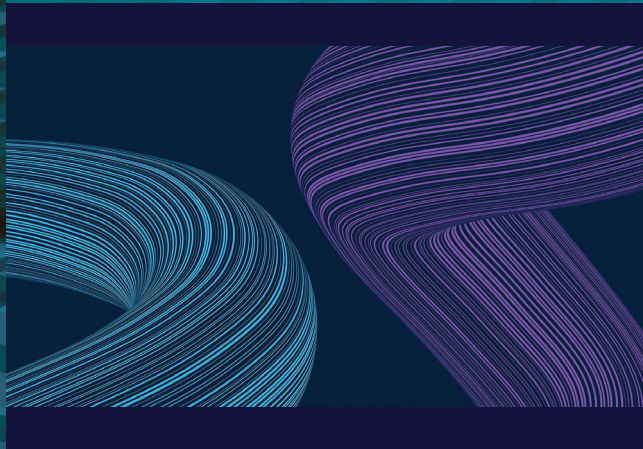


We are Committed to
**Empowering the Truly
Connected Enterprise**



Pathway to Transformation

2022

Introduction

'Software AG South Africa's transformation journey reflects its conscious efforts to contribute to the South African economy, empower its communities and develop skills within the ICT sector'



Since the onset of the COVID-19 pandemic, we have been pushed to adapt, become agile and constantly re-invent ourselves. Despite this, Software AG has remained committed to empowering its people, its communities, the youth, and small businesses through its many efforts. Not only conforming to the bounds of B-BBEE but going beyond that to ensure that we are meaningful, impactful, and true to the spirit of empowerment. We are proud to have increased our B-BBEE status to a level 4 with a procurement recognition of 100% as this reflects our commitment to enforcing change and transforming not only our organization but also the ecosystem around us. We commit to continue this journey and to grow from strength to strength.

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About **Software AG**

Our Brand Story

Our brand story is a compelling narrative that speaks for the entire business. It explains our role in the world and what makes us different now, and in the future.

A truly connected world

For modern enterprises, software is the ultimate value driver. That's why we set out to become the software pioneers of a truly connected world. It is our mission to empower you to become a truly connected enterprise. Using our industry-leading suite of products across integration & API management, IoT & analytics and business transformation, we create a fluid flow of data between people, departments, systems, and devices.

We're not new to this. Since 1969 we've been dedicated to integrating and connecting everything to help more than 10,000 businesses instantly see, decide, act — and thrive.

Our promise to you

You can touch the lives of every customer in this connected world. From the micro to the macro, every aspect of people's lives is made better by an enterprise that is truly connected. Whether it's an app-ordered coffee that is waiting on the counter to go; an airline schedule that gets a family together in the right place at the right time; or wind turbines that keep the power supply for communities constant - it's all connected.

For 50 years and counting, Software AG has been the innovative and independent force that guides some of the world's best brands on their journey to becoming truly connected. We promise to continue to be that spark.

