible severe incidents related to people or process failures.

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Sustainability Journey
ADAPT IT SUSTAINABILITY JOURNEY

"As Adapt IT continues on its sustainability reporting journey, it focuses on spotlighting key sustainability topics and disclosures, enhancing not only awareness of the need for reporting, but also identifying key areas for improvement."

Adapt IT continues to pursue the following objectives:

- To continue to refine priority material issues into a set of goals and targets, guided by the GRI's Sustainability Reporting Standards.

- To further implement against these plans, assess performance and report on progress.

- To consider the inclusion of ESG-related matters in future reports, although governance matters are already comprehensively dealt with in the Corporate Governance Report contained in the Integrated Annual Report and this report considers both social and environmental issues in its content.

For the 2021 Sustainability Report, Adapt IT kept disclosures unchanged in order to maintain comparability with the previous report. The company continues to pursue progress and puts considerable effort into improving the reporting framework while ensuring comparability of reports from one financial year to another.

Achieve more.

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"IN ACCORDANCE" – CORE

AGM	Annual General Meeting	IR	Integrated Annual Report 2021	N/A	Not applicable	SR	Sustainability Report 2021

Reports available on the Adapt IT website at www.adaptit.com

GRI Standard		Disclosure		Ref	Reference in the report(s)
GENERAL DISCLOSURES					
GRI 101: FOUNDATION 2016					
Organisational profile					
GRI 102: General Disclosures 2016	102-1	Name of the organisation		IR2	*About Adapt IT*
	102-2	Activities, brands, products, and services		IR4, 6, 36	*What Adapt IT Does, Business Model, Segmental Performance*
	102-3	Location of headquarters		IR4, ibc	*What Adapt IT Does, Corporate Information*
	102-4	Location of operations		IR4, ibc	*What Adapt IT Does, Corporate Information*
	102-5	Ownership and legal form		IR2	*About Adapt IT*
	102-6	Markets served		IR2, 4, 36	*About Adapt IT, What Adapt IT Does, Segmental Performance*
	102-7	Scale of the organisation		IR4, 3, 78, SR16	*What Adapt IT Does, Revenue by Geography, Annual Financial Statements, People*
	102-8	Information on employees and other workers		SR16, 20	*Approach to People, Occupational Health and Safety*
	102-9	Supply chain		IR10, SR15	*Stakeholder engagement, Procurement Practices*
	102-10	Significant changes to the organisation and its supply chain		IR16, 27, 36	*Managing Material Issues, Acquisition History, Segmental Performance*
	102-11	Precautionary principle or approach		IR16, SR27	*Managing Material Issues, Environmental management*
	102-12	External initiatives		IR55, SR2	*Governance Framework, Chairman's Letter – Social and Ethics Committee*
	102-13	Membership of associations		SR15	*Chairman's Letter – Social and Ethics Committee, About the Sustainability Report*
Strategy					
GRI 102: General Disclosures 2016	102-14	Statement from senior decision-maker		SR2, 4	*Chairman's Letter – Social and Ethics Committee, CEO's Statement*
	102-15	Key impacts, risks, and opportunities		IR10, 16, SR8	*Stakeholder Engagement, Managing Material Issues, Sustainability Materiality Analysis*
Ethics and integrity					
GRI 102: General Disclosures 2016	102-16	Values, principles, standards, and norms of behaviour		IR5, SR5	*Purpose, Personality, Values and Culture*
	102-17	Mechanisms for advice and concerns about ethics		SR15	*Anti-Corruption*
Governance					
GRI 102: General Disclosures 2016	102-18	Governance structure		IR58	*Governance Structure*
	102-19	Delegating authority		IR57, 58	*Delegation of Authority, Governance Structure*
	102-20	Executive-level responsibility for economic, environmental, and social topics		IR57, SR2	*The Board – Committees, Chairman's Letter – Social and Ethics Committee*
	102-22	Composition of the highest governance body and its committees		IR57	*The Board – Committees*
	102-23	Chair of the highest governance body		IR57	*The Board of Directors*
	102-24	Nominating and selecting the highest governance body		IR59	*Governance Structure – Nominations Committee*
	102-25	Conflicts of interest		IR56	*Board Charter and Responsibilities*
	102-26	Role of highest governance body in setting purpose, values, and strategy		IR55, SR2	*Governance Framework – Board Meetings*
	102-28	Evaluating the highest governance body's performance		IR58	*Governance Structure – Board and Committee Evaluation*
	102-30	Effectiveness of risk management processes		IR76	*Approach to Governance of Risk, Risk Management*
	102-32	Highest governance body's role in sustainability reporting		SR1, 2	*Board Approval, Chairman's Letter – Social and Ethics Committee*
	102-35	Remuneration policies		IR62	*Remuneration Report*

