

SUSTAINABILITY REVIEW



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VALUE ADDED STATEMENT

FOR THE YEAR ENDED 29 FEBRUARY 2008

	2008		2007	
	R000	%	R000	%
Revenue	519 161		404 255	
Net cost of products and services	(353 273)		(278 079)	
Value added	165 888		126 176	
Other non-trading (expense)/income	(16)		119	
Net (loss)/profit on disposal of plant and equipment	(16)		119	
Total wealth created	165 872		126 295	
Distributed as follows:				
To employees				
Salaries, wages and benefits	95 246	57,4	72 361	57,3
To government				
Taxation	16 201	9,8	13 570	10,7
To providers of capital				
Interest on borrowings	6 527	3,9	3 521	2,8
Dividends paid	8 912	5,4	6 249	5,0
Retained in the group				
Depreciation of plant and equipment	5 501	3,3	4 410	3,5
Retained profit	33 485	20,2	26 184	20,7
Total wealth distribution	165 872	100	126 295	100

2008 WEALTH DISTRIBUTION

57,4%
TO EMPLOYEES

9,8%
TO GOVERNMENT

9,3%
TO PROVIDERS OF CAPITAL

23,5%
RETAINED IN THE GROUP



2007 WEALTH DISTRIBUTION

57,3%
TO EMPLOYEES

10,7%
TO GOVERNMENT

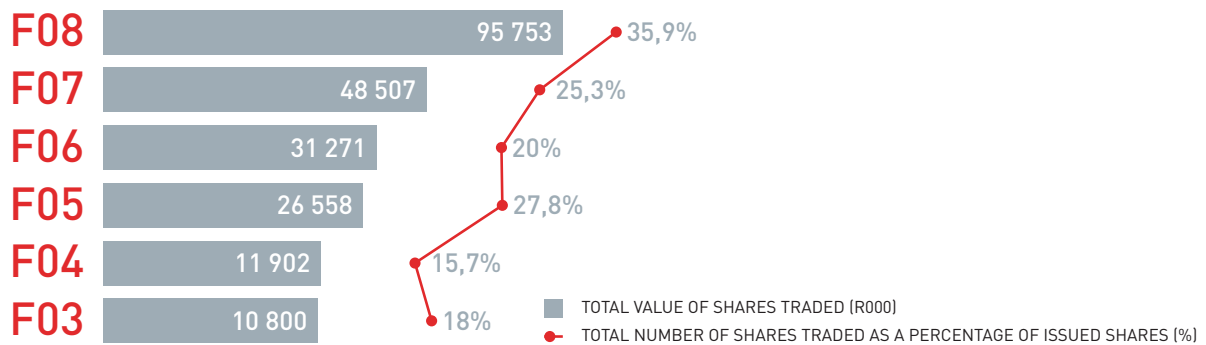
7,8%
TO PROVIDERS OF CAPITAL

24,2%
RETAINED IN THE GROUP

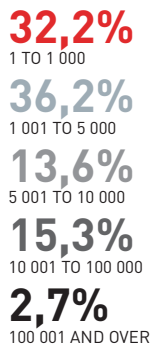


SHAREHOLDERS' ANALYSIS

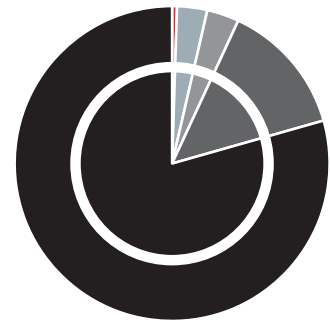
VALUE OF SHARES TRADED VERSUS NUMBER OF SHARES TRADED
(R 000)



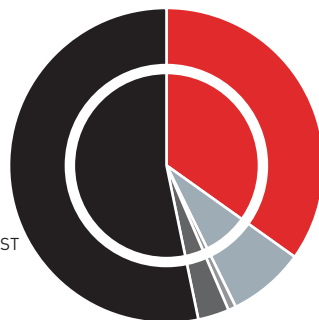
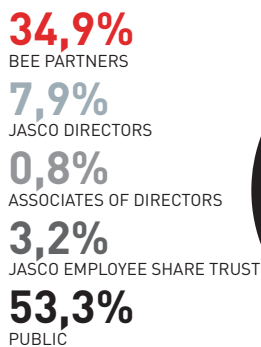
NUMBER OF SHAREHOLDERS



NUMBER OF SHARES



CATEGORY OF SHAREHOLDER



CLASS OF SHAREHOLDER



Note: Details of the analysis of the shareholding are set out on page 80.