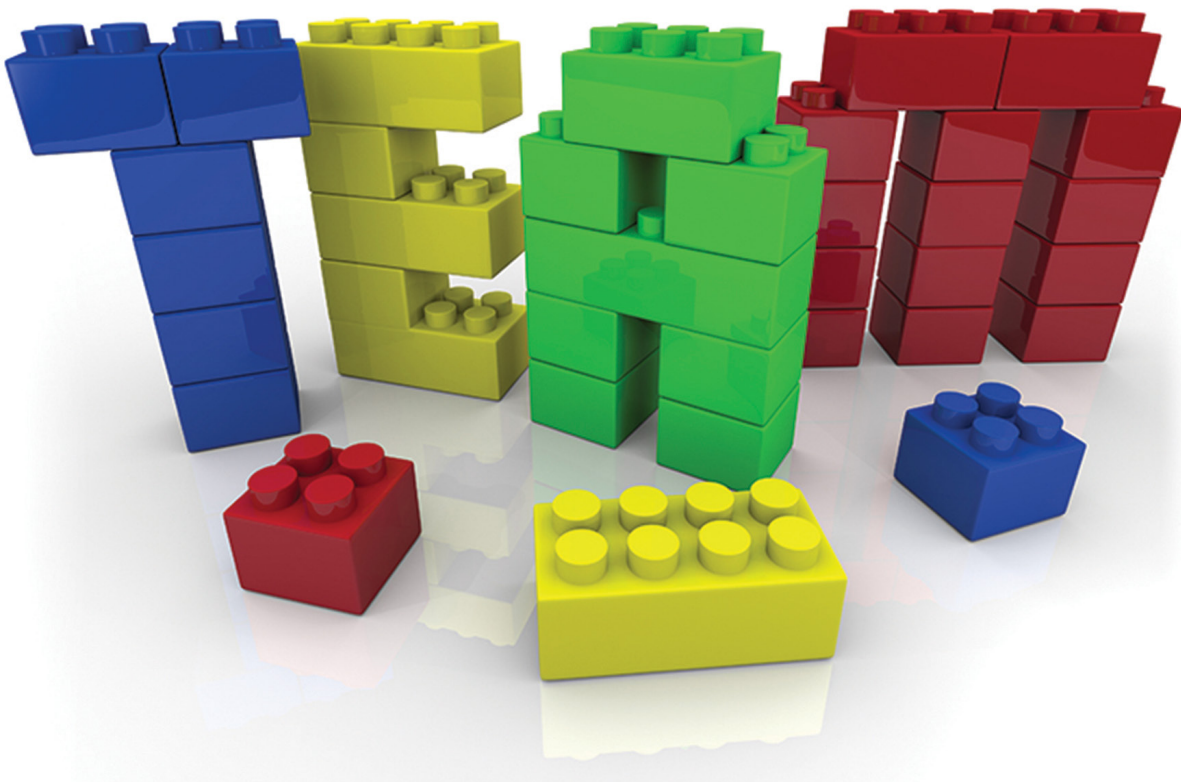


Executive Message

Kholiwe Makhohliso, VP Sales South Africa

“Building Blocks, that Break Barriers”

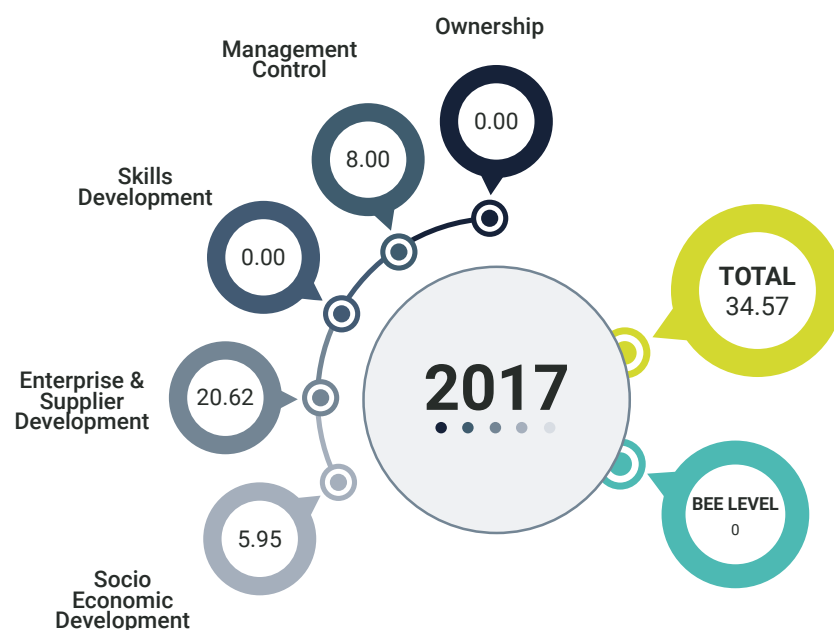
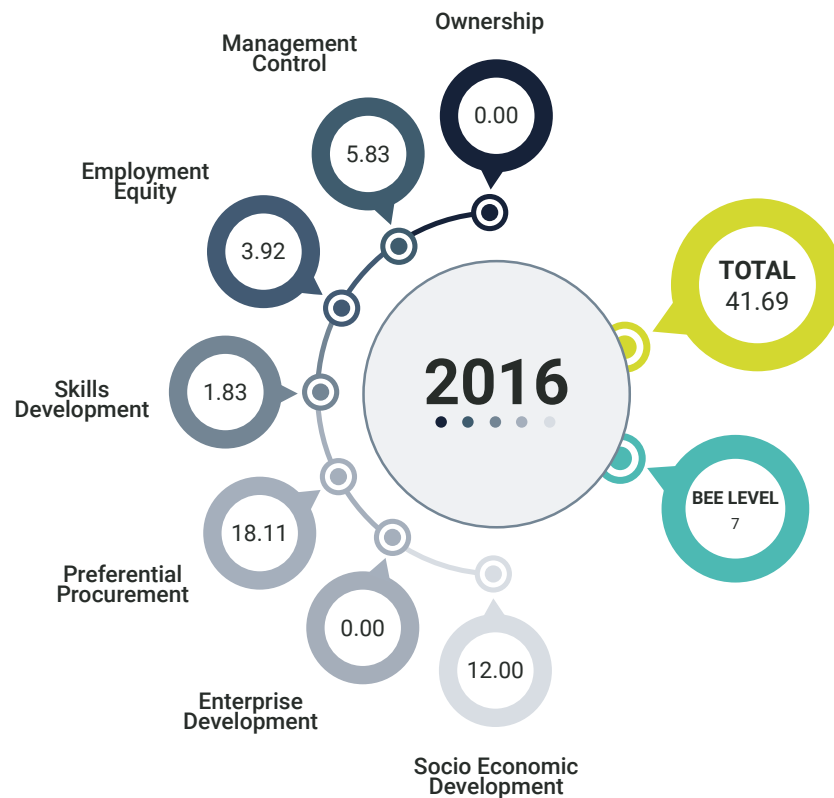
Software AG has been on an upward trajectory, a transformation journey that has been impactful and meaningful. We have laid a strong foundation which we use to further accelerate our mission for change. We pride ourselves in our ability to drive sustainable projects in skills development, enterprise and supplier development, socio economic development and management control. For 2022 and beyond, we look forward to engaging meaningfully in the ownership pillar which will see Software AG excel in the OEM community through its commitment to transformation and the South African economy. Aligned with our global HELIX Transformation strategy we continue to bring value to our employees, our customers, and our partners by working together in a truly connected world.

