



2019

CORPORATE RESPONSIBILITY REPORT

Academic excellence
and value creation



CONTENTS

ABOUT THIS REPORT

Welcome to ADvTECH's corporate responsibility report that provides an overview of our progress for the year ended 31 December 2019.

Previously, our sustainability progress was incorporated in ADvTECH's annual integrated report, while this year it is a stand-alone report.

This report is structured using key sustainability themes – employees, environment, health and safety, and communities. We have also included our sustainability approach and progress against the United Nations (UN) Sustainable Development Goals (SDGs) as well as strategic information from our integrated annual report, namely our business model and value creation and strategy.

Our corporate responsibility report will in future be published annually and is aligned to ADvTECH's financial year-end.

Reporting suite



Stakeholder feedback

We welcome stakeholder feedback, which can be sent to the ADvTECH Company Secretary: investorrelations@advtech.co.za.

Report navigation

To illustrate connectivity throughout this report, use has been made of various icons as depicted below. We are committed to reducing our environmental footprint and therefore have not printed any hard copies of this report. Our stakeholders are encouraged to view this report in an interactive PDF available on our corporate website at: www.advtech.co.za under the investor information tab. ADvTECH's annual integrated report, complete annual financial statements and all supplementary reports are also available on our website.

THEMES



Employees



Environmental



Health and safety



Communities

STAKEHOLDERS



Community



Media



Investors and shareholders



Students and parents



Alumni



Regulatory bodies and government



Employees/independent contractors



Recruitment candidates and clients

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NAVIGATION TOOLS

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CHIEF EXECUTIVE OFFICER'S MESSAGE



For decades our main sustainability contribution has been to educate students' from pre-school to tertiary level, about the importance of long-term environmental, social and economic sustainability and to lead by example in our everyday decisions. We believe this will have a generational impact, as our students pay it forward.

I am pleased to present ADvTECH's corporate responsibility report for 2019. As we embark on our corporate responsibility reporting journey, we are mindful that our progress tracking is at an early stage. This report focuses on our environmental and social impacts while our economic impact is detailed in ADvTECH's annual financial statements, which is incorporated in our annual integrated report. Our theme-based corporate responsibility reporting approach covers employees, environmental, health and safety, and communities and includes all the aspects we consider material to our business. Going forward, we aim to align our corporate responsibility material aspects more closely within the group's material matters.

ADvTECH is serious about corporate responsibility and appreciates that we need to consider the impact our activities may have on future generations. We are also aware of the growing concern around climate change. The World Economic Forum's 2020 Global Risk Report indicates that environmental concerns dominate the top five risks in terms of likelihood and impact. ADvTECH is well-positioned to educate our learners about these issues, but we also aim to lead by example by reducing our footprint through responsible corporate behaviour.

Of all the corporate responsibility areas, our social impact is the most significant as our business is about people and education. As an educational institution, we are fundamental to providing quality education, which has sustainable benefits for individuals, communities and society. Education is not only among the United Nations' 17 SDGs, it is arguably foundational to all SDGs. Providing students with the skills to think through complexity, transcend paradigms, learn through dialogue and communication, engage in deep reflection as well as foster knowledge and vocational expertise will help create more effective SDG implementation.

Over and above SDG 4 (quality education), ADvTECH has selected five other SDGs that we can positively impact through our business operations. These are SDG 5 (gender equality), SDG 6 (clean water and sanitation), SDG 8 (decent work and economic growth), SDG 9 (industry, innovation and infrastructure) and SDG 11 (sustainable cities and communities). Our report incorporates case studies across our corporate

SUSTAINABLE DEVELOPMENT GOALS



responsibility themes, which demonstrates how ADvTECH's operations holistically integrate sustainability and the SDGs to positively impact various stakeholders. In addition to the six main identified SDGs, some of our activities also align with various other SDGs.

ADvTECH operates in a highly regulated environment. We actively engage with various regulatory and professional organisations to remain relevant and compliant, and to shape our regulatory landscape. Where relevant, ADvTECH holds memberships with several organisations for operational and business development reasons. These memberships span across our schools, tertiary and resourcing divisions as detailed in our stakeholder engagement section on page 12.

The recent coronavirus pandemic has sensitised us all to the fact that we are globally interconnected. In these uncertain times, we need to rally together as communities to combat this virus so that we emerge stronger as individuals and corporates. At ADvTECH, the safety and wellbeing of our staff and students is our first priority and we continuously provide comprehensive communication to keep all stakeholders informed. While the financial effect is difficult to predict, we do expect some cost and revenue impact, but we remain confident of navigating the business through the unpredictability of COVID-19. Despite the uncertain future that awaits post COVID-19, we remain committed to be a good corporate citizen and conduct our business sustainably.

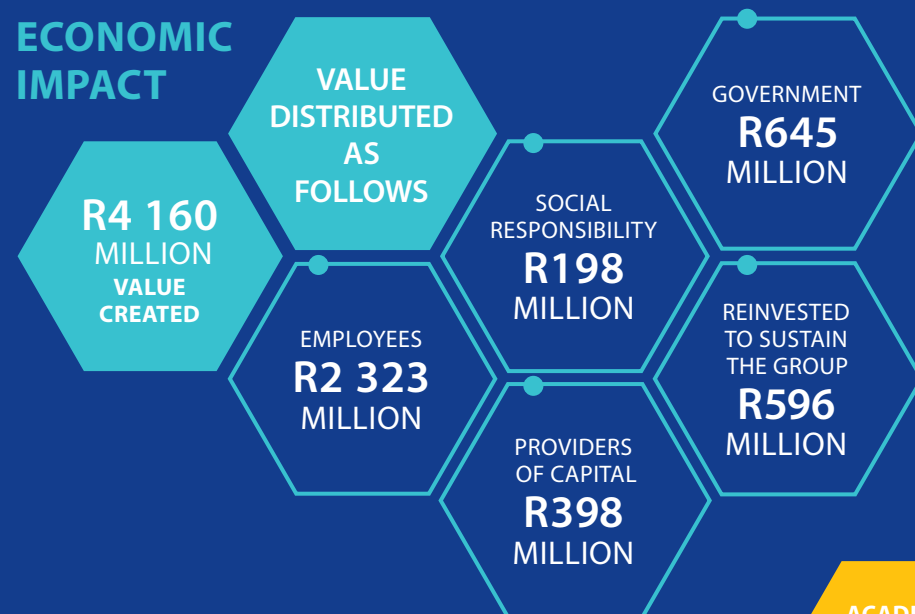
We are excited about our corporate responsibility reporting journey. I encourage our stakeholders to read this report and provide feedback to help us become better corporate citizens and improve our reporting.