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Stakeholder engagement

GRI 102: General Disclosures 2016	102-40	List of stakeholder groups	IR10	*Stakeholder Engagement*
	102-41	Collective bargaining agreements	SR17	*Employment and Labour Law*
	102-42	Identifying and selecting stakeholders	IR10	*Stakeholder Engagement*
	102-43	Approach to stakeholder engagement	IR10, 16	*Stakeholder Engagement, Managing Material Issues*
	102-44	Key topics and concerns raised	IR10	*Stakeholder Engagement*

Reporting practice

GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statements	IR3, 78	*Revenue by Geography, Annual Financial Statement*
	102-46	Defining report content and topic Boundaries	IR1, SR1, 8	*IR – About the Integrated Annual Report, SR – About the Sustainability Report, Sustainability Materiality Analysis*
	102-47	List of material topics	SR10	*Materiality – Prioritisation*
	102-48	Restatements of information	IR 146	*Notes to Annual Financial Statements – Restatement*
	102-49	Changes in reporting	SR1	*About the Sustainability Report*
	102-50	Reporting period	IR1	*About the Integrated Annual Report*
	102-51	Date of most recent report	SR1	*Reporting Scope*
	102-52	Reporting cycle	SR1	*Reporting Scope*
	102-53	Contact point for questions regarding the report	https://www.adaptit.co.za/investor-dashboard, SR1	*IR – Website: Investor Dashboard, SR – Reporting Scope*
	102-54	Claims of reporting in accordance with the GRI Standards	SR1	*Reporting Framework*
	102-55	GRI content index	https://www.adaptit.co.za/sustainability-reports	*Website: Sustainability Reports*
	102-56	External assurance	IR1, SR1	*Assurance*

MATERIAL TOPICS

200 SERIES (ECONOMIC TOPICS)

Economic performance

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR13, 1	*Economic Sustainability – Approach, Reporting Scope*
	103-2	The management approach and its components	SR13	*Economic Sustainability – Approach*
	103-3	Evaluation of the management approach	SR13	*Economic Sustainability – Approach*
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed 201-	SR14	*Economic Performance*

Market presence

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR13, 1	*Economic Sustainability – Approach, Reporting Scope*
	103-2	The management approach and its components	SR13, 15	*Economic Sustainability – Approach, Market Presence*
	103-3	Evaluation of the management approach	SR13	*Economic Sustainability – Approach*
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	SR15	*Market Presence*

Procurement practices

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR13, 1	*Economic Sustainability – Approach, Reporting Scope*
	103-2	The management approach and its components	SR13, 15	*Economic Sustainability – Approach, Procurement Practices*
	103-3	Evaluation of the management approach	SR13	*Economic Sustainability – Approach*