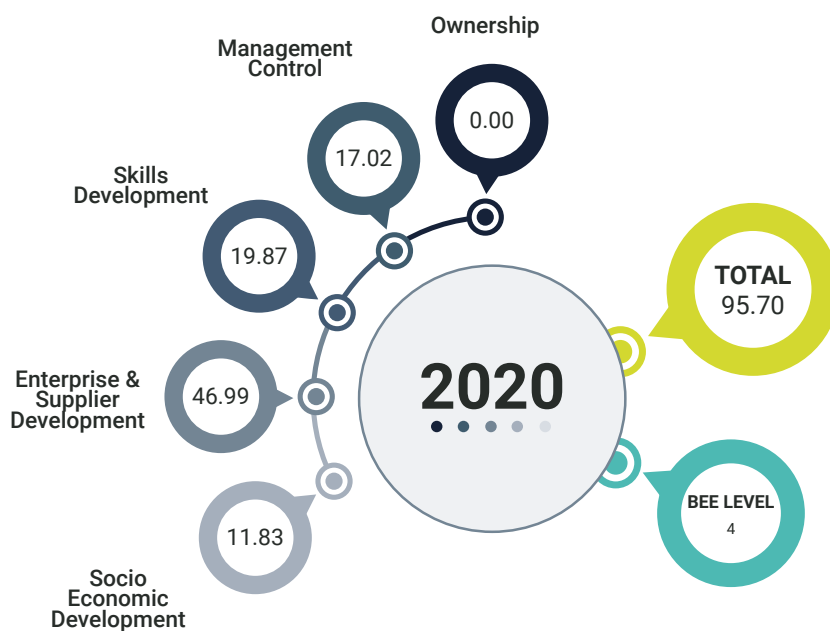
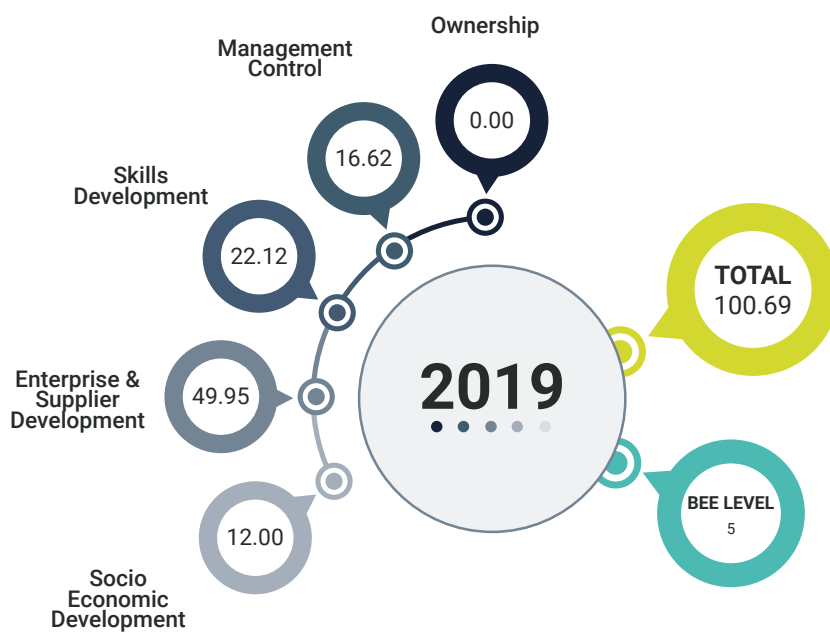
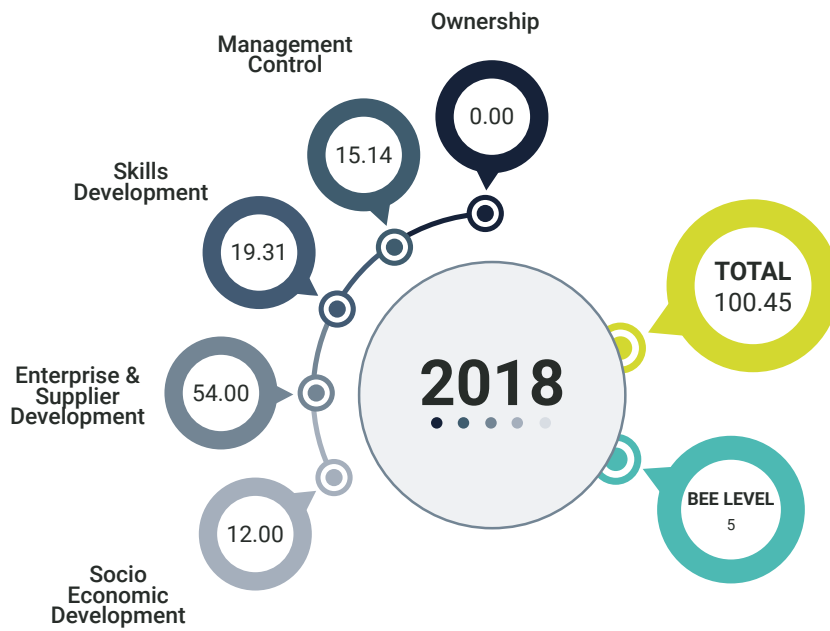