STAKEHOLDER INTERACTION

Jasco is committed to effective and open communication and interaction with all our stakeholders. Stakeholders are defined as all persons or groups of persons that are affected in any way by what Jasco does, including shareholders and the investment community, employees, customers and suppliers, government, and the communities within which our businesses operate. Any stakeholder query can be addressed to the office of the financial director or the company secretary.

SHAREHOLDERS AND THE INVESTMENT COMMUNITY

In line with the JSE Listings Requirements, all announcements are made through the stock exchange news service (SENS) and where appropriate or required in the print and electronic media.

Jasco supports the JSE Listings Requirements in relation to imparting equal information to all investors. Management and employees of Jasco are unable to comment on company-specific issues during its closed periods or whilst trading under a cautionary.

A very important element in communicating with investors, analysts and the media is the sharing of both positive and negative news about the group. This communication takes place through the annual report, press releases, SENS announcements, results presentations and the Jasco website (www.jasco.co.za). Furthermore, executive management hosts one-on-one presentations with stakeholders who approach the group for information, within the constraints of the JSE Listings Requirements.

The board also encourages shareholders to attend its annual general meeting, notice of which is contained in the annual report, where shareholders have the opportunity to put questions to the board.

EMPLOYEES

Jasco promotes a positive culture that encourages its employees to reach their maximum potential. We have policies and procedures for handling issues that affect employees. These human resources policies and procedures are designed to achieve good employer/employee relations through the effective sharing of relevant information, consultation and resolution of conflict.

Senior management conducts performance appraisals on an annual basis to ensure that employees are informed of their performance relative to management's expectation and are advised of their optimal career paths at Jasco. The remuneration of employees includes certain group life and disability benefits over and above the basic salary and pension contributions. Furthermore, key employees have been allocated shares and options in terms of our Jasco Employee Share Incentive Trust. The divisional CEOs are participants in a long term incentive scheme designed to ensure sustained operational performance of the particular divisions over the medium term.

The group has employment equity (EE) forums in place in all divisions and at a group level. These forums meet on a quarterly basis to ensure constant progression in our transformation and to address any problem areas.

We also communicate with employees on a regular basis through internal newflashes and company updates from the CEO, in both print and electronic form.



CUSTOMERS AND SUPPLIERS

All customers are crucial to the group's success, and Jasco aims to become a value-added partner to them, especially through the provision of technical expertise, world-class products and attention to detail in our installation and maintenance services.

We aim to anticipate their needs by forming close working relationships with them and ensuring that we intimately understand their working processes. The marketing director has undertaken an initiative during the year designed to identify and maximise cross-selling opportunities between the divisions to our existing customer base. Jasco is consequently experiencing far greater collaboration between the divisions in servicing common customers as we move to become a full turnkey solution and product provider.

Our suppliers, both locally and abroad, are important to our ability to provide the latest cutting-edge technologies to our customers at competitive prices. In this regard, we maintain strong relationships with our suppliers and assist them with information on the needs of our customers. Although Jasco has its own R&D capabilities, we are part of the global environment, and rely on our suppliers for technical support.

GOVERNMENT

Jasco supports the efforts of the South African government and adheres to South Africa's laws and legislative requirements.

Jasco has always viewed government, at all levels, including parastatal organisations, as important stakeholders and an important part of a sound economic environment.