Roy Douglas
Chief executive officer

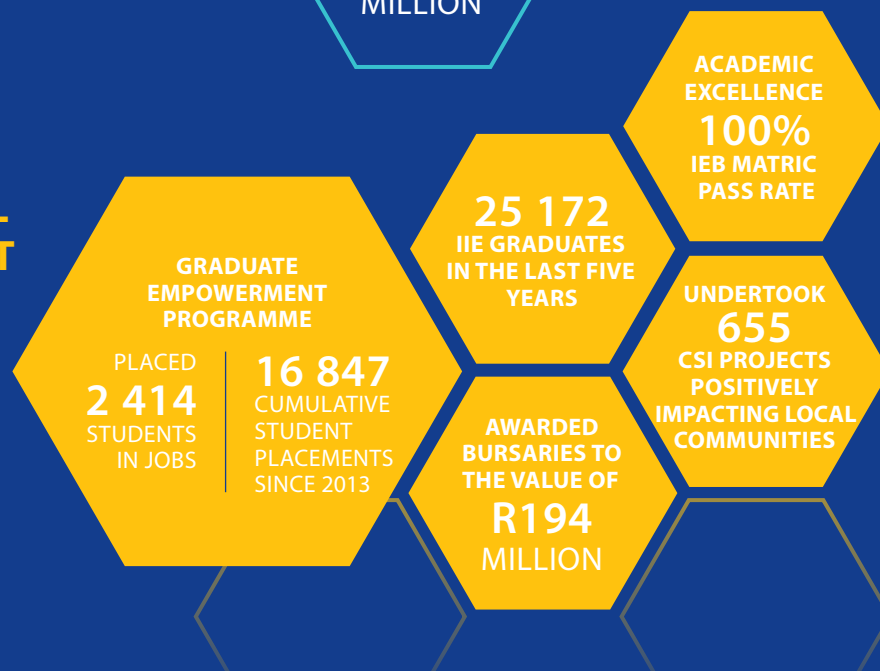
30 April 2020

2019 HIGHLIGHTS

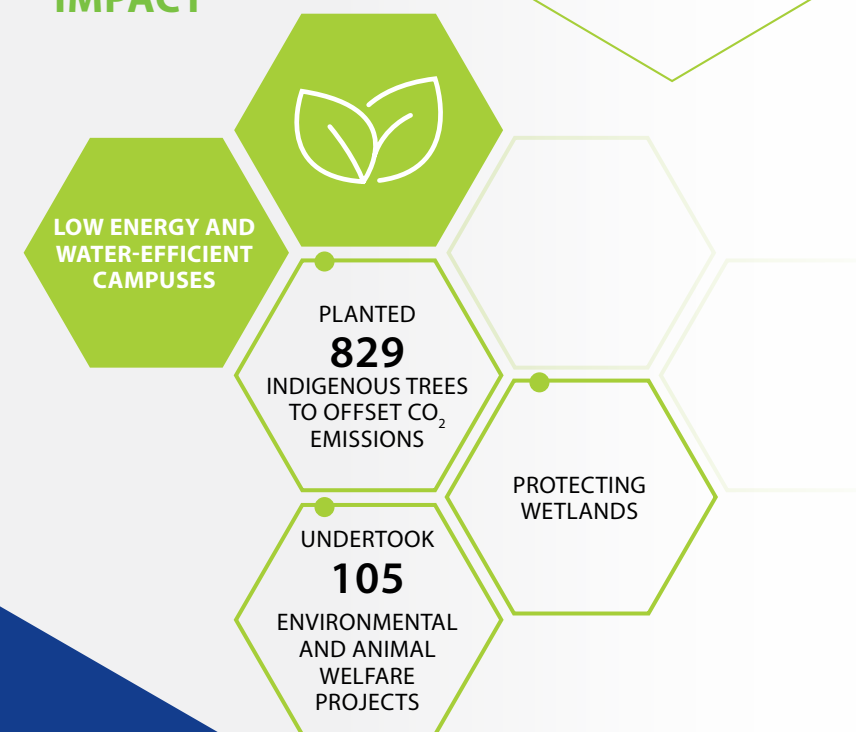
ECONOMIC IMPACT



SOCIAL IMPACT



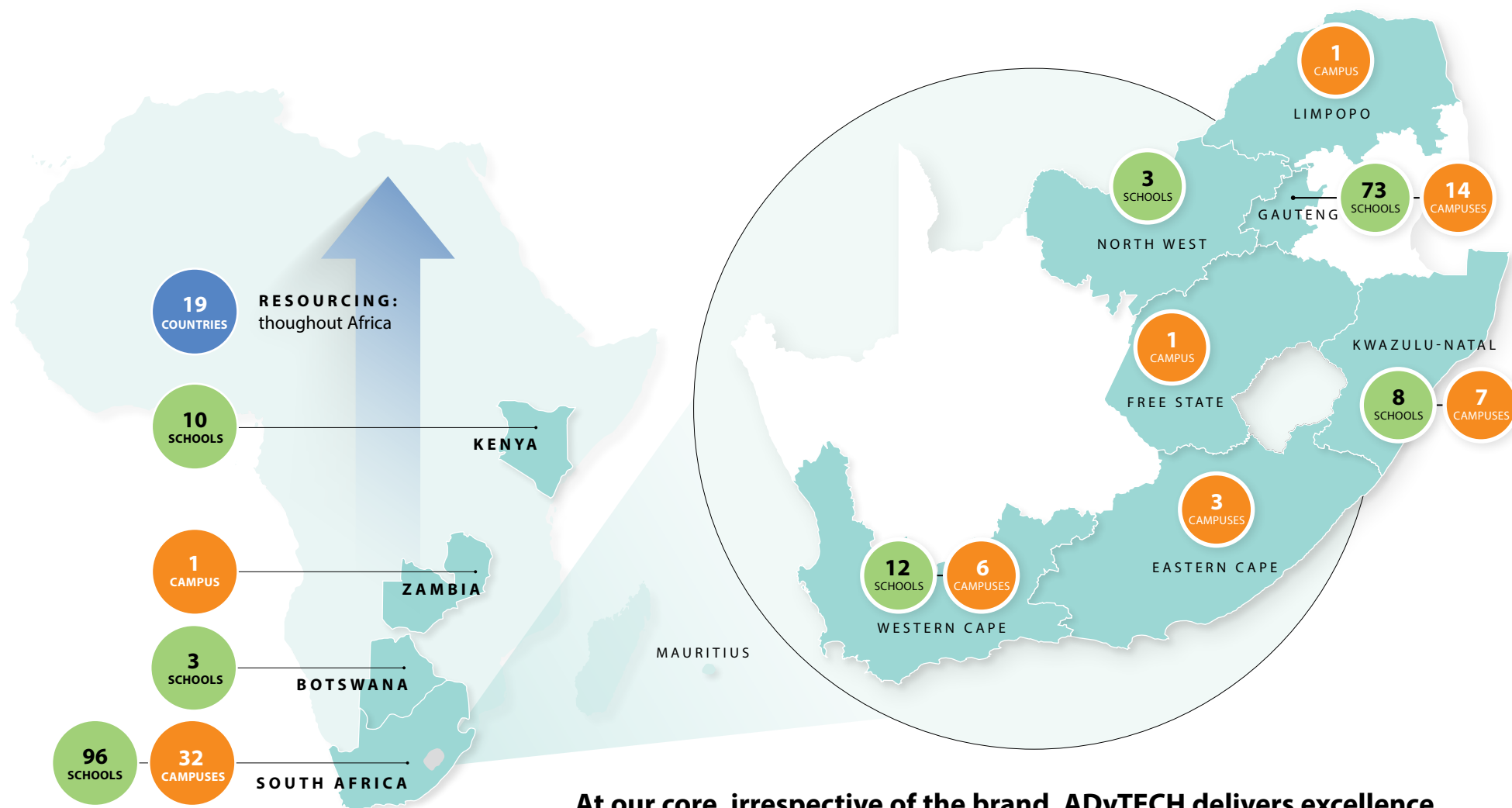
ENVIRONMENTAL IMPACT



OUR PRESENCE IN AFRICA

Founded in 1978, the ADvTECH group is South Africa's largest private education provider and a continental leader in quality education, training, skills development and placement services.

The group reports its performance in a segmental structure reflecting the schools and tertiary divisions as two separate education divisions, and resourcing as a third division.



At our core, irrespective of the brand, ADvTECH delivers excellence.

OUR BUSINESS MODEL AND VALUE CREATION

INPUTS

Capitals

- Academic excellence, intellectual capital and governance**
 - › 27 brands
 - › Accredited curriculums
 - › IIE accreditation
 - › IT systems
 - › Academic research and development
 - › Academic integrity
- People, culture and human capital**
 - › 7 876 employees
 - › R21 million invested in employee training and development
 - › Professional, passionate employees
 - › Talent management and succession programmes
- Social and relationship capital**
 - › 77 345 students
 - › Tertiary campuses' student bodies
 - › CSI: Advantage Trust
 - › Bursaries
 - › Key stakeholders
- Manufactured/ infrastructure capital**
 - › 142 education sites
 - › Digitally enabled campuses
 - › Dedicated properties team
 - › Educational facilities design specialists
- Financial capital**
 - › R1 192 million operating cash flows
 - › R581 million increase in debt
 - › R320 million invested in acquisitions
 - › R681 million in capex
- Natural capital**
 - › Energy efficiencies, water saving and recycling projects
 - › Community upliftment projects
 - › Environmental education

BUSINESS ACTIVITIES

- SCHOOLS**
 - › Developing and enhancing the teaching and learning environment
 - › Developing a new curriculum for assisted learning
 - › Increasing digital new age technology facilities
 - › Benchmarking our performance, locally and internationally
 - › Investing in IT systems (learning analytics student information system)
- TERTIARY**
 - › Developing academic qualifications
 - › Ensuring constructive alignment between all curriculum aspects
 - › Growing postgraduate programme offerings
 - › Benchmarking our performance, locally and internationally
 - › Enhancing technology supported teaching and learning both contact and distance
 - › Focusing on graduate employability
- RESOURCING**
 - › Focusing on the key niche placement areas of: Finance, ICT, Engineering, Supply chain, Logistics, Freight
 - › Payroll management and contracting placements
- GROUP SUPPORT SERVICES**
 - › Geographic expansion – organic and acquisitive
 - › Improving efficiencies and cost savings
 - › Finance and administration
 - › Properties and facilities management
 - › Marketing and communication
 - › Group shared services
 - › Governance, legal and compliance
 - › Central academic research and development

OUTPUTS

Academic excellence



Successful placements

- Solid return on investment
- World-class innovation and research
- Strategic investment and growth
- Sustained income
- Academic leadership
- Strong customer value proposition and focus

Statement of purpose

MATERIAL MATTERS

- Academic excellence
- Prudent investment and expansion
- Regulatory changes and bureaucratic delays
- Research and development
- Challenging economic conditions
- An effective human resource strategy

Robust corporate governance and risk management • Stakeholders • External and internal operating environment • Regulatory environment



OUR BUSINESS MODEL AND VALUE CREATION

continued

OUTCOMES (based on strategic objectives)



Academic excellence

IEB matric pass rate, 100%
1 582 matrics
2 910 distinctions

IIE graduates up 23%
7 155 IIE graduates in 2019

Total of 197 accredited tertiary division courses (including 34 from IIE MSA)



Growth

Geographic expansion into Africa

Organic growth in schools and tertiary divisions

New product offerings: 7 new qualifications offered in 2020 and 44 qualifications in pipeline pending accreditation

Digital offering expanded



Educational productivity

Effective teacher to student ratios for optimal learning

Optimised organisational processes and structures



Human capital productivity

R21 million invested in employee development and training

R2 323 million in salaries and benefits paid to employees



Capital productivity

R1 billion invested in expansion projects

Disciplined approach to capital allocation

Prioritise investments to maximise returns on investments



Customer focus

2 414 job candidates placed during 2019

Increased our mid-fee offering

Repositioning and rebranding of schools

Increased customer satisfaction surveys and improved results



Resourcing division – excellence through specialisation

Alternative markets pay off as placements increase with 3% in the rest of Africa

Solid performance from division in a tough market



Impacts the economy and society by:

Supporting South Africa's transformation goals

Supporting economic growth through taxes and jobs created

Uplifting and developing society in line with the UN SDGs

OUR STRATEGY

Academic excellence is at the very heart of our strategy and central to value creation. We pride ourselves in being South Africa's largest private education provider and a continent leader in quality education, training, skills development and placement. This is achieved through our three business divisions schools, tertiary and resourcing, all of which are underpinned by our purpose and values.

Our brands

The brands under the ADvTECH umbrella operate independently while being fully supported by the group. This enables each brand to focus on its offerings and value propositions such as a unique ethos, products and student learning experience, tailored to the specific target audience, community and market. The range of brands and their niche positioning enables us to provide quality education to specific markets.

Schools

10 BRANDS

Representation:
**SOUTH AFRICA,
BOTSWANA, KENYA**

R2 226 million
Revenue contribution



Tertiary

9 BRANDS

Representation:
**SOUTH AFRICA,
ZAMBIA**

R2 145 million
Revenue contribution



Resourcing

8 BRANDS

19 COUNTRIES
Throughout Africa

ALTERNATIVE MARKETS
payoff

R741 MILLION
Revenue contribution



OUR STRATEGY continued



Statement of purpose

We aim to build and grow a high-quality organisation in education, training and placement that is widely recognised for passionate commitment and success in enriching people's lives and futures.

We aim to grow a reputation for our ability to make a real difference to the people we serve, for our connectedness and partnerships with African and global markets and players, for the relevance, quality and usefulness of our offerings, and for the enterprising and agile way in which we approach our task.

We will achieve this by focusing on our customers and taking a lead from our markets, by our innovative approach, especially in harnessing the power of technology, and by striving for excellence and sustainability in all we do.

Our values

► Ethics

Through our own ethical conduct, practices and policies we seek to set an example to our learners, students and clients.

► People centredness

Sound education and placement depends on empowered and successful human interaction on a personal level.

► High quality

We aim to create and add quality in everything we do.

► Sustainability

By using resources wisely, and within the means created by our income, we aim to ensure that our organisation continues to serve future generations.

► Caring and responsible leadership

We take special responsibility for the people, especially young people, who are students, clients and staff, by our example and by caring for their safety and needs.

► Respect

Respecting each other as well as clients and candidates.