Our Pathway to Transformation

2016 - 2020

Broad-Based Black Economic Empowerment (B-BBEE) Elements Scoring





Ownership

Strengthening our Ownership

Software AG South Africa is still in discussions with SAG Global on the available options for Ownership. These include Equity Equivalent Programme options to see what would be ideal for Software AG and best benefit the South African Transformational Agenda. We are aiming to kick off our EEIP Programme once approved by the DTI in the 2023 Year.



Management **Control**

- > 100% Female executive directors in Management
- > 17.08 B-BBEE score for management control
- > 41.6% female representation in senior management

Software AG South Africa continues its commitment to improving the B-BBEE score of the organization and focuses on meaningful transformation. Management Control remains one of our most improved pillars. Our recruitment processes and procedures are aligned to our Employment Equity plan with guidelines stipulated in the EAP. Software AG South Africa has retained its all-female Board representation that comprises of Managing Director and Vice President of SA, Finance Director and the Transformation Director and has seen great internal movement between Junior, Middle and Senior Management as we are committed to not only the growth of our business but also our employees.



Skills Development

Software AG continues to commit to skills development.

At a time when closing the skills gap in South Africa has never been more important, Software AG has continued its commitment to developing skills within the ICT sector amongst the youth as well as the upskilling of our internal team.

All our skills development initiatives are driven by the need to bridge the Gap in the ICT sector. This sector is known for the scarcity of resources and it's one of the focus areas of the National Skills Development Plan set out by the government.