During the previous year, Jasco's marketing director commenced a formal process to identify stakeholders at national, provincial and local government level with a view to develop and maintain working partnerships. This process is well underway and a number of relationships has been established with key potential customers which offer some promising prospects in the burgeoning infrastructural sectors. Jasco's relationships with existing customers in local government and parastatal organisations are entrenched and have resulted in a number of large projects being awarded to the Security division, in particular:

COMMUNITIES AND ENVIRONMENT

Jasco is committed to a clean, safe and healthy environment. The group's operations are monitored continuously and have been found to have a very low impact on the environment.

The minimal quantity of waste product (old batteries) that is generated through our operations is disposed of in a responsible manner. All scrap metal (copper) is sold to legitimate scrap metal merchants. All plastic waste emanating from the plastic moulding manufacturing process is reprocessed and recycled.

The Hi sites in the Telecommunications division are designed and constructed to exacting standards, which meet national and international codes of practice. These masts are specifically designed to cater for and accommodate multiple users, in line with its core offering of site leasing and management services for a broad range of communication service providers. They are developed in accordance with the prevailing regulatory and legislative frameworks. These frameworks include processes governed by the South African Civil Aviation Authority, Town Planning Regulations and the National Environmental Management Act.

Jasco offers employment to the communities in which the various divisional business units are located. At times of peak demand, limited duration contract workers are engaged in the group.

The group also has a formal corporate social investment (CSI) policy to ensure it makes a difference to the communities in which we operate. The overall target is 1% of profit after tax, which was achieved in this financial year. The allocation of funds for CSI activities is decided on an annual basis as part of the annual budgeting process. All applications that are submitted by charities to Jasco receive due consideration from the company secretary. The process of evaluation involves:

- A rigorous evaluation of the charity to ensure that the proper registrations as required by law are in place
- Checking that the charity is soundly administered to ensure the appropriate use of the donated funds for the benefit of the beneficiaries

The following initiatives are part of Jasco's CSI programme:

Bursaries

Jasco implemented a bursary scheme during 2005 that assists black students at tertiary institutions. To date, eight students have been supported through these programmes. During the 2007 academic year, 80% of the bursary students successfully completed their courses. Four students were enrolled in Electrical Engineering fields and one student in the Accounting field. Two students participating in the bursary programme are enrolled at the University of KwaZulu-Natal, whilst the other three students are enrolled at the University of Tswane. Students requiring vacation employment are accommodated at the group during holidays. Jasco has first right to employment of these students and it is the intention to employ these students after the completion of their studies, should we have suitable positions available. The costs associated with the bursary scheme totalled R154 270 in the current financial year.



Scholarships

The group sponsors a learner from a disadvantaged background at a private school in Johannesburg, called Vuleka. The Vuleka programme was designed to put previously disadvantaged children into a more efficient branch of the education system and to overcome the difficulties children face when the medium of instruction is not in their mother tongue. The total cost of this sponsorship amounted to R8 470 this year.

STAKEHOLDER INTERACTION Continued

The group also sponsored the JSE Liberty Life Investment Challenge, which is an “adopt-a-school” programme whereby learners are educated about investment on the Johannesburg Stock Exchange.

MaAfrika Tikkun organisation

Jasco is a corporate sponsor of the MaAfrika Tikkun organisation, which seeks to make a meaningful difference in the upliftment of disadvantaged people of South Africa. This organisation implements a number of reconstruction and development projects in previously disadvantaged areas. The total cost of this sponsorship amounted to R60 000 this year.

Itlhokomeleng Association for the Aged

Tasslelane Technologies, a subsidiary of Jasco, makes an annual donation of R24 311 to the Itlhokomeleng Association for the Aged. Itlhokomeleng means “care for yourselves” in Sotho. This organisation is based in Alexandra, north of Johannesburg.

South African Police Service (SAPS)

The morning show host of Talk Radio 702, a Gauteng-based radio station, successfully held a sponsorship drive for the provision of an electronic fingerprint identification device to the South African Police Service (SAPS). Tasslelane Technologies donated the funds to provide one of these machines to the value of R22 500 to the SAPS.