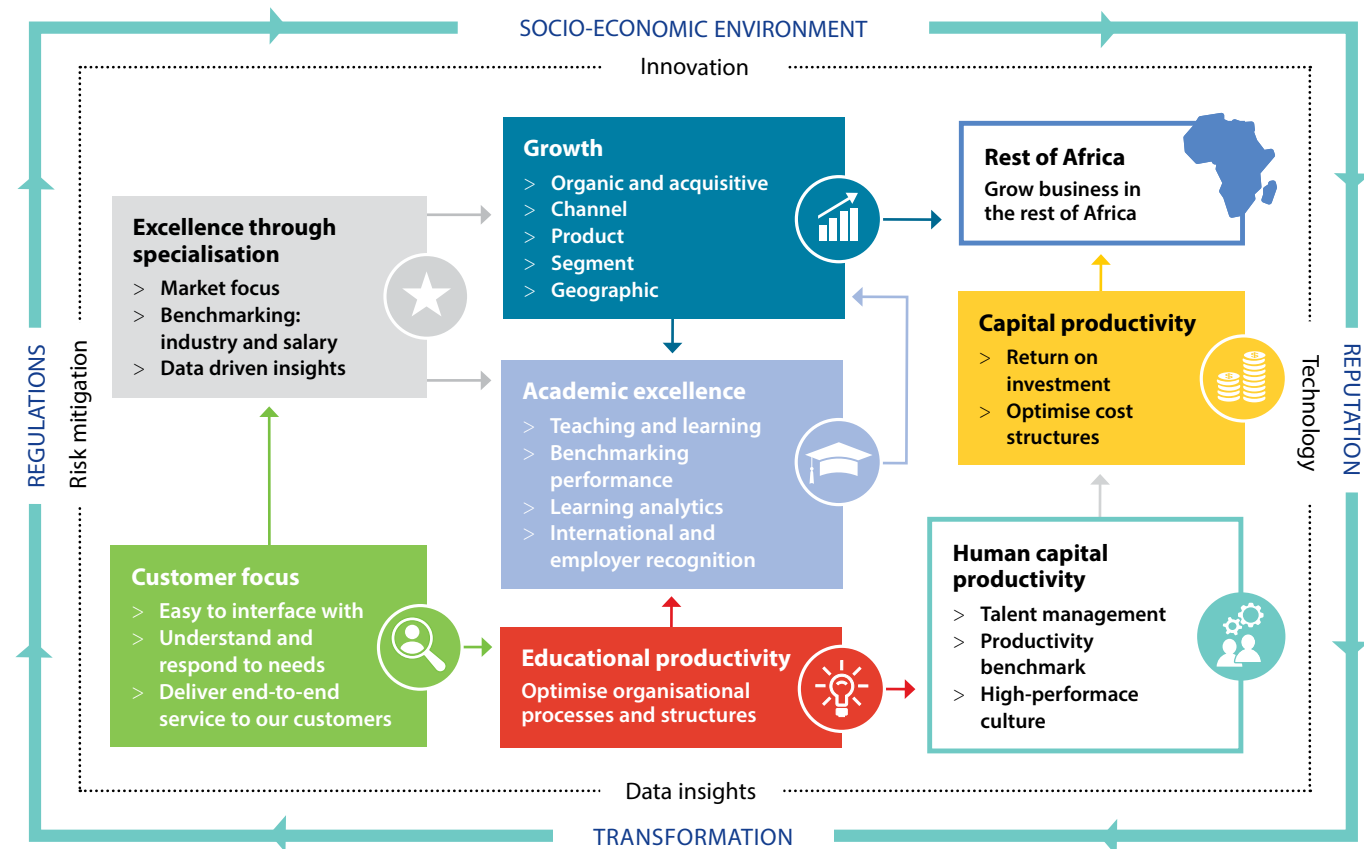
OUR STRATEGY continued

Our strategic objectives

Our commitment to excellence is fundamental to the growth of our business. Students, parents, alumni, new and existing clients and all our other stakeholders rely on our ability to stay at the forefront of developments in education, training and placement. Towards the end of 2019, we evolved our strategic objectives to better reflect our strategic journey.

When refining our strategic objectives, our employees shifted their focus onto 'educational productivity' in order to sharpen our operational focus and allow for improved academic output and benchmarking. As our business is centred on people, we have separated the human and capital productivity strategic objectives to enhance the focus on each area. Innovation is now embedded throughout all strategic objectives and excellence through specialisation is incorporated within all strategic objectives.

Our revised strategic objectives (academic excellence; excellence through specialisation; customer focus; growth; educational productivity; human productivity and capital productivity) are the building blocks upon which we focus to achieve the group's strategy. We appreciate that these strategic objectives are influenced by our internal (risks and opportunities and material matters), and external (regulation and socio-economic environment) operating environment as well as our key stakeholders. These objectives are core to guide our business and require ongoing innovation and data insights to maintain our respected reputation. Progress against our strategic objectives is shown on pages 15 to 17 of the annual integrated report.



OUR STRATEGY continued

Material matters

Our material matters are those issues that could substantially impact the group's ability to execute our strategic objectives and create value for our stakeholders over time. The material matters tabled below have been identified and are discussed throughout the annual integrated report.

Academic excellence

remains central to our value proposition and sets us apart from other academic institutions. It remains the fundamental reason why parents choose an ADvTECH school or tertiary institution for their child's education.

Research and development

of academically sound methods and processes is critical to ensuring every student and job candidate has the best chance at success. We invest significant resources into research and development.

Challenging economic conditions

could adversely affect enrolment rates, and thus the rate at which we are able to execute our growth strategy.

Regulatory changes and bureaucratic delays

could impact our ability to obtain licensing and accreditation approval, thereby affecting our expansion strategy.

Prudent investment and expansion

activities remains a major short- and long-term focus. Our growth strategy includes expansion through organic growth, acquisitions and greenfield projects.

An effective human resource strategy

ensures business continuity and positive societal impact. With the correct development interventions, our staff complement will accurately represent the diverse communities we serve. Transformation and succession planning initiatives enable us to attract, develop and retain the best talent. We need to ensure that our staff complement is appropriately skilled and available to fill vacancies caused by attrition or expansion.

- Deteriorating (increasing impact)
- Neutral
- Improving (decreasing impact)



OUR STRATEGY continued

Our capital enablers

Our capital resources are interlinked in value creation. We appreciate the need to balance the trade-offs between the deployment of our capitals to ensure the future sustainability of our business.



Academic excellence, intellectual capital and governance

Academic development and investment in effective methodologies, curricula, programmes and qualifications that are relevant, accredited, well-recognised and respected locally and internationally are key to our business. We enhance operational effectiveness by building and employing intellectual capital and through innovation, product and market developments and reassessing business processes and shared services supported by technological development. Our 27 brands are our key differentiators. They remain strong and continue to attract students and clients based on their specific well-defined value propositions and offerings.



Manufactured/infrastructure capital

Creating environments conducive to learning, enabling our students to meet their full potential academically and become well-rounded individuals. We invest significant financial capital in our campuses, furniture and fittings, technology equipment and facilities to expand our brands to deliver on our brand specific value offerings.



Human capital

Most staff are professionally qualified and contribute a wealth of intellectual capital to our academic integrity. Our employees are ambassadors and are vital in growing and running our business. We invest in our employees to attract and retain high-calibre staff. Our employees are passionate and committed to quality and excellence, which assists in creating and maintaining confidence in our value proposition.



Financial capital

We use cash generated by our business activities and investments as well as funding, both debt and equity, to finance business growth organically and through strategic investments to support the group's short-, medium- and long-term sustainability and growth plans. We provide our shareholders with a return on their investments through regular dividend payments.



Social and relationship capital

With our constant efforts to improve customer service, the business actively manages its stakeholder relationships with our students, parents, communities, clients, our business partners, government, regulators and investors. This instils a culture of respect. We also aim to instil corporate citizenship and a sense of community by giving back to the communities through our outreach projects within the areas in which we operate.



Natural capital

We rely on natural resources such as land, energy and water to run our operations and are mindful that we need to preserve these precious resources by mitigating potential negative environmental impacts through responsible usage. Additionally, we educate our students and instil a deep respect for the environment.

Integrating sustainable development goals

As part of our commitment to integrated sustainability management, we embrace the 17 UN Sustainable Development Goals (SDGs) by aligning our business and brands. To achieve maximum impact, we focus on the SDGs depicted alongside.



STAKEHOLDER ENGAGEMENT

It is important to engage with our key stakeholders as they inform the group's strategy and material matters, and form part of our value creation process. Our interaction varies according to each stakeholder and their concerns are considered and actioned as appropriate.



We appreciate that our operations have an impact on the communities where we operate, and we encourage active stakeholder engagement and constructive feedback.

We use various engagement platforms depending on each stakeholder's interests and monitor social media platforms to ensure external stakeholder matters are identified and addressed. Our stakeholder engagement policy guides our stakeholder interaction to ensure consistent messaging across the group. All material stakeholder concerns are discussed at the Transformation, social and ethics committee (Tsec), which is a board sub-committee.

The main issues addressed during 2019 includes the following:

- > The mergers of some schools to enhance the learning environment for our students while also achieving operational efficiencies.
- > The construction of new schools and the effect on neighbouring properties and communities.
- > Pockets of low staff morale due to operational changes that affected some employees.
- > A court ruling in favour of Varsity College that declared that their law degree is equal to that of other universities in South Africa.

Below, and on the following pages, we list our key stakeholders and their interests as well as how we engage with them.

INVESTORS AND SHAREHOLDERS

Why they are important to us

Investors and shareholders have a shared interest in the group's success. These stakeholders contribute fiscal support to the business and enable us to grow in South Africa and the rest of Africa

How we engage

- > Regular financial results presentations
- > Annual integrated report and interim financial results publications
- > Corporate responsibility report
- > SENS announcements through the JSE
- > Media releases
- > Engagements and individual meetings with investors and analysts by the group chief executive officer (CEO) and group commercial director (GCD)
- > Investor site visits
- > Annual general meeting (AGM)
- > King IV™ compliance report, available at www.advtech.co.za

Our value add

- > A sustainable group geared for long-term growth
- > Regular dividend payments
- > Headline earnings per share (HEPS)/normalised earnings per share (NEPS)/disclosure of non-trading items
- > Providing a market-related return on investment

Strategic objectives

-  Growth
-  Capital productivity

Stakeholder interests

- > Growth prospects
- > Profitable and sustainable business
- > Management remuneration
- > Policies
- > Strategy
- > Sustainability
- > Compliance with the JSE Listings Requirements
- > Corporate governance

STAKEHOLDER ENGAGEMENT continued

STUDENTS AND PARENTS

Why they are important to us

Current and potential parents and students are vital to our business as they create the demand needed for us to remain sustainable

How we engage

- > Parent functions, meetings and online parent portal
- > Face-to-face student, lecturer and teacher engagement
- > Opening addresses by principals and key stakeholders
- > Cloud-based student information system
- > Continuous assessment and feedback on student progress
- > Tertiary student portal for students registered with The Independent Institution of Education (IIE)
- > Electronic and mobile communication (websites, student mobile application, WhatsApp and D6 Communicator)
- > Newsletters and magazines
- > Student support teams and school counsellors
- > Call centres, service desks, academic support and student self-help tools
- > Social media
- > Schools advocate an open-door policy for students, parents and other stakeholders
- > An ethics hotline via student portals for tertiary students to report unethical behaviour
- > Student and parent customer satisfaction surveys

Strategic objectives

-  Academic excellence
-  Customer focus
-  Human capital & productivity
-  Excellence through specialisation

Stakeholder interests

- > Quality offerings – academic, cultural and sport
- > Customer service
- > Policies
- > Qualified staff
- > Reputation
- > Safe innovative learning spaces
- > Preparation for the future world of work