Our Initiatives Include:

Internship Programme

Software AG launched its first programme in 2019. The Software AG intern programme saw an initial nine young students recruited for an intensive 12-month programme, ushering them into a new future of Software AG tech and Software AG clients with all of them securing permanent employment in the Software AG community and eco-system.

With the onset of COVID-19, Software AG needed to adjust and adapt in such a way that they operated the programme as a 'business model'. Working remotely became the norm and that was a big social experiment for everyone in the public and private sectors.

In our 2021 programme, along with our partners and customers we handpicked 8 remarkable graduates. Our 12-month programme is a comprehensive learning and development journey for our new junior colleagues. It consists of some intense training and impactful workplace experience. This year we included our partners and customers from the onset of the programme. This has been especially important as we will be utilizing them as 'hosts' during the workplace experience component.



Other Skills Development Programmes Include:

Sparrow PWD Learnership Programme

Our annual Sparrow Learnership Programme commenced in January 2021. Through the Sparrow FET College, we run an end user computer skills programme for people with disabilities. This programme focusses on building ICT skills in marginalized communities. In an effort to be inclusive and build skills without limitations, we continue to include the disabled community as we invest in skills development.



Laptops for Learners on our PWD Learnership programme

Together with our annual Sparrow PWD learnership that kicked off in January 2021, we also equipped our learners at the Sparrow FET college with brand new laptops. We had previously donated second-hand machines (as a pilot for online learning) so it was evident that we needed to facilitate their online learning capabilities. This equips them to continue learning and working during the heights of the pandemic.

Fix Scholarship

The Fix Scholarship is a non-profit organisation that provides educational, business bursary and mentorship opportunities with a focus on female entrepreneurs in Africa who want to pursue entrepreneurial solutions for urgent social development challenges.



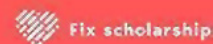
The scholarship is aimed at assisting female entrepreneurs to make an impactful social and economic change within their communities. In 2021 we have committed to sponsoring two social entrepreneurs in the tech start up space as they strive to seek solutions for social challenges through technology.

Our Scholarship holders are Sarah Mandingwana and Leah Molatseli.



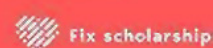
SARAH MADINGWANA

"Receiving this scholarship is a great honour for me. It's also validating that our social enterprise is on the right track with aiding some of the social issues our community faces. Mine is to continually represent the community where I came from. This will afford me the opportunity to merge my quest to understand social aspirations, social values as well as localise sustainable development goals. The knowledge and partnerships acquired will allow our business to thrive while helping others."



LEAH MOLATSELI

"The Fix Scholarship is giving me the opportunity to fix and upgrade my life, my family, my start-up and by extension my community and world around what we do at Lenoma Legal. I'm excited and grateful to start this journey."





Employee Children Bursaries

Education is an investment and Software AG is facilitating access to education for its employee's children. As Software AG we want to foster love to our employees, live up to the Give & Take principle and make it part of our DNA, which will then ensure the success of our company.

The Software AG Educational Programme can benefit employees by reducing the cost of education for their children. We have awarded about 50% of our staff with bursaries for their children who are of school going age (grade 0 - 12 and tertiary education).

MICT Seta Accreditation

We have been in the process of renewing our accreditation with the MICT Seta. We are happy to announce that Software AG remains a Seta accredited organization for training and development. We are able to offer the following courses as a service provider:

- National Certificate: Information Technology - Systems Development
- National Certificate: Business Analysis
- National Certificate: Information Technology – End User Training

YES for Youth

South Africa's unemployment rate rose to 34.9% in the third quarter of 2021, up from 34.4% in the previous period. It was the highest joblessness rate since comparable data began in 2008. On the back of the July unrests and the still stringent lockdown measures, youth unemployment in South Africa is an issue of grave economic importance. Unemployment levels remain stubbornly high, with a staggering 14,3 million South Africans being unemployed.

In 2020 Software AG joined the YES for Youth Programme. In early 2021 we met our YES implementation partner - Edunova. Edunova is a youth education and employment certified YES implementation partner based in Langa, a township in the Western Cape. Edunova specializes in educating unemployed youth and placing them in government ICT schools around the country. The youth are trained to teach computer skills to primary school learners.

We are proud to be a partner in creating jobs for the youth of South Africa, further more we have teamed up with Edunova to provide learning spaces for the YES employees. They will be utilizing the labs we have built and continue to build across the country.