Multivid, part of Jasco’s Security division, supported a crime awareness yo-yo campaign, called operation Crime Stop. This initiative was a partnership between the SAPS and Captain Crime Stop, a non-profit organisation based in Johannesburg. 1 000 yo-yos were distributed to the Emadlweni and Enkanyezini primary schools in Soweto, with the SAPS logo and emergency number 10111 printed on them.

Johannesburg Council of the Disabled (JOCOD)

JOCOD is based south of Johannesburg and employs disabled people. JOCOD offers disabled people employment in various fields, including making linen, producing detergents, welding and manufacturing and packaging goods for companies.

JOCOD assembles and packages products for Tasslelane Technologies, as part of the group’s enterprise development programme.

Other

The following other organisations and charities also received cash donations from Jasco and/or its subsidiary companies, totalling R66 154 during the year:

- Aids Week Bannerthon awareness campaign
- Association for persons with disability
- ABSA Felicia Williams Fund
- Birdlife SA
- CANSA
- Girls & Boys Town
- The Avril Elizabeth Home
- Abused and Abandoned Kids Educational Excursions
- The Bethany House Trust
- The Institute for the Blind
- Jabulani Khakibos Kids
- The Epilepsy Foundation
- The SPCA
- The WITS Foundation

CORPORATE GOVERNANCE

INTRODUCTION

Corporate governance encompasses Jasco's systems, structures and a culture of acting responsibly. It ensures that the group treats all its stakeholders and the environment in which we operate with respect.

STATEMENT OF ENDORSEMENT

The directors fully endorse the recommendations of the King II Report on Corporate Governance (King II) and have approved a detailed board charter that outlines our adherence and compliance to this code of corporate practices and conduct. The board is committed to the principles of discipline, transparency, independence, social responsibility and accountability in our dealings with all our stakeholders.

BOARD OF DIRECTORS

Composition

The board charter outlines a clear division of responsibilities. The board is currently composed of ten directors, with three being executive and seven non-executive. Five of the non-executive directors are independent.

The non-executive directors are independent of management to ensure that no one individual has unfettered powers of decision-making and authority, ensuring that stakeholder interests are protected. In line with the recommendations of King II and as outlined in the JSE Listings Requirements, the positions of the chairperson and the CEO are separately held, with a clear division of duties.

There were no changes made to the board during the year under review. However, subject to the approval of the M-TEC acquisition by the Jasco shareholders on 26 May 2008, Jasco's new BEE shareholder AfroCentric will be entitled to appoint a director to the board. This will increase the board from ten to 11 directors and the non-executive directors from seven to eight. No other changes to the board will be made.

Role and function of the board

In keeping with good corporate governance practices, the board charter sets out its mission, role, duties and responsibilities and, in particular, important aspects concerning the following:

- The directors' fiduciary responsibilities
- Leadership of the board
- Board appointments
- Induction of new directors
- Board evaluation
- Remuneration

- Board meetings and procedures
- Dealings in securities
- Appointing the members of the board committees
- Terms of reference for the board committees
- Approving the appointment of an independent, registered auditor

In terms of the board charter, the directors have a responsibility to become acquainted with all of their duties and the issues pertaining to the operations and business of the group to fulfil their duties.

Directors are entitled to seek independent professional advice concerning the affairs of the group, at the group's expense, should they believe it would be in the best interest of the group.

DELEGATION OF AUTHORITY

The power and authority to lead, control, manage and conduct the business of Jasco, including the power and authority to delegate, is vested with the board to ensure that Jasco remains a sustainable and viable business. This responsibility is facilitated by a well-developed governance structure comprising the two board sub-committees and the executive board committees of the subsidiaries.

BOARD EVALUATION AND PERFORMANCE

Jasco undertakes an annual board evaluation process, as recommended by King II, which includes an evaluation of the board as a whole, of each board committee, of the chairperson and every director. This is done through self-assessment and a peer review.

In addition, the remuneration committee facilitates the evaluation of executive management.