Our value add

- > Students receive online assistance through online portals to assist them with their academic progress and success
- > Our brands offer a full spectrum of cultural and sports activities for students to enhance and improve their experience
- > Mid-fee schools, such as Pinnacle Colleges, provide greater access to quality and affordable education
- > The schools division academic team continues their proactive engagement with parents, educating them on global competencies, digital literacy and global citizenship
- > User-friendly technology and appropriate guidelines has improved our communication and service delivery to parents and students
- > Encouraging honest feedback through surveys and enhancing our products and customer service



STAKEHOLDER ENGAGEMENT continued

ALUMNI

Why they are important to us

It is important to foster our relationships with alumni as their success is based on the quality of education we provide. In turn, we use this as evidence of the impact of our teaching and learning methodologies

How we engage

- > Regular work placement surveys
- > Electronic communication such as websites, social media platforms and newsletters
- > Graduate and alumni surveys and feature stories, including media releases to determine employment status, career success and achievements
- > Actively engage with alumni and provide networking opportunities

Our value-add

- > The graduate empowerment programme (GEP) supports graduates in finding employment
- > Increased quality engagement
- > Networking opportunities for alumni keep them abreast of relevant developments within their field of study and industry
- > Creating successful alumni builds our reputation as they excel in their careers and spheres of influence

Strategic objectives



Growth

Stakeholder interests

- > Career prospects
- > Networking
- > Further education
- > Development and continued success of their institutions

RECRUITMENT CANDIDATES AND CLIENTS

Why they are important to us

Our customers, both recruitment candidates and corporate clients, provide the mandate for us to operate in the recruitment market

How we engage

- > Regular face-to-face consultations and interviews
- > Electronic communication including websites, social media platforms and newsletters. LinkedIn is a well-utilised platform
- > Salary survey reports
- > Media releases, the use of social media with video clips to share tips, information and facilitate the recruitment process for candidates and clients

Our value-add

- > Innovation forums aimed at improving the online user experience
- > Regular surveys provide valuable feedback to better align us to market and client needs
- > Easy to use technology enhances service levels
- > Quality applicants appointed to enhance client productivity

Strategic objectives



Customer focus



Growth



Human capital & productivity



Excellence through specialisation

Stakeholder interests

- > Customer service
- > Quality applicants
- > Vacancy placement turnaround time
- > Remuneration benchmarking and surveys, e.g. PayScale

STAKEHOLDER ENGAGEMENT continued

MEDIA

Why they are important to us

The media keeps our stakeholders informed, which impacts our business operations



How we engage

- > Regular results presentations
- > Annual and interim reporting
- > SENS announcements through the JSE
- > Media releases
- > Proactive public relations (PR) and educational media releases addressing relevant topics and the role of private education in South Africa

Our value-add

- > Addressing the fact that private higher education institutions are legally prohibited from calling themselves private universities
- > Proactive PR campaigns focusing on academic excellence for schools and tertiary divisions
- > Using local community media to build relationships with the community where we operate

Strategic objectives

-  Academic excellence
-  Growth

Stakeholder interests

- > Group performance
- > Growth prospects
- > Policies
- > Reputation
- > Quality

EMPLOYEES/INDEPENDENT CONTRACTORS

Why they are important to us

Our business revolves around people. We pride ourselves in attracting and retaining top talent in the sectors where we operate

Our employees are passionate and highly skilled. They have a commitment to quality and excellence and drive the execution of ADvTECH's strategy while maintaining company values

How we engage

- > ADvNET, our group intranet, ensures interactive communication across group brands
- > Workshops, presentations, Skype meetings, newsletters, video clips and project update meetings
- > Integrated leadership development programmes that include courses, workshops, face-to-face and telephonic coaching
- > Management toolkit for new managers
- > Change management initiatives
- > A teacher portal for the schools division
- > Regular health and wellness programmes and health and safety representatives
- > Cultural events to celebrate employee diversity
- > Employment equity and disability awareness communication campaigns and workshops
- > Employee awards and recognition
- > Increased CEO roadshows and strategy sessions for senior and middle management teams
- > Surveys are conducted at brand level to measure internal and external employee satisfaction

Strategic objectives

-  Human capital & productivity
-  Academic excellence
-  Customer focus
-  Excellence through specialisation

Stakeholder interests

- > Skills development and training
- > Competitive remuneration and benefits
- > Company growth, which brings about career prospects and challenging work/projects
- > Development programmes
- > Health, safety and wellness
- > Diverse work environment
- > Sustainability
- > Recognition

Our value-add

- > Support, develop and equip our employees to reach their potential, while building succession plans within the business
- > Various training opportunities to build internal organisational capabilities to enhance our market competitiveness
- > Principal Development Programme (PDP) in the schools division equips principals to be leaders in a customer-centric environment
- > Improved staff engagement builds elevated levels of productivity

STAKEHOLDER ENGAGEMENT continued

REGULATORY BODIES AND GOVERNMENT

Why they are important to us

Regulatory and professional bodies, associations and government enforce regulatory standards and guidelines, which we are required to adhere to in our operating environment

How we engage

- > Implementation of the South African Qualifications Framework, under the authority of the South African Qualifications Authority (SAQA)
- > Compliance with the OHS Act
- > Compliance with regulatory/statutory bodies
- > Annual academic publication - The Independent Journal of Teaching and Learning
- > Registration with Provincial Department of Education (PDEs) and the Department of Higher Education and Training (DHET)
- > Accreditation with Umalusi, Higher Education Quality Council (HEQC) of the Council of Higher Education (CHE), British Accreditation Council (BAC)
- > Representation and participation at the Department of Basic Education's working committee on Home Education policy and related regulations
- > Registration of teachers with the South African Council for Educators (SACE)
- > Engagement with the Department of Labour (DOL) in support of our group transformation plan
- > Engagement with the Education, Training and Development (ETDP) SETA to provide internship opportunities and build the knowledge capital in the sector
- > Memberships of various bodies:
 - Associate member of the Independent Schools Association of Southern Africa (ISASA)
 - South African Private Higher Education (SAPHE) association
 - Association of Personnel Service Organisations (APSO)
 - Institute for Personnel Service Consultants (IPSC)
 - Confederation of Associations in the Private Employment Sector (CAPES)

Strategic objectives



Academic excellence

Stakeholder interests

- > License to operate as a business entity
- > Regulatory compliance
- > Policy adherence
- > Certification of students

Our value-add

- > IIE accreditation with the BAC
- > Maintaining good relations and ensuring regulatory compliance within each jurisdiction where we operate

COMMUNITY

Why they are important to us

Our brands form an integral part of, and play an important role in, the communities in which they operate

How we engage

- > The group awarded various bursaries and supported aspiring teachers through a student teacher training bursary programme
- > Aligning with communities' needs
- > Initiating and partaking in various CSI projects and initiatives
- > Supporting disadvantaged schools in their communities through tutoring, academic and administrative support and various donations such as food parcels, clothes and school supplies
- > Promoting sustainable development through all our programmes and activities
- > Initiating or participating in various greening initiatives
- > Conservation and clean-up projects
- > Encouraging and supporting voluntary testing and education to minimise the stigma around those living with HIV/Aids

Our value-add

- > The group has awarded bursaries to the value of R194 million
- > The student teacher bursary programme (detail on page 35)
- > Value added by students and employees involved in 655 CSI projects, including:
 - Social welfare – 550 projects
 - Environmental welfare – 49 projects
 - Animal welfare – 56 projects
- > Capture rainfall to irrigate gardens and sports fields
- > Recycling waste
- > Use technologies like Skype to reduce the need for travel and carbon footprint
- > Implementation of energy saving solutions across our campuses and business units as well as monitoring and reporting on usage and potential savings. Follow up and timeous resolution of deviations from good practice

Strategic objectives

- Human capital productivity
- Academic excellence
- Customer focus
- Excellence through specialisation

Stakeholder interests

- > Community development through education support
- > Bursaries
- > Reputation
- > Input into communities

STAKEHOLDER ENGAGEMENT continued

CASE STUDY

COMMUNITY DIALOGUE IN ACTION



“Discussing projects with, and listening to the local communities at an earlier stage in the development programme, has added a new dimension to ensure consideration of impacted communities. This cements local relationships and provides the community with a sense of involvement, which results in a more conducive educational experience through involvement and a strong sense of community for our students.”

Vongani Mbhokota, ADvTECH properties executive.

ADvTECH'S GOALS



Protect and maintain the group's reputation in the communities where we operate

Follow a process of comprehensive engagement with local stakeholders

Build and upgrade educational facilities in co-operation with the local communities

Overview

ADvTECH's brands are integral to the communities in which we operate. We want to align with local community needs and show sustainable development in action in our operations, from building our campuses to running our programmes and activities.



PINNACLE COLLEGE LINDEN

Pinnacle College Linden was developed on a site previously owned by the Salvation Army as a children's home. The positive legacy created by the Salvation Army was prized by the local community, who were concerned about the prospect of new school infrastructure construction, together with the impact on the community regarding traffic congestion and security issues.

Regular communication, at different levels and through various formats, was conducted, including through traditional and social media, community activations, site visits, discussion forums and open days.

In line with the Linden community wishes, we took great care in restoring the old buildings on the site, some of which are more than 60 years old, and integrating them into the school. ADvTECH requested the South African Heritage Council's guidance on how to best refurbish the old buildings and all plans presented were within refurbishment guidelines.



TRINITYHOUSE
Pre-Primary • Preparatory • High

TRINITYHOUSE GLENVISTA

Trinityhouse Glenvista adopted a new approach in engaging with small-business entrepreneurs, estate agents and prominent community representatives to address various concerns. These engagements led to Trinityhouse upgrading the municipal intersection, adjusting class starting times for different grades to stagger school traffic and a procurement policy that benefited local businesses. In addition, the community has been welcomed onto the campus to use the facilities and a close working relationship with the ward councillor has been developed. The work to ensure an easing of traffic flow is on-going and measures such as points men at strategic times are in place.