Socio Economic Development

Our Labs

Our transformation goal for 2021 is to build 4 computer/4iR and Stream Labs across the country, specifically focusing on rural/remote areas.

Cape Nexus ICT Hub - Limpopo

As a start we have acquired 20 laptops for the ICT Hub in Limpopo. The Hub will draw learners mainly from the Capricorn District, which has four municipalities: Polokwane, Blouberg, Molemole, and Lepelle-Nkupi. This Hub is being built in collaboration with Cape Nexus. Cape Nexus is a skills development organisation that focuses on nurturing ICT Skills within rural communities.

Heatherlands High School – George, Western Cape

Software AG in partnership with the Sakhikamva foundation recently launched our new STREAM Laboratory at Heatherlands Secondary School, in the Eden district, George (Western Cape). Formerly a juvenile reformatory facility, now a non-fee-paying high school, this is the first 4iR learning facility in the Garden Route area.

STREAM education, which is an acronym for Science, Technology, Robotics, Engineering, Arts and Mathematics, focuses on enabling children to develop competencies which are at the forefront in the 21st Century, such as complex problem solving, coordinating with others, critical thinking and creativity. With the opening of the Heatherlands High 4iR STREAM laboratory, learners will enter an exciting world of drones, 3D printing, robotics and artificial intelligence.

Tsiki Naledi Ithemba Lethu 4iR Lab - Hendrina Mpumalanga

The learners of Tsiki Naledi Secondary School will benefit from a new 4iR built by Software AG. The 4iR lab envisions a future of hi-tech immersive and interactive learning experience in the rural environment. The aim is to reduce digital inequality by ensuring the physical, curricular, and web environments is barrier-free. The Ithemba Lethu 4iR Lab will give Grade 4 to 7 learners access to the internet and electronic devices in the learning process.

The Ithemba Lethu 4iR Lab is equipped with robotics equipment, 3-D printers, drones, coding system learning kits and state-of-the-art computers to name but a few of the things learners will be able to use from the beginning of the 2022 academic year.



The Re-Construction of the Innovate Durban Co-Lab

In July civil unrest gripped many parts of South Africa. Unfortunately, our flagship Innovation Lab in Cato Manor fell victim to the events that riddled our country. The Innovation Co-Lab provided access to innovation-related tools, information, and resources. It was a place where budding entrepreneurs could innovate and create opportunities and that was taken away from them in a matter of days.

Software AG has committed to restoring and rebuilding the Innovation Lab as it has been a beacon of hope for people in the Cato Manor Community. This has been spurred by the global group's Head Office in Germany Darmstadt additional funding which came through during the social unrest that our country faced. This is one of Software AG's founding principles - driving transformation initiatives within the countries that it operates in. The Innovation Co-Lab will be re-launched in early 2022.



Alexandra Digital Hub

The Alexandra Digital Hub is an initiative in partnership with the Department of Small Business Development and other technology industry players. It aims to aid small business owners in the community to get back on their feet. Software AG has partnered with other key technology industry players to create the Alexandra Digital Hub. This hub will provide youth start-ups and grass-roots innovators in the township with the opportunity to connect with digital technologies and accrue the practical knowledge they need to join the fourth industrial revolution.

Other ICT Socio Economic Development Projects

PAICTA Hackathon – SAG as a Partner

The Pan African Information Communication Technology Association, together with SAG and other sponsors hosted a cross boarder hackathon. Participants were challenged to find innovative technology solutions to predefined issues across Africa in the health and financial sectors.

With the support of our esteemed solution engineers, we were able to add so much value to this event. Our awesome team ran a Masterclass on modern technologies and were mentors to the participants on their quest to solve real world problems.



Enterprise and Supplier **Development**

Software AG South Africa's focus has been on:

- Procuring from designated group suppliers that are at least 51% black-owned.
- Procuring from exempted micro-enterprises (EME) and Qualifying Small Enterprises (QSE) based on the applicable B-BBEE procurement recognition levels.

Our aim is to support SMMEs through our Enterprise Development Programme tailored according to individual needs of the beneficiaries. This programme forms part of Software AG's transformation plan and will continue to run until the partners are fully enabled. To date, Software AG South Africa together with Raizcorp and Innovate Durban have identified 7 (SMMEs) partners for a 1 year programme with the aim to execute enterprise and supplier development (ESD). The purpose is to create, support and scale entrepreneurs and the entrepreneurial eco-system and to accelerate the success of entrepreneurs.