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Anti-corruption				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR13, 1	*Economic Sustainability – Approach, Reporting Scope*
	103-2	The management approach and its components	SR13, 15	*Economic Sustainability – Approach, Anti-Corruption*
	103-3	Evaluation of the management approach	SR13	*Economic Sustainability – Approach*
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	SR15	*Anti-Corruption*
	205-3	Confirmed incidents of corruption and actions taken	SR15	*Anti-Corruption*
Anti-competitive behaviour				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR13, 1	*Economic Sustainability – Approach, Reporting Scope*
	103-2	The management approach and its components	SR13, 15	*Economic Sustainability – Approach, Anti-competitive Behaviour*
	103-3	Evaluation of the management approach	SR13	*Economic Sustainability – Approach*
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	SR15	*Anti-competitive Behaviour*
300 SERIES (ENVIRONMENTAL TOPICS)				
Environmental compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR25, 1	*Environmental Management – Approach, Reporting Scope*
	103-2	The management approach and its components	SR25, 1	*Environmental Management – Approach*
	103-3	Evaluation of the management approach	SR25, 1	*Environmental Management – Approach*
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	SR25	*Energy*
GRI 303: Water and Effluents 2018	303-3	Water withdrawal	SR26	*Water and Effluents*
GRI 306: Waste 2020	306-3	Waste generated	SR26	*Waste*
	306-4	Waste diverted from disposal	SR26	*Waste*
	306-5	Waste directed to disposal	SR26	*Waste*
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	SR25	*Environmental Compliance*
400 SERIES (SOCIAL TOPICS)				
Employment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16	*Reporting Scope, Approach to People, Employment*
	103-2	The management approach and its components	SR16	*People – Approach to People, Employment*
	103-3	Evaluation of the management approach	SR16	*People – Approach to People, Employment*
GRI 401: Employment 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR17	*Employee Benefits*
Labour/management relations				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16	*Reporting Scope, People – Approach to People*
	103-2	The management approach and its components	SR16	*People – Approach to People*
	103-3	Evaluation of the management approach	SR17	*People – Approach to People*
GRI 402: Labour/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	SR17	*Employment and Labour Law*

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Occupational health and safety

GRI 103 Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16, 20	*Reporting Scope, People – Approach to People, Occupational Health and Safety*
	103-2	The management approach and its components	SR16, 20	*People – Approach to People – Occupational Health and Safety*
	103-3	Evaluation of the management approach	SR16, 20	*People – Approach to People, Occupational Health and Safety*
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	SR20	*Occupational Health and Safety*
	403-2	Hazard identification, risk assessment, and incident investigation	SR20	*Occupational Health and Safety*
	403-3	Occupational health services	SR20, IR12	*Occupational Health and Safety, Stakeholder Management – Employees*
	403-4	Worker participation, consultation, and communication on occupational health and safety	SR20	*Occupational Health and Safety*
	403-5	Worker training on occupational health and safety	SR20	*Occupational Health and Safety*
	403-6	Promotion of worker health	SR20, IR12	*Occupational Health and Safety, Stakeholder Management – Employees*
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR20	*Occupational Health and Safety*
	403-8	Workers covered by an occupational health and safety management system	SR21	*Occupational Health and Safety*

Training and education

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16, 22	*Reporting Scope, People – Approach to People, Learning and Development*
	103-2	The management approach and its components	SR16, 22	*People – Approach to People, Learning and Development, Skills Development, Workplace Skills Plan*
	103-3	Evaluation of the management approach	SR16, 22	*People – Approach to People, Learning and Development*
GRI 404: Training and Education	404-2	Programmes for upgrading employee skills and transition assistance programmes	SR 22	*Skills Development, Workplace Skills Plan*
	404-3	Percentage of employees receiving regular performance and career development reviews	SR22	*Learning and Development*

Diversity and equal opportunity

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16, 23	*Reporting Scope, Approach to People, Transformation – Approach, Employment Equity*
	103-2	The management approach and its components	SR16, 23	*Approach to People, Transformation – Approach, Employment Equity*
	103-3	Evaluation of the management approach	SR16, 24	*Approach to People, Transformation – Approach, Employment Equity*
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	SR17	*Diversity and Equal Opportunity*
	405-2	Ratio of basic salary and remuneration of women to men	SR20	*Equal Remuneration*

Non-discrimination

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16	*Reporting Scope, People – Approach to People*
	103-2	The management approach and its components	SR16	*People – Approach to People*
	103-3	Evaluation of the management approach	SR16	*People – Approach to People*
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	SR20	*Countering Discrimination*

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Child labour

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16, 17	*Reporting Scope, People – Approach to People, Employment and Labour Law*
	103-2	The management approach and its components	SR16, 17	*Approach to People, Employment and Labour Law*
	103-3	Evaluation of the management approach	SR16, 17	*Approach to People, Employment and Labour Law*
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	SR17	*Employment and Labour Law*