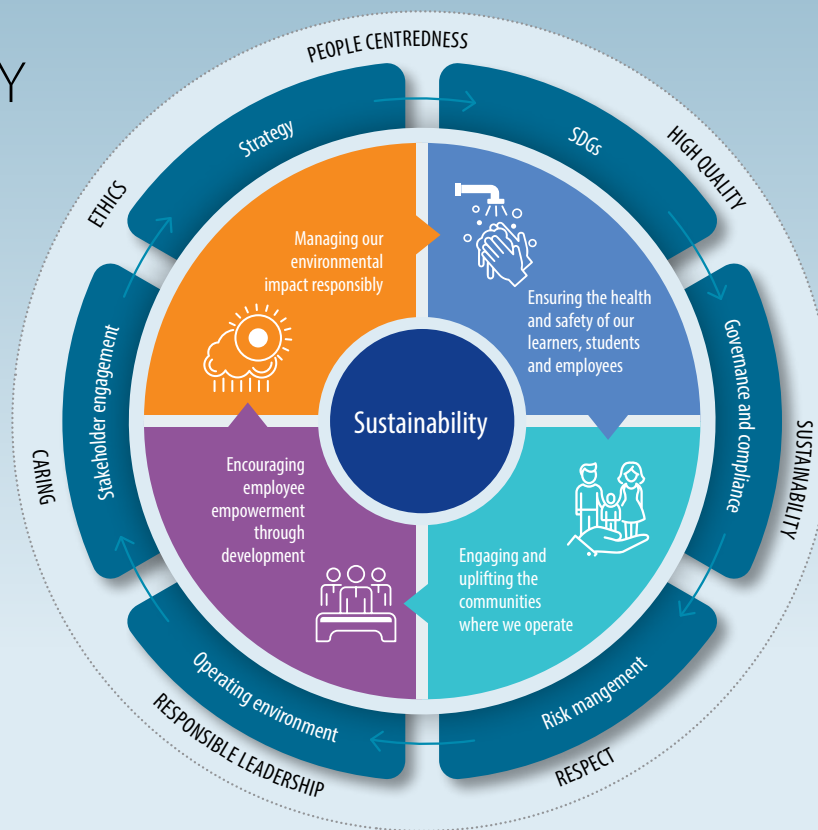
SUSTAINABILITY REVIEW

Sustainability approach

ADvTECH's sustainability approach incorporates various policies, standards and procedures relating to our economic, environmental and social performance. Our approach is built on a robust corporate governance framework.

Sustainability forms part of how we manage our business and achieve our strategic objectives. We are proud to make a meaningful difference to the people we serve through our core business activities and ongoing engagement with key stakeholders. We strive for excellence and sustainability in meeting the needs of the present day without compromising those of future generations.

The graphic alongside depicts how our sustainability themes are interconnected and supported by ADvTECH's governance framework. ADvTECH's six core values reinforce a sustainable ethical culture groupwide. Our values are ethics, people centredness, high quality, sustainability, caring and responsible leadership and respect.



ADvTECH's Tsec is responsible for monitoring our economic, environmental and social performance. This committee is a statutory committee and operates in accordance with a formal mandate as prescribed by section 72 and regulation 43 of the Companies Act. The chairman of Tsec is responsible for keeping the board and stakeholders abreast of ADvTECH's sustainability progress. Tsec comprises three suitably qualified and experienced independent non-executive board members and the group CEO. This committee met three times during 2019. The committee meeting attendance is tabled below.

MEMBER	MEETINGS	ATTENDANCE
JD Jansen (Chair)	3	3
BM Gourley*	3	1
SA Zinn	3	3
JM Hofmeyr	3	3
RJ Douglas	3	3

* BM Gourley stepped down as committee member at the nominations committee meeting on 11 March 2019.

The group's governance process ensures we comply with relevant laws and frameworks that incorporate sustainability elements. The most critical sustainability legislation, tabled below, is around the environment, and health and safety. Where relevant, ADvTECH also adheres to local and international best practice.

Key legislation and frameworks in South Africa

ENVIRONMENT	HEALTH AND SAFETY	OTHER FRAMEWORKS, STANDARDS AND BEST PRACTICE
National Environmental Management Act 107 of 1998	Occupational Health and Safety Act 85 of 1993 and regulations	Sustainable Development Goals
National Water Act 36 of 1998	Compensation for Occupational Injuries and Diseases Act 130 of 1993 and regulations	ISO 45001
National Environmental Management: Waste Act No. 59 of 2008	National Health Act 61 of 2003 and regulations	ISO 14001
National Environmental Management: Biodiversity Act No. 10 of 2004	National Building Regulations and Building Standards Act 103 of 1997	OHSAS 45001
National Environmental Management: Air Quality Act No. 39 of 2004, specifically National Greenhouse Gas Emission Reporting Regulations (General Notice 275 of 2017)		SANS 51176 standard

SUSTAINABILITY REVIEW continued

Progress against Sustainable Development Goals

Education institutions' broad remit around knowledge creation and dissemination and their unique position in society, are fundamental to achieving the SDGs. Arguably, none of the SDGs can be achieved without education.

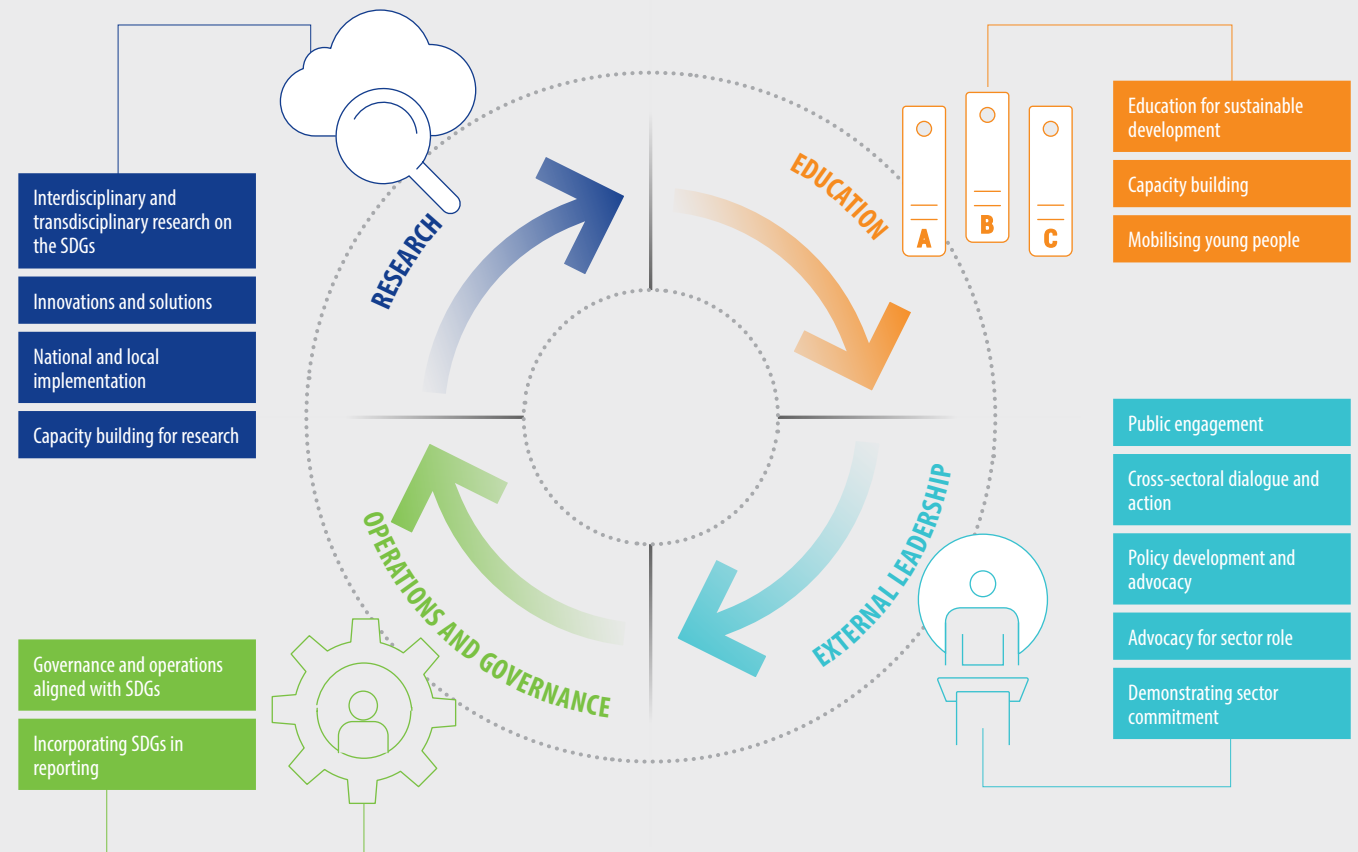
Overview

The SDGs cover a range of complex social, economic, and environmental challenges. Addressing them requires transformation in the way societies and economies function and how we interact with our planet. Quality education, research, innovation and leadership is essential in helping society address these challenges and improve development outcomes.

How education facilities contribute to the SDGs

Teaching and learning, research, organisational governance and operations, and external leadership are often approached separately, while they are interlinked and should be considered together. The SDGs present great opportunities for creating, strengthening and communicating the links between these areas.

The diagram below summarises the structure of this section and provides an overview of the key contribution education institutions can make to the SDGs.



Reference to the SDSN Australia/Pacific (2017): Getting started with the SDGs in universities: A guide for universities, higher education institutions, and the academic sector. Australia, New Zealand and Pacific Edition. Sustainable Development Solutions Network – Australia/Pacific, Melbourne.

SUSTAINABILITY REVIEW continued

Academic excellence and the SDGs

Academic excellence is at the core of ADvTECH's education policy and is based on four strategic quadrants in line with our education offering across the board as depicted below. The interconnectedness between the SDGs and educational institutions is also outlined.



IEB*: Independent Examinations Board,
DBE*: Department of Basic Education,
ISASA*: Independent Schools Association
of Southern Africa,
EYFS*: Early Years Foundation Stage,
RSS*, PSLE*
Cambridge, International Baccalaureate

Our objective is to ensure that every student develops incrementally in an engaging, inspiring and challenging learning environment, to the best of their abilities.

ADvTECH's main areas of contribution

Teaching and learning

Providing students with the knowledge, skills and motivation to understand and address the SDGs; providing in-depth academic or vocational expertise to implement SDG solutions; providing accessible, affordable and inclusive education to all; providing capacity building for students and professionals from developing countries; and empowering and mobilising young people.

Organisational governance, culture and operations

Implementing the principles of the SDGs through governance structures and operational policies and decisions, such as those relating to employment, finance, campus services, support services, facilities, procurement, human resources, and student administration.

External leadership

Strengthening public engagement and participation in addressing the SDGs; initiating and facilitating cross-sectoral dialogue and action; ensuring higher education sector representation in national implementation; helping to design SDG-based policies; and demonstrating sector commitment to the SDGs.

SUSTAINABILITY REVIEW continued

Progress against specific SDGs

ADvTECH has identified six SDGs where it has the most impact and tabled an update of progress below. While we focus on these specific SDGs, some of our activities, as detailed in our case studies, align with various other SDGs.