DIRECTORS' REMUNERATION

Non-executive directors receive a fee for their contribution to the board and the committees on which they serve. The fees are determined by the remuneration committee and approved by the shareholders at the annual general meeting. Non-executive directors are also reimbursed for out-of-pocket expenses incurred on behalf of Jasco.

The rewards and remuneration of executive directors are determined by the remuneration committee. These are linked to the value added by the directors to Jasco and are compared to corporate salary surveys to ensure the remuneration is comparable to similar businesses.

Further information on directors' emoluments appears on pages 75 and 76.

CORPORATE GOVERNANCE Continued

APPOINTMENTS TO THE BOARD

The remuneration committee also acts as the nominations committee for the election of new directors due to the size of the board and infrequent board changes. The appointment of new directors is approved by the board as a whole.

RETIREMENT AND RE-ELECTION OF DIRECTORS

All directors are appointed in accordance with Jasco's articles of association and are subject to retirement by rotation and re-election by shareholders at least once every three years.

Consequently, Dr Anna Mokgokong, Joe Madungandaba and Sir John Sherry retire by rotation and, being eligible, offer themselves for re-election to the board.

ORIENTATION AND DEVELOPMENT

New directors are taken through an induction programme designed to enhance their understanding of Jasco's legislative framework, its governance processes and the nature and operations of the business.

The group is also committed to ongoing director development to assist directors in building on their expertise and developing and maintaining an understanding of the businesses and markets in which Jasco operates.

CONFLICTS OF INTEREST

The group has adopted a formal code that deals with the management of potential conflicts of interest to ensure that candidates and the existing directors are free of any conflicts of interest between the obligations they have to Jasco and their private interests. The members of the board are required to disclose any conflicts of interest at the quarterly board meetings. Dr Anna Mokgokong and Joe Madungandaba formally noted a conflict of interest, being their ownership interest in M-TEC, which Jasco has purchased subsequent to the financial year end, subject to shareholder approval. The aforementioned directors recused themselves from all directors' meetings where the proposed acquisition was discussed and approved. There were no other conflicts of interest reported during the year under review.

BOARD MEETINGS

The board meets quarterly and on an ad hoc basis or as is deemed necessary. In fulfilling their duties to both Jasco and its stakeholders, the directors aim to act impartially and independently when considering matters of strategy,

performance, allocation of resources and ensuring the highest levels of conduct. The non-executive directors play a major role in the audit and remuneration committees which operate within the adopted terms of reference for each of these committees.

An agenda and supporting papers are distributed to all directors prior to each board meeting. Appropriate explanations and motivations are provided for items requiring resolution at the meeting. This ensures that relevant facts and circumstances are brought to the attention of the directors. In terms of good governance, the directors can conduct unrestricted inspections of all the group's property, information and records.

	24 Apr 2007	11 Jul 2007	3 Oct 2007	25 Feb 2008
	(strategy)			
ATM Mokgokong	P	P	P	P
MJ Madungandaba	P	P	P	P
MH Lotz	P	P	P	P
WA Prinsloo	P	P	P	P
O Seiphemo	P	P	P	P
JC Farrant	P	P	P	P
FE Emary	P	P	P	P
PS Chapwanya	P	P	P	P
JA Sherry	P	P	P	P
MJ Matsipa	P	P	P	P

P - Present

COMPANY SECRETARIAL FUNCTION

The company secretary is appointed by the board on the recommendations of the remuneration committee. The company secretary's statement of compliance is set out on page 34 of the annual financial statements. The directors have access to the advice and services of the company secretary, who is responsible to the board for ensuring compliance with procedures and regulations of a statutory nature.

The company secretary is also responsible for alerting the directors of any relevant changes to the Companies Act, the Insider Trading Act, the JSE Listings Requirements, as well as any other statutory regulations or laws affecting them in their capacities as directors. This includes the recently promulgated Corporate Laws Amendment Act.

The company secretary also monitors the directors' dealings in securities and ensures adherence to closed periods for share trading.