Our ESD Beneficiaries for 2022 with Raizcorp as a partner:

Ginini Consulting

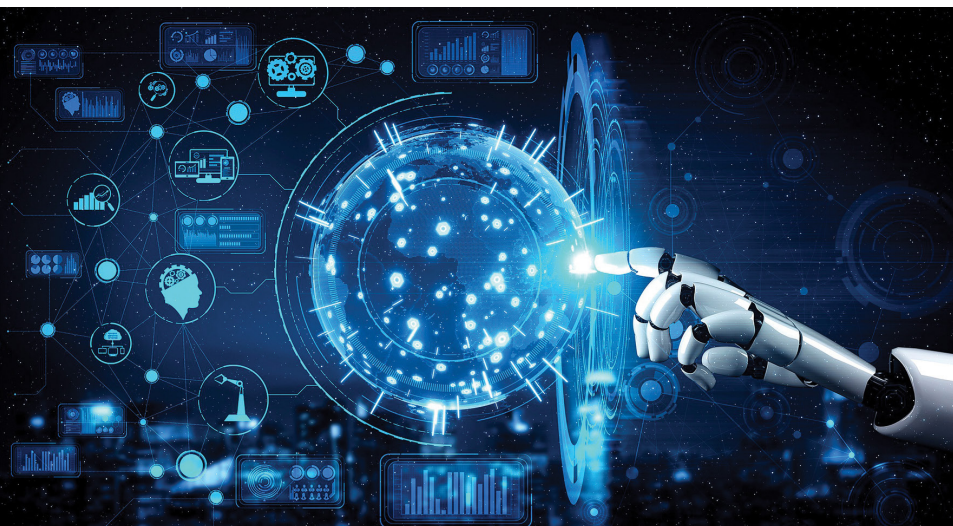
Ginini Consulting (Pty) Ltd is a business consulting and advisory company established by a highly-qualified Business Analyst, with 20 years' Information and Communication Technology (ICT) and Public Sector Governance, Risk and Compliance (GRC) experience. Our programs are driven by our executive-level practitioners who bring real-world experience to deliver innovative and lasting solutions.



Our alignment of expertise and best practice structure has helped Ginini to set an industry standard for value and results. Our clients benefit from a true collaborative approach to resolving critical business issues. More importantly, Ginini helps organisations and individuals to sustain performance and internalise best practice by transferring knowledge throughout the consulting life cycle.

Services / products offered:

- Consult, train and support
- Software Reseller
- Software Development
- E-learning
- SAQA Accredited training
- Coding and robotics for kids



Tsalano Technologies

Tsalano Technologies is a 100% black owned company focusing highly on offering researched, convergence and innovative solutions to ensure that clients realize return on investments based on the best-delivered ICT solutions.

TSALANO HOLDINGS

"Accelerating Innovation" 

Our critical mission is to provide technology solutions that solve challenges faced by companies, government and individuals. Our solutions are at the center of stimulating the economic growth of South Africa and accelerating service delivery to communities. All this is achieved by offering reliable cutting-edge ICT based solutions. Through the same concept, Tsalano aims to offer highly specialized and business focused ICT solutions to both high ranking private and public sectors.

The company is continuously maturing with time and technological changes and advances. It always remains our company's philosophy to encourage creativity, human development and staying abreast of the latest available technology in the market to offer relevant and innovative solutions.

Tsalano applies information technology in innovative ways to support customers' business strategies and contribute to enhance growth and return on investment by offering a variety of methodologies and services. Tsalano's approach to software development and implementation of systems enables it to develop and implement timely and practical solutions for its customers' business challenges.

We place great emphasis on successful and ongoing client relationships. All implementation of our projects are under the overall control of a business manager or account manager.

Yellow Pepper

Yellow Pepper (Pty) Ltd is a 100% black owned marketing company that provides digital marketing and outdoor billboards advertising.

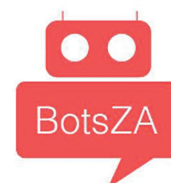


Services / products offered:

- Corporate branding
- Website development and management
- Market statistical analysis

BotsZA

BotsZA Projects (Pty)Ltd is a training, research and development company based in Johannesburg, South Africa. It specialises in applications powered by Artificial Intelligence. We live and breathe Artificial Intelligence, Automation and Chatbots.