Forced or compulsory labour

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16, 17	*Reporting Scope, People – Approach to People, Employment and Lab Law*
	103-2	The management approach and its components	SR16, 17	*Approach to People, Employment and Labour Law*
	103-3	Evaluation of the management approach	SR16, 17	*Approach to People, Employment and Labour Law*
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	SR17	*Employment and Labour Law*

Rights of indigenous people

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 16	*Reporting Scope, People – Approach to People*
	103-2	The management approach and its components	SR16	*Approach to People, Employment and Labour Law*
	103-3	Evaluation of the management approach	SR16	*Approach to People, Employment and Labour Law*
GRI 411: Rights of indigenous people	411-1	Rights of indigenous people	SR20	*Countering Discrimination*

Human rights assessment

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 27	*Reporting Scope, Social Responsibility – Approach*
	103-2	The management approach and its components	SR27	*Social Responsibility – Approach*
	103-3	Evaluation of the management approach	SR27	*Social Responsibility – Approach*
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	SR28	*Human Rights Assessment*
	412-2	Employee training on human rights policies or procedures	SR28	*Human Rights Assessment*

Local communities

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 27	*Reporting Scope, Social Responsibility – Approach, Local Community Development Programme*
	103-2	The management approach and its components	SR27	*Social Responsibility – Approach, Local Community Development Programme*
	103-3	Evaluation of the management approach	SR27	*Social Responsibility – Approach, Local Community Development Programme*
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	SR27	*Local Community Development Programme*

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Supplier social assessment

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 27, 28	*Reporting Scope, Social Responsibility – Approach, Supplier Social Assessment*
	103-2	The management approach and its components	SR27, 28	*Social Responsibility – Approach, Supplier Social Assessment*
	103-3	Evaluation of the management approach	SR27, 28	*Social Responsibility – Approach, Supplier Social Assessment*
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	SR28	*Supplier Social Assessment*

Public policy

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR27, 28	*Reporting Scope, Social Responsibility – Approach, Public Policy*
	103-2	The management approach and its components	SR27, 28	*Social Responsibility – Approach, Public Policy*
	103-3	Evaluation of the management approach	SR28	*Social Responsibility – Approach, Public Policy*
GRI 415: Public Policy 2016	415-1	Political contributions	SR28	*Public Policy*

Customer privacy

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, 29	*Reporting Scope, Systemic Considerations from Technology Disruptions – Approach*
	103-2	The management approach and its components	SR29	*Systemic Considerations from Technology Disruptions – Approach*
	103-3	Evaluation of the management approach	SR29	*Systemic Considerations from Technology Disruptions – Approach*
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR29	*Managing Infrastructure*

IT-SPECIFIC TOPICS

Systemic risks from technology disruptions

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	SR1, SR29	*Reporting Scope, Systemic Considerations from Technology Disruptions – Approach, Managing Systems and Infrastructure*
	103-2	The management approach and its components	SR29	*Systemic Considerations from Technology Disruptions – Approach, Managing Systems and Infrastructure*
	103-3	Evaluation of the management approach	SR29	*Systemic Considerations from Technology Disruptions – Approach, Managing Systems and Infrastructure*
SASB: Systemic Risks from Technology Disruptions	TC-SI-550a.1 Performance issues		SR30	*Managing Systems and Infrastructure, Technology, Systems and Processes*
	TC-SI-550a.2 Description of business continuity risks related to disruptions of operations		SR30	*Business Continuity*
	TC-SI-000.A Number of licences or subscriptions and percentage that is Cloud-based		SR30	*Cloud-Based Licences and Subscriptions*

CORPORATE INFORMATION

ADAPT IT HOLDINGS LIMITED

Incorporated in the
Republic of South Africa
Registration number 1998/017276/06
Share code: ADI
ISIN: ZAE000113163
JSE Main Board Sector: Technology,
Software and Computer Services
Listing date: 1998
Shares in issue: 144 887 497
(as at 30 June 2021)
Net of treasury shares: 137 261 840

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Oliver Fortuin* *(Lead Independent Director)*
Tiffany Dunsdon *(Chief Executive Officer)*
Nombali Mbambo *(Chief Financial Officer)*
Tony Vicente *(Chief Operating Officer)*
Catherine Koffman*
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