PROGRESS TO DATE

- > Allocating bursaries and supporting disadvantaged people in accessing and participating in the campus, including people with disabilities, previously disadvantaged people, and people experiencing financial difficulty
- > Providing programmes to enhance literacy and education in communities and schools in our local areas and beyond
- > Providing facilities that promote and encourage inclusivity in learning



PROGRESS TO DATE

- > Implementing workplace gender equity strategies, including those for improving the representation of women in tertiary and university leadership positions and senior academic roles
- > Promoting workplace flexibility
- > Participating in national campaigns to prevent violence against women



PROGRESS TO DATE

- > Managing, conserving and recycling water
- > Developing long-term resource efficiency and management plans
- > Installing rainwater harvesting, storage and re-use systems
- > Engaging staff and students in all sustainable campus activities



PROGRESS TO DATE

- > Aligning employment, training and regulation policies to be consistent with our commitment to equity and access strategies and targets
- > Providing appropriately positioned and supported scholarship and financial assistance schemes for students in need
- > Supporting creativity and innovation through a culture of acceptable risk-taking, providing the appropriate space and process for ideas to flourish
- > Monitoring employment outcomes
- > Managing the academic workload
- > Investigating socially and environmentally responsible procurement policies and procedures across our supply chain



PROGRESS TO DATE

- > Testing and piloting innovative solutions to improving operations on campus
- > Committing to building sustainable and resilient infrastructure that supports wellbeing and minimises environmental impact
- > Ensuring retrofits of existing buildings increase resource efficiency and adopting clean and environmentally sound technologies
- > Committing to sustainable and reliable information and communications technology processes and services



PROGRESS TO DATE

- > Committing to building sustainable and environmentally friendly schools, campuses and offices
- > Considering communities' needs when building or upgrading education facilities

SUSTAINABILITY REVIEW continued



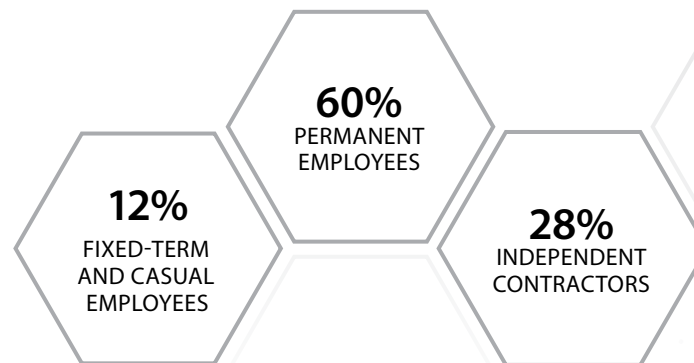
Employees

Our people are our greatest asset. They are key to the success of our business and add value to the lives of thousands of students, parents, job candidates and clients. We are proud of our highly skilled workforce.

Overview

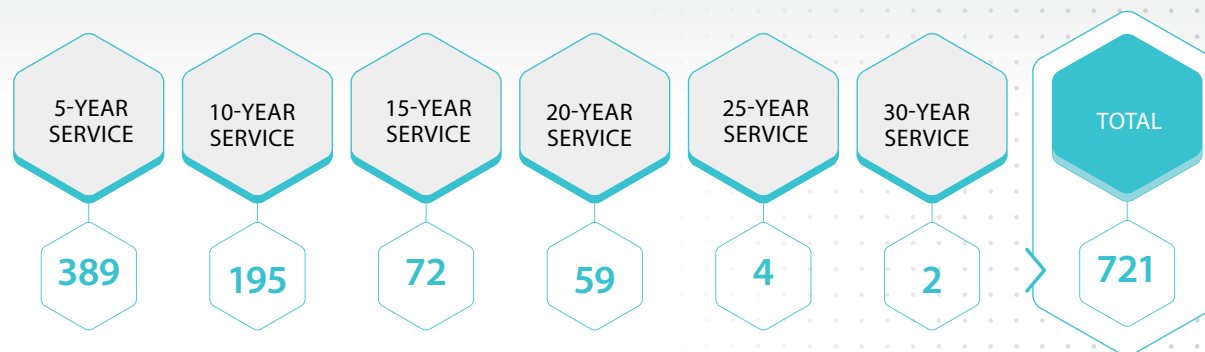
Sustainability is about commitment to the future and ensuring there is a seamless succession plan to maintain operational excellence. This ensures business continuity, long-term sustainability and the ability to be agile to the changes of the future, all of which hinge on employing, developing and retaining the right people. Our business success is directly attributable to our 7 876 staff (2018: 7 549).

Due to the nature of our business, we have three main staff categories: permanent; independent contractors (lecturers and sports coaches); fixed-term and casual. All permanent staff, whether full-time or part-time, have access to the same employee benefits, with some differences depending on their roles. Teachers for instance receive higher educational bursary discounts than other employees. Temporary employees do not have access to these benefits but are rewarded in lieu thereof. We have various family leave benefits, for example maternity leave, parental leave, adoption and surrogate leave.



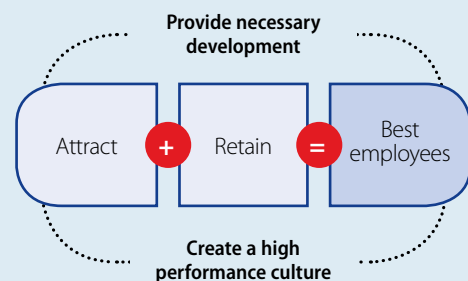
Award category 2019

Long service awards are presented on completion of five years' service intervals to acknowledge the important contribution of longer serving employees. During 2019, some staff reached the following milestones:



SUSTAINABILITY REVIEW continued

Skills development



Our employee development programmes, which fall under our ADvTALENT initiatives, are continuously reviewed and refined, ensuring that our staff are offered quality service and that in turn, they deliver quality service to our customers.

To attract and retain key skills we have a structured approach to talent management, where identified employees, particularly our young and upcoming leaders, are actively encouraged to study further to meet their aspirations while enhancing our business and performance.

In 2019, 184 managers were upskilled and across the group and R21 million was spent on staff training and conferences. Our skills development programmes include a management toolkit, coaching and mentoring programmes, a management development programme (MDP), a leadership development programme (LDP) and the Principal Development Programme (PDP).

Leadership development

ADvTECH believes in developing leaders so that they are equipped with the necessary skills and knowledge to perform at their peak and to ensure they can lead and develop high-performing teams. We have created purposeful learning solutions that are linked to our business strategic goals and to the personal development plans of our leaders.

Management toolkit programme

The management toolkit programme is designed specifically for onboarding our managers and aims to improve their time management, competence and personal effectiveness. We want them to be strategic thinkers who can execute in line with the business imperatives, while keeping customers at the core of what we do.

Management Development Programme

The MDP stretches the abilities of talented leaders. We aim to elevate the capability of exceptional functional leaders, to become exceptional strategic business leaders. The MDP workshops provide fundamental building blocks to expanding the commercial and strategic mindset of our leaders.

This programme includes a work-based project that is linked to the MDP candidate's performance goals. Candidates have an opportunity to showcase their talent to our executives as part of their assessment process through this programme. Exceptional projects are then implemented into the business to enhance productivity.

Leadership development masterclasses

Our leadership development masterclasses focus on growing our leadership competencies and values. Our world-class blended solutions are relevant to the challenges they face as our business evolves and provides skills that keep us agile in a dynamic environment.

Principal Development Programme

The PDP is our flagship programme for leaders (principals and deputy principals) in the teaching fraternity. The PDP ensures that principals can deliver a superior holistic solution to students, while maintaining commercial sustainability of their schools. They learn the financial levers that drive ADvTECH to maximise revenue and return on investment while also developing their ability to engage, inspire and lead various stakeholders.

Coaching, development and support

Coaching for staff members is presented in a variety of areas, including the transition to new areas of responsibility, for new managing director appointees and for participants in the MDP and PDP.

To actively encourage further skills development to support the business as it grows, we offer bursaries to employees and their family members. Our employee-centred focus builds a competitive employee value proposition to ensure that we attract and retain the best people. Our people have access to risk cover (death and disability), retirement provision, optional medical aid membership, bursaries for their children enrolled at our brands, study assistance, accredited learning opportunities, on-site recreation and counselling, an employee assistance programme, health and welfare events and long-service recognition awards.

SUSTAINABILITY REVIEW continued

Transformation

Equal employment opportunity is a strategic and business imperative. Diversity garners benefits from the different skills, experiences and cultures of our employees to create a rich working and learning environment. We strive to achieve an employee demographic reflecting our nation's diversity.

Our transformation objectives increase our ability to deliver consistent value to all our stakeholders. ADvTECH employs 21 people with disabilities, and we strive to provide the necessary resources and technologies they need to enjoy a productive working environment.

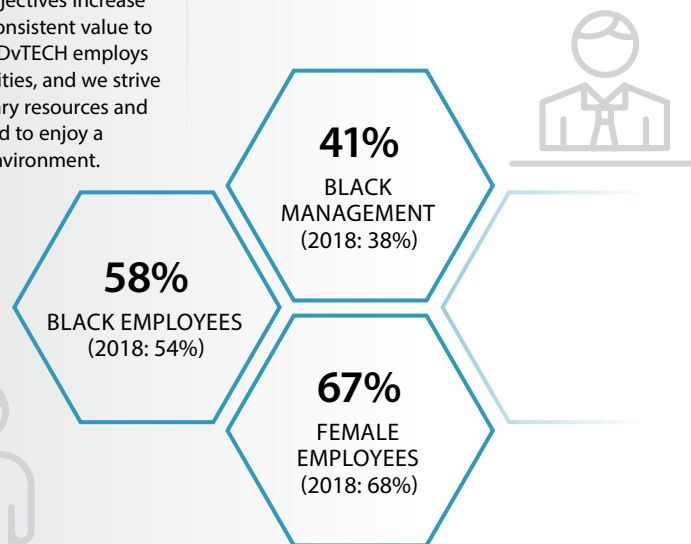


We remain committed to transformation and continued to make progress during 2019. While ADvTECH engages an external accredited empowerment rating agency, the Tsec committee monitors the group's Broad-Based Black Economic Empowerment (B-BBEE) progress.

Through our affirmative procurement process, we support suppliers from historically disadvantaged communities. Our policies encourage procurement from B-BBEE suppliers and motivate the group's suppliers to become B-BBEE compliant.

The group's employment equity policy sets out annual targets, which are monitored by the group's transformation, social and ethics and the occupational health and safety committees.

ADvTECH's staff breakdown by race and gender is shown below.



HIV/Aids

In developing countries HIV/Aids is being better contained thanks to antiretroviral drugs. However, new infections continue to have socio-economic, employment and human rights implications. ADvTECH is well-positioned to use its learning environment to educate students about the virus and promote responsible behaviour. We encourage and support voluntary testing and education to minimise the stigma around HIV/Aids patients. Numerous voluntary counselling and testing initiatives took place during 2019. Events and speakers are arranged regularly while condoms, pamphlets and brochures are available at support offices and in our higher education institutions.

Remuneration

Attracting and retaining the best staff is key to our operational success and value-adding service to clients. We do regular benchmarking exercises to ensure staff are remunerated fairly. We endeavour to add value-added benefits like study assistance, paternity leave, school fee discounts, retirement savings and risk benefits to ensure we offer a competitive package. ADvTECH also offers a range of retirement plan options that are included in employees' total cost-to-company remuneration packages.