BOARD COMMITTEES

The audit and remuneration committees assist the board in discharging its responsibilities. This assistance is rendered in the form of recommendations and reports submitted to board meetings, thus ensuring transparency and full disclosure of committee activities. Each committee operates within the ambit of its defined terms of reference that sets out the composition, roles, responsibilities, delegated authority and requirements for convening meetings. The committees comprise only of non-executive directors.

AUDIT COMMITTEE

The audit committee comprises four non-executive directors and is chaired by an independent non-executive director. The audit committee charter, which governs the functions and responsibilities of the audit committee, underwent a best practice benchmark review process and any shortcomings that were identified were rectified. The revised audit committee charter was adopted by the audit committee on 6 May 2008.

The audit committee is responsible to perform the following functions:

- Nominate an independent registered auditor
- Determine the audit fee and the terms of the engagement
- Monitor compliance with relevant legislation
- Define the nature and extent of non-audit services which the auditor may provide
- Pre-approve any proposed non-audit services by the auditor
- Evaluate the independence, objectivity and effectiveness of the external auditors
- Ensure that an appropriate system of internal control is maintained to protect Jasco's interests and assets
- Review the activities of the independent internal auditor and the effectiveness of the internal audit
- Review accounting and auditing concerns identified by internal and external audit
- Review the accuracy, reliability and credibility of financial reporting and the annual report, the unaudited interim results and the annual reviewed results of Jasco as presented by management and reviewed by the external auditors, for approval, to the board
- Deal with Jasco's integrated risk management strategy, risk accountabilities, major risk exposures and the risk management processes. The audit committee ensures that Jasco's risk management strategies and processes are aligned with the recommendations of King II and that they are reviewed on a regular basis

Four committee meetings were held during the year under review. These meetings were attended on invitation by the external auditors, internal auditors, the CEO and the financial director. The internal and external auditors have unrestricted access to the chairperson of the audit committee. There were no changes to the composition of the audit committee during the year.

The attendance of members at these meetings is reflected below:

	20 Apr 2007	10 Jul 2007	1 Oct 2007	28 Jan 2008
JC Farrant	P	P	P	P
FE Emary	P	P	P	P
PS Chapwanya	P	P	P	P
MJ Madungandaba	A	A	P	P

P – Present

A – Apologies

REMUNERATION COMMITTEE

The remuneration committee comprises three non-executive directors and is chaired by an independent non-executive director. Meetings are attended on invitation by the CEO, the finance director and the human resources manager, when required.

The committee:

- Influences and approves human resource policies and strategies and monitors compliance with the Employment Equity Act, No 55 of 1998, as amended
- Makes recommendations to the board, for approval by the shareholders, on the remuneration policy for executive and non-executive directors
- Makes recommendations to the board on the appointment and removal of executive and non-executive directors and executive management
- Ensures that Jasco demonstrates its commitment towards organisational integrity in an appropriate manner
- Monitors ethical conduct of the group, its management, employees and suppliers
- Ensures compliance with the code of ethics
- Is the custodian of Jasco's health and safety and HIV/AIDS strategies

The chairperson ensures that sufficient time is allocated to each of the areas within the terms of reference of the committee. In particular, there are dedicated slots for ethics, human resources policies, executive remuneration and succession planning.

CORPORATE GOVERNANCE Continued

Two committee meetings were held during the year under review. The attendance of members at these meetings is reflected below:

	20 Apr 2007	28 Jan 2008
FE Emary	P	P
JC Farrant	P	P
ATM Mokgokong	A	P

P – Present

A – Apologies

INTERNAL CONTROL

The board has ultimate responsibility for establishing a framework for internal control. The controls throughout Jasco focus on the critical risk areas identified by operational management and confirmed by the executive management. The controls are designed to provide a reasonable and not absolute assurance as to the integrity and reliability of the annual financial statements to safeguard, verify and maintain accountability of its assets and to detect fraud, potential liability, loss and material misstatement, whilst complying with applicable laws and regulations.

Organisational policies, procedures, structures and approval frameworks provide direction, accountability and segregation of responsibilities and contain self-monitoring mechanisms. Both operational and executive management closely monitor the controls and the actions taken to correct weaknesses as they are identified.