Services / products offered:

- Machine Learning
- Data Mining
- Robotics training
- Coding training

Voimar

A 100% Black owned licensed telecommunications and IT Solutions provider founded and incorporated in South Africa under the auspices of Tshesomo Capital in 2009. The improvements in Africa's telecoms infrastructure, governing laws, advancements in connectivity and technology have inspired Voimar to emerge. Voimar's mission is to connect African businesses and advance legacy through technology.



Voimar's vision is to use disruptive technologies and systems to reduce the cost of doing business, drive productivity and increase profitability for their customers.

Innovate Durban with Software AG – Start Up Support Programme

Innovator Profiles



Name of innovator: Francis Djumo
Name of company: Royaueme
Target market: Home Owners & Building Owners Associations
Innovation stage: Prototype stage
Partnerships: None
Benefit: Monitoring & saving water

Innovation Description:

His application will make use of water flow sensors placed the water meters outside peoples homes. These sensors will send the information to an application on the house holders cell phone giving them all information, water reading, price correlation, burst pipe etc, in real time.

Business:

The business 'Royaueme' was registered.

Prototype development:

Prototype development was supported through the Fabrication Manager.



Name of innovator: Elijah Djan
Name of company: Nubrix/O'Waste
Target market: Recycling companies
Innovation stage: Prototype stage
Partnerships: None
Benefit: Waste pickers

Description of Innovation:

A way to manage, monitor, categorise, separate, and recycle land fill waste through a waste filtration system. Empower waste pickers to be more efficient and increase their earnings by creating decentralised automated waste buy-back centers. O'Waste Filter (Filtration System) A filtration system that makes use of water and the various densities of waste products available in a landfill. Waste is tipped into said structure filled with water and due to the various densities different waste products will sink at different times and be caught at various levels of the structure. Think about the process of distillation of how different liquids are separated at different levels by means of application of heat. Plastic waste will float. Paper and fabric will take a while to sink. Steel will sink the quickest followed by glass. The collected and separated waste materials will be sold off to recyclers.

Business:

Nubrix is a registered business and O'Waste is the project name and is not registered

Prototype development:

Elijah was supported with consultation with our Fabrication Manager to develop a prototype however the scale would not accurately support any further testing of the solution.

Innovate Durban facilitated a session with the DTIC regional office to support the prototype development and manufacturing process. The application in process.

It is intended that the collection of waste would support Nubrix which is the manufacture of building bricks using waste material

Community Engagement

Compass Community Provision and Social Services

Software AG makes a monthly contribution to Compass Community Provision and Social Services Organisation. Compass provides social services through their own registered social workers and trained, qualified teachers and caregivers to abandoned and abused children to ensure the best level of education and caregiving. Their rehabilitation programme for homeless women and children, provides professional counselling programmes through registered counsellors and mental health practitioners. Software AG's contribution is utilised for the abused and abandoned children.



Solidarity Fund – KZN

Software AG has partnered with the Food Security Committee to assist in our communities during this time of crisis. Many home makers are unable to provide for their families due to the lockdown restrictions brought upon us by COVID-19 and the July unrest that took place leaving many people without jobs.

Businesses have come to a halt; jobs have been lost and economic activity had been suspended leaving families, especially families in poorer communities without means to make money and without food.

We have been assisting with an efficient response to the food crisis; through the supply of food hampers which are distributed through a network of multi-faith, religious and community-based organisations that identify families in need. Our food distribution took place this year in KZN which was highly affected by the looting that took place.



Conclusion

The Software AG South Africa journey to transformation continues to grow from strength to strength. The team is grateful for retaining our B-BBEE level 5 score under such difficult economic and global challenges as a result of the COVID 19 pandemic and the riots that took place in 2021.

Software AG South Africa is confident that the new methodologies in place will help us improve on our 2021 score and beyond. We are committed to this transformation progress towards making Software AG a world of living connections.

We are indeed the pulse that keeps our partners, customers, consumers of our technology living and thriving. Our journey of transformation is all about creating sustainable balance and the B-BBEE elements have laid the necessary foundation for the future success of SAG in South Africa.





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