Human rights

We strongly believe that children should be free to receive education and not be involved in any form of child labour. By receiving education, their employability and that of future generations is enhanced. ADvTECH has zero tolerance for any kind of discrimination, including in relation to gender, race, sexual orientation, bullying or sexual harassment and conducts campaigns to make staff aware of this. ADvTECH also has a robust transformation plan to redress imbalances of the past. New diversity programmes have been rolled out that cover human rights training and awareness.

We do not actively screen agreements, contracts and suppliers in respect of human rights clauses, but we do aim to do business only with reputable and ethical suppliers and companies.

Labour relations

The group has a minimum notice period of one calendar month, but notice periods depend on seniority and job type. For example, senior executives have a three-month notice period to ensure business continuity, while teachers are required to give a term's notice to ensure academic continuity.

ADvTECH adheres to South Africa's rigorous labour legislation and all employees have the right to exercise freedom of association. Most of our South African employees are not unionised, and no employees are covered by bargaining councils and collective bargaining agreements. Those with union representation are less than 0.1% of our staff. ADvTECH's Kenyan Makini Schools' employees created a union in accordance with relevant in-country legal requirements, which ADvTECH acknowledges.

SUSTAINABILITY REVIEW continued

CASE STUDY

GRADUATE EMPOWERMENT PROGRAMME

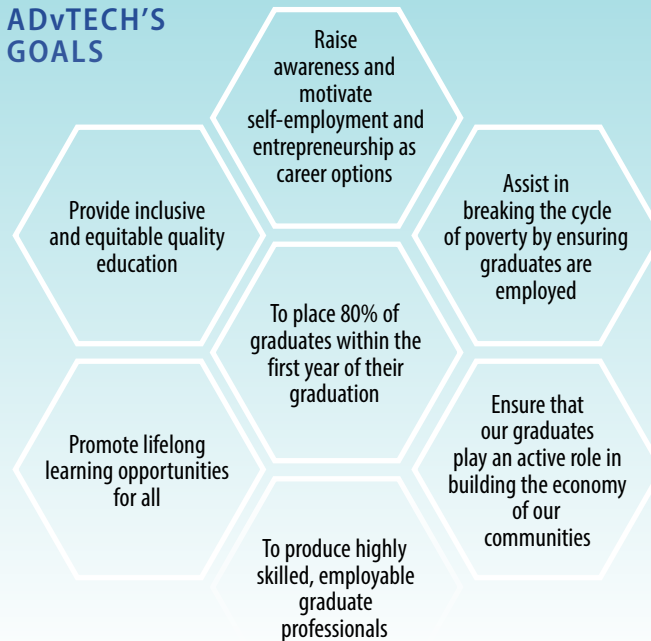


LILIAN BUSUSU

“Higher education needs to raise awareness and motivate self-employment and entrepreneurship as career options. This would stimulate an entrepreneurial mindset and encourage innovative business start ups, especially within the IT sector.”

Lillian Bususu, Graduate Development Manager, Rosebank College.

ADvTECH'S GOALS



Overview

For over 70 years Rosebank College has delivered quality tertiary education to students across South Africa. Today it has over 18 000 students across nine campuses. Rosebank College's academic approach is career orientated and technology-driven, with qualifications designed and frequently reviewed to meet changing market demands. This ensures that what students learn meets the latest skill requirements of their chosen vocation. We prepare them further through the Graduate Empowerment Programme (GEP) that was introduced in January 2012.

In another programme launched in 2019, Rosebank College and Standard Bank partnered on a pilot project for aspiring entrepreneurs. The project involved 140 Standard Bank Managers and 10 Rosebank College IT graduates. The mandate was to find innovative ways of solving some of the bank's current business challenges within specific areas. The graduates were required to provide viable business ideas that were IT-related and involved building a prototype. The viability of the idea, together with its strengths and weaknesses, was assessed and three winners chosen. All ten participants continue to work with Standard Bank, attending entrepreneurial workshops and developing their ideas until they become viable.

WHY

While theoretical grounding is important, students also need practical training that prepares them for the world of work. The better prepared they are, the greater their chances of gainful employment. Rosebank College aims to achieve this through the GEP.

HOW

To address the high unemployment rate of graduates in South Africa, the GEP has enabled almost 12 000 graduates to find employment since 2013. Each campus has a career centre, and through career coaching sessions and mentorship covering entrepreneurship, communication skills, appropriate use of social media, interview skills, business attire, attitude and relationships in the workplace, career expectations and taking initiative, graduates are prepared for the world of work. Motivational speakers inspire and encourage the students. Rosebank College also partners with potential employers to help match roles and opportunities for the upcoming graduates.

OUTCOMES

- > The GEP has had more than 60 entrepreneurs profiled and was the first tertiary institution to win the Champions category of the Youth Employment Award in South Africa.
- > Rosebank's Graduate Development Manager, Lillian Bususu, was invited to serve on the Presidential Youth Committee.
- > <http://transformsa.co.za/2017/07/sa-graduate-employability-programme-receives-global-recognition/>

SUSTAINABILITY REVIEW

continued

CASE STUDY

STAFF DEVELOPMENT

“The key to consistent high-quality service delivery lies in attracting and retaining well-qualified, experienced and enthusiastic employees and investing in them to further develop into superior thought leaders.”

Vanessa Crawford, Acting human resource executive.



Overview

ADvTECH has 7 876 employees of which 28% are independent contractors. Together, our people are the backbone of the operations and core to the organisation’s long-term sustainability. As mentioned earlier, identified employees participate in various development programmes, including: leadership development, management development, mentorship and coaching, functional development and behavioural/value alignment. We also encourage further academic study.

ADvTECH'S GOALS



WHY

At ADvTECH we believe in developing our leaders to equip them with the skills and knowledge to perform at their peak and to lead and develop high-performing teams. Our purposeful learning solutions are linked to our strategic goals and to the personal development plans of our leaders.

HOW

The management toolkit programme (discussed on page 23) is designed for on-boarding managers to improve their time management and competence.

HORACE MPANZA



OUTCOMES

“The training I received in ADvTECH has given me a good start in achieving some of my career goals. Along with the practical experience I have gained in Human Resources (HR) and schools division, I am ready to tackle the interesting challenges that await us as we expand into the rest of Africa.”

Horace Mpanza, ADvTECH's International business development manager.

Horace Mpanza is one such employee who has leveraged all of the opportunities offered by ADvTECH's training and development programmes. Horace joined the organisation in the HR department within a brand in our tertiary division. He rapidly emerged as a diligent employee with a thirst for knowledge and a talent in relationship building. He successfully mastered the management toolkit which contributed to his well-crafted management expertise. After later completing the Management Development Programme, he progressed to the Leadership Development Programme which serves to distil advanced levels of strategic thinking, commercial leadership and capability-building in people. Through his career, Horace has been exposed to every aspect of ADvTECH's business. This led to his appointment as managing director of Abbots in the schools division, giving Horace substantial operational and commercial experience across both divisions.

Enrolments at Abbots Centurion grew by 60% after Horace initiated a pricing strategy that better aligned the brand proposition with the customer. This enabled the turn around and financial success of the school. These commercial decisions were such a success that the new business model is being introduced across all Abbots campuses. Horace's business proposals also resulted in the acquisition and development of several other sites, including Trinityhouse Glenvista, Pinnacle Linden and Pinnacle Waterfall. This also includes the onboarding of Gaborone International School in Botswana, which has doubled its profitability in the past three years. Horace's career path culminated in his appointment (from March 2020) as International business development manager, where he will work closely with International business development executive, Jaco Lotz. Expansion of our unique education system into the rest of Africa continues to provide opportunities for new businesses on the continent.

SUSTAINABILITY REVIEW continued



Environment

ADvTECH is well-placed to instil a deep respect for the environment and an understanding of the risks associated with global climate change within our students.

Overview

While ADvTECH's footprint does not have a significant environmental impact, the group abides by an environmental policy that focuses on achieving and demonstrating sound environmental practices. Environmental education is integral to our schools' curriculum. Two schools in the Centurus group (Pecanwood College and Tyger Valley College) are internationally certified eco-schools and have earned their platinum flags. Creating environmental awareness among our employees, students and communities promotes the protection of our planet's valuable natural assets for future generations.



Carbon footprint

As a good corporate citizen, ADvTECH is committed to reducing its environmental impact. While we do not currently measure our carbon emissions, we have introduced several initiatives to offset or minimise our carbon footprint. This forms the dual purpose of teaching through education and leading by example.

Transforming infrastructure

The natural environment is integral to any maintenance or development work for our existing or new schools. This applies to all our projects, including new buildings, the conversion of existing buildings, and renovations. Where possible, we will re-purpose school buildings rather than demolishing them.

Pinnacle College Waterfall was established by transforming SA Breweries training centre, with the existing building being adapted to our needs, rather than starting from scratch that resulted in a more sustainable approach being followed. The same initiative applied to Pinnacle College Linden, which is located at premises that were previously Salvation Army grounds. Our approach encompasses all aspects of the property where we can contribute meaningfully to a sustainable environment. It includes various elements such as enhancing the ambience, safeguarding the natural fauna and flora, enhancing the buildings, and conserving electricity and water. Using existing infrastructure as a base, requires less construction time, requiring less fuel and less emissions.



The light and airy side

When developing or expanding infrastructure, ADvTECH conducts impact studies to identify ways to mitigate potential negative impacts on the environment while also developing environmental management plans to protect and maintain sites situated in eco-sensitive areas. During the design process of greenfield buildings, existing buildings, classrooms and campuses, we ensure that buildings are environmentally friendly and architecturally designed to make maximum use of natural light and airflow to reduce energy need. Reducing our energy need reduces our contribution to CO₂ emissions.



SUSTAINABILITY REVIEW continued

Sparking with ideas

ADvTECH is committed to reducing its energy consumption across its schools and campuses. To date we have installed 86 smart metering devices in 64 sites as we rollout our energy efficiency project. These smart metering devices measure and track electricity usage, allowing ADvTECH to save on electricity costs and detect excessive consumption. In addition, all sites have electricity meters that measure actual usage and check the accuracy of local council billings.

Our goal is to reduce electricity consumption by 6% over the next two years. To be more energy efficient, ADvTECH has implemented various initiatives groupwide as highlighted below.

Installing **smart metering devices** to track and monitor actual electricity usage

Replacing existing fluorescent lights in lecture rooms and offices with **energy saving LED lights**

Installing **timers on air-conditioning** units to ensure they are switched off after office hours

Installing **motion sensors in lecture rooms** to activate lights only when the rooms are occupied

Other power saving installations include **under-sink geysers, solar lights and light sensors**

Where beneficial, **solar panels** and sun- and wind-powered devices are installed

The design of all new schools or campus infrastructure incorporates maximising the use of natural light and air flow, to minimise the dependency on electric light and air-conditioning

Other environmental initiatives to be considered going forward

Sensors in bathrooms which supply water only when in use

Water taps with water restriction spouts in new or renovated bathrooms

Finalising the installation of smart water meters at all sites to monitor actual water consumption versus what is charged and detection of leaks to prevent excessive consumption

Keeping water flowing

ADvTECH HAS MORE THAN
77 000
 SCHOLARS AND STUDENTS AND
7 876
 STAFF MEMBERS AND DEPENDS ON MUNICIPAL WATER FOR OUR DAILY OPERATIONS.

ADvTECH has more than 77 000 scholars and students and 7 876 staff members and depends on municipal water for our daily operations. It is estimated that South Africa's demand for water will exceed fresh water supply by 2025. We endorse the Surplus Water 2025 campaign, which strives to reduce demand and we are committed to reducing our water consumption through several initiatives, including awareness training and a water reduction plan for each site.

We draw our water from municipalities, boreholes and water storage tanks among other sources. Boreholes have been installed at most of our schools for irrigating sports fields and landscaped areas. Certain schools, particularly those in the Centurion dolomite areas, cannot use borehole water, so we have installed rainwater tanks for watering gardens and sports fields. We also ensure that no water is discharged directly into any water source, to protect our rivers and streams from pollution.

The installation of water usage meters is ongoing and will assist in accurately reporting usage, setting reduction targets and managing usage as part of the water reduction management plan.

SUSTAINABILITY REVIEW continued



Putting down roots

Planting indigenous trees is an ongoing project at various campus sites. We are also gradually replacing existing indoor and outdoor plants with indigenous water-wise plants to help reduce water consumption. It also offsets our CO₂ emissions.

Trinityhouse

Glenvista seeded natural grass and planted

220
indigenous trees
after removing invasive wattle trees

Heritage Hill

Planted
50
trees

Pinnacle Colleges

Copperleaf planted
132
indigenous trees
as well as 1.5ha of indigenous grassland was seeded


Kyalami planted
176
trees

Waterfall planted
100
trees

Rynfield replaced alien blue gum trees with
50
indigenous trees


Linden planted
101
trees
along with preserving existing old trees

Recycling



Various recycling programmes are in place at ADvTECH sites and include recycling of paper and plastic. In an effort to continuously track waste recycling, the Support Office launched a waste recycling programme. Through the tracking programme an average of 80% waste was being recycled by December 2019. This waste recycling project also includes training initiatives for the cleaners on site. A separate initiative promotes awareness of the safe disposal of spent batteries in clearly marked battery disposal bins distributed in the schools.

Biodiversity



All potential new sites undergo an environmental impact study to determine if development is suitable for the natural environment. Mitigation strategies are applied to the designs where necessary to ensure that all new sites adhere to environmental standards. Providing school infrastructure requires large areas of land where development may impact the areas' biodiversity. ADvTECH strives to minimise this biodiversity impact at development sites.

SUSTAINABILITY REVIEW continued

CASE STUDY

WILDLIFE PROTECTION

"When building or refurbishing schools, the group considers the sensitivity of the environment. This is part of ADvTECH's holistic educational method to prepare young people to be environmentally aware and good all-round citizens."

Vongani Mbhokota, Properties executive for ADvTECH.

ADvTECH'S GOALS

Educate learners to respect surrounding fauna and flora

Incorporate environmental sustainability in all building projects



Overview

Environmental sustainability is part of the ethos of our school building project teams. Protecting existing fauna and flora is a priority. Pinnacle Kyalami's unique campus environment lends itself to a philosophy of environmental awareness. From the preparatory school to the higher levels, children are taught to show respect for all living creatures. With the birdlife on site, they learn about nature and the cycle of life first-hand, like plover chicks hatching and the important role owls play in an urban society.

WHY

When Pinnacle Kyalami was upgraded in September 2019, an existing building had to be demolished to make way for a more modern structure in line with ADvTECH's standards. However, this building was home to a resident barn owl. Barn owls are monogamous and mate for life. Hunting their prey at night, they spend the day roosting in hidden cavities, which includes old buildings such as the one at Pinnacle Kyalami.

HOW

ADvTECH enlisted the help of Friends of Free Wildlife to relocate the resident barn owl to a suitable place in one of the new school buildings.

OUTCOMES

ADvTECH arranged for an owl box to be placed at one of the new buildings in a secure area, sheltered from wind and the owl was carefully moved to the new location. The owl has been monitored continuously by the school and Friends of Free Wildlife volunteers and has adapted to its new environment.



SUSTAINABILITY REVIEW continued

CASE STUDY

BE THE CHANGE TO MAKE THE ENVIRONMENTAL CHANGE

"Sustainability and environmental education are a priority at Pecanwood College. It is important for the children to discover and experiment hands-on and focus on what attracts their attention."

Joan Coetzee, Principal Pre-Preparatory Pecanwood

ADvTECH'S GOALS

Ensure ongoing
environmental
awareness

Provide
practical and
hands-on
environmental
education

4
QUALITY
EDUCATION



6
CLEAN WATER
AND SANITATION



15
LIFE
ON LAND



Overview

As parents and educators we are responsible for teaching children about our natural heritage. Environmental awareness is essential to a balanced education, particularly with current climate change risks. Children must learn to appreciate and discover the value of the natural world early in life, as this will shape their lifelong attitudes.



WHY

Children are never too young to understand that they can make a difference in sustainable activities. Helping them interact with something familiar, like a flower or tree in the garden is a start to making this a tangible experience where they can engage their five senses in the most effective way. Instilling a sense of wonder at birds bathing or drinking from a water feature, insects that make their homes in rocks and logs, growing their own plants, vegetables and flowers to attract pollinating bees, can begin an ongoing cycle of appreciation.

HOW

Pecanwood College incorporate environmental education and the yearly themes from the Eco-School Programme in their curriculum. They also run an Eco-Club throughout the year in their extra-mural programme.

OUTCOMES

Pecanwood College earned a Diamond Decade Award (for plastic) from the Wildlife and Environment Society of South Africa (WESSA) having completed their tenth year in the WESSA Eco-Schools Programme. Aside from the plight of the rhino, they were commended for research and action in tackling issues like the negative effects of polystyrene and the water hyacinth. Pecanwood is the only school in the North West province to have received this award. This was followed in 2019 by their Bronze Decade certificate as well as their Water Badge. In 2020, Pecanwood College will be working towards their Silver Decade certificate and their next badge under the Eco-Schools programme. It is Pecanwood's tenth year as an Eco-School.



SUSTAINABILITY REVIEW continued



Health and safety

The health, safety and hygiene of our scholars, students and employees in their working and learning environment is a priority. ADvTECH ensures that all sites comply with the South African Occupational Health and Safety Act.

COVID-19

The safety and wellbeing of our staff and students is our first priority. We continue to follow and implement the World Health Organisation and National Institute of Communicable Diseases protocols. We have also adhered to the South African Government's Disaster Management and lockdown requirements by closing our schools and campuses from 18 March 2020 and will only open them based on government's guidelines. The continuation of quality education remains paramount and we have leveraged our online learning tools and systems previously implemented to support our teaching and learning strategies. Our corporate website is updated with relevant COVID-19 information as we navigate our way through these uncertain times.

Overview

A dedicated health and safety team trains, audits and proactively ensures adherence to the group's OHS policies. As part of the group's overall commitment to student and employee wellbeing, the group conducts external audits to ensure independent evaluations.

ADvTECH's Environmental Health and Safety (EHS) programme is a risk-based programme incorporating best practice standards such as, ISO 45000 and ISO 14001. The programme includes group policies, procedures and guidelines. National EHS legislation and local by-laws are included in the policies and procedures. International Labour Organisation (ILO) standards or group best practices are used as a benchmark if there is no national legislation. EHS performance, compliance to the group requirements as well as legal compliance is monitored through EHS audits.

We conduct proactive risk assessments to identify hazards to ensure the safety of employees, scholars and students. Safe work standards and procedures are implemented for high-risk tasks. All building projects are subject to health and safety plans and risk assessments. These are monitored by external safety consultants and weekly audits of the safety plans are conducted.

Occupational health medical surveillance is compulsory for certain employees. All drivers undergo medical examinations, as part of their public driver permit renewal every second year, to ensure they are fit and healthy for their jobs. Employees and contractors working at heights must undergo medical tests. In Kenya, some of the EHS regulations require that maintenance and canteen employees also undergo medical examinations.

Nominated health and safety representatives are trained at their respective sites. First aid and fire marshal training ensures that our employees are well-equipped to deal with emergencies.

EHS governance



ADvTECH's board governs all EHS matters. The term OHS or EHS are used interchangeably in this report. Awareness campaigns on EHS matters are implemented to encourage a proactive approach to manage risks and reduce injuries. In 2019, we launched a 'Watch your Step' campaign to reduce the slip/trip/fall type of injury. ADvTECH also has various health and safety committees that provide a platform for employees to engage with management regarding OHS matters. Work-related injuries and ill health are tracked and incidents are recorded in our quarterly OHS reporting.



SUSTAINABILITY REVIEW continued



EHS management

Emergency incidents, preparedness and response

All ADvTECH sites have developed comprehensive emergency preparedness and response procedures incorporating events identified in the risk assessments. Employees and students are aware of the emergency protocols and emergency drills are conducted. Our externally audited OHS score for 2019 was 95% (2018: 96%). We exceed OHS regulations by having at least two first aiders per 100 people, together with all pre-primary teachers who undergo a CPR course.

All EHS incidents are recorded, investigated and ranked. Shortcomings are incorporated into the risk register and EHS policies and procedures are updated as required.

Crime/theft incident analysis

Loss control procedures have been implemented to mitigate crime incidents. Security risk assessments were conducted to ensure that adequate measures are in place. Adequate insurance cover is also in place.

Damage to property incident analysis

There was a high incident rate of storm-related damage and vehicle accidents in 2019. A vehicle safety programme was implemented in 2019, which includes advanced driver training and driver behaviour tracking.

EHS objectives

Our EHS management system assists with monitoring EHS for all employees. This allows us to track our progress against set standards and regulations. Annual group EHS targets are established to continuously improve EHS performance. Objectives set for 2019 are tabled below with a progress indicator.

PROGRESS

SAFETY

10% reduction in crime/theft incidents over a two-year period	●
10% reduction in vehicle incidents over a two-year period	●
Reduction in playground equipment incidents year-on-year	●
Attain a minimum average of 90% for external OHS audits	●

HEALTH

Working at height's require medical for all maintenance staff using scaffolding	●
Medical certificates for all drivers who transport students	●
All safety data sheets for chemicals used on site to be under three years old	●

ENVIRONMENT

Start measuring water consumption by installing water meters	●
6% reduction in electricity consumption over a two-year period	●
Environmental programmes (recycling, water conservation) to be introduced at all sites	●

● Achieved ● Good progress

Medical treatment incident analysis

Most medical treatment incidents relate to sports injuries and slip/trip/fall type injuries. Awareness campaigns have been introduced to reduce these types of injuries.



EHS training and awareness

We train first aiders and fire marshals at all our sites annually, exceeding minimum requirements to ensure emergency preparedness