An independent auditing firm performs the internal audit function and reports to the audit committee. The external auditors also consider the internal control systems as part of their audit and communicate deficiencies when identified.

CODE OF ETHICS

Jasco strives to operate honestly and with integrity, credibility, reliability and professionalism in the way it conducts its business.

The board has adopted a formal code of ethics and directors and employees are committed to ensuring that the code is part of the culture of Jasco.

The remuneration committee acts as the overall custodian of the ethics management process and monitors compliance to Jasco's code of ethics. The group's disciplinary codes and procedures are being used to ensure compliance with the underlying policies and procedures, which underpin the overall code of ethics.

INSIDER TRADING

No employee may deal directly or indirectly in Jasco's ordinary shares on the basis of unpublished price-sensitive information regarding its business or affairs. Similarly, no director or officer may trade in shares of the company during a closed period, as determined by the board. The group's closed periods are between the last day of the reporting period and the publication of the results. A closed period is also applicable when the group trades under a cautionary.

BEE

Jasco fully endorses the recommendations of the Broad-Based Black Economic Empowerment Act, No 53 of 2003 (BBBEE). One of the areas addressed by the legislation is that BBBEE does not only relate to ownership, but also includes management transformation, skills development, preferential procurement, enterprise development and CSI to ensure true, broad-based empowerment. Having addressed the key component of black ownership and control through the CIH transaction in 2003, the group has heightened its focus on the other empowerment areas. In 2007 Jasco was rated BBB by Empowerdex and evaluated as a satisfactory broad-based BEE contributor (Level Five Contributor), in terms of the Department of Trade and Industry's Codes of Good Practice (released in November 2005).

The audit by Empowerdex of Jasco's BEE status as at 29 February 2008 is currently underway and the result thereof is expected in the near future. This rating will not take the effect of the proposed acquisition of M-TEC and the investment by JSE-listed BEE group AfroCentric in Jasco into consideration. These transactions will result in Jasco transforming from a black-controlled to a black-owned business with more than 50% black shareholding.

HUMAN RESOURCES MANAGEMENT (HR)

INTRODUCTION

Employee development, wellbeing and transformation are key aspects to the success of the group. Jasco recognises that people are our most valuable asset and has implemented policies and procedures focused on enhancing the way we treat our people.

The group continuously reviews employment practices and proposed legislation to ensure compliance.

REMUNERATION STRATEGY

Jasco recognises that a well-researched, competitive remuneration strategy is crucial in facilitating the recruitment and retention of core skills. This responsibility falls directly under the ambit of the remuneration committee. The group makes use of external market surveys and competitive, but sound, remuneration practices to establish relevant remuneration for employees.

In addition to a guaranteed remuneration package, the group has short term and long term incentives in place. Long term incentive schemes for key employees ensure the rewarding and retention of this scarce resource.

DEVELOPING AND TRAINING EMPLOYEES

Jasco trains its employees, both internally and externally. Employees who enrol for external training which enhances their ability to progress within the group are considered for financial support. We have a number of employees studying on a part-time or distance learning basis.

A number of training programmes are available to all employees and it is Jasco's aim to ensure that all employees attend at least one training programme per year. During the year under review, more than 80% of all employees attended either internal or external training courses.

Jasco falls under the MERSETA sectoral education training authorities and annually reports to and files training registers and plans with MERSETA.

CENTRALISED ADMINISTRATION

The group has a central HR administration department and standardised policies and procedures across the group, which ensures consistent and fair treatment of employees. The group makes use of a standardised payroll software solution.

A total cost to company remuneration structure for employees ensures easier cost comparison across the group and other employers in the market. All recruitment of new or replacement personnel is co-ordinated through the Jasco HR department. Where possible, all positions are filled internally. Due consideration is given to our employment equity plan, policy and targets when recruiting new employees.



EMPLOYMENT EQUITY (EE)

Jasco has an EE policy and plan that seeks to promote equity in the workplace by promoting equal opportunity and fair treatment. Unfair discrimination in the workplace on the basis of issues such as gender, race, culture and religion is prohibited.

The group continuously reviews its employment equity plan to ensure that it specifically addresses the key areas of black management, empowerment of women and skills development. Where positions arise, Jasco aims to appoint EE candidates.

Jasco has an EE committee that meets on a quarterly basis. The chairperson is an independent, external advisor with experience in EE and human resources.

Representatives from all the divisions and the CEO or the FD attend these meetings. As is required by the EE Act, the group submits its annual EE and income differential reports to the Department of Labour.

SKILLS DEVELOPMENT

In line with the Skills Development Act, No 97 of 1998, the group submits workplace skills plans and several skills programmes are registered with the relevant sectoral education training authorities (SETAs). During the year, the group received a refund amounting to approximately R270 000 from MERSETA for training expenditure made last year.

SAFETY AND HEALTH

The remuneration committee is the custodian of the safety strategy of the group. Each of the business units has designated safety officers who are trained every two years. The group adheres to the relevant acts and management take responsibility

HUMAN RESOURCES MANAGEMENT (HR) Continued

for health and safety in the various divisions. Selected employees are trained and appointed to areas, such as first aid, across the business. Health and Safety matters are discussed and considered at the Employment Equity Meeting held quarterly. Our safety record is excellent with a very low incidence rate of occupational-related injuries and diseases.

Webb Industries piloted an on-site nursing programme for staff this year. The objectives of the programme are to improve the general wellbeing and productivity of staff by reducing staff absenteeism. The programme was well received and supported by the staff, and has so far achieved its objectives.

HIV/AIDS

HIV/AIDS is one of the key challenges facing South African society and business today. While statistics from the National Department of Health and Population Development Unit reflect only those cases reported voluntarily to the department, it is nevertheless alarming and clearly demonstrates the extent of the pandemic facing the country, labour and business.

Jasco has a formal HIV/AIDS strategy, which is implemented throughout the group. An HIV/AIDS awareness programme and education campaign was implemented in the group four years ago. From information provided by the divisions to the

quarterly EE meetings, the current impact of HIV/AIDS on the labour force is very limited, but slowly on the increase and we are and will continue to monitor the situation.

All divisions within the group participate in the annual HIV/AIDS "bannerton" to promote awareness, especially during National HIV/AIDS Awareness Week. Office buildings are wrapped and employees are encouraged to participate in confidential, voluntary HIV/AIDS screening tests. During this campaign, 18 employees volunteered for testing and 40 received counselling. During the past year, the group also participated in supporting the HIV/AIDS Awareness Badges and employees were encouraged to participate by wearing their awareness badges during the awareness week.

GROUP BENEFITS

The Jasco group offers various employment benefit funds to employees. The group currently has four employee benefit funds, namely Group Life, Income Protection and Funeral Cover (all compulsory), as well as a Medical Aid Fund which is on offer to all employees. The Group Life Cover and Funeral Cover assist employees' families at the time of the death of an employee, whereas the Income Protection Cover assists employees with temporary and permanent disability.

The following table depicts Jasco's EE profile (including ten employees with disabilities):

	Designated							Non-designated			Total
	Male			Female				White male	Foreign nationals		
Occupational levels	A	C	I	A	C	I	W	W	Male	Female	Total
Top management	4	-	-	1	-	-	-	10	1	1	17
Senior management	-	-	3	1	-	1	2	20	-	-	27
Professionally qualified and experienced specialists and mid-management	2	1	5	1	1	2	8	26	1	-	47
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	15	5	11	10	-	11	18	31	-	1	102
Semi-skilled and discretionary decision-making	49	3	16	6	1	8	22	24	-	-	129
Unskilled defined decision-making	48	3	5	32	7	77	-	4	-	-	176
Total permanent	118	12	40	51	9	99	50	115	2	2	498
Non-permanent	20	1	1	1	-	1	2	10	-	-	36
Grand total	138	13	41	52	9	100	52	125	2	2	534

A - African C - Coloured I - Indian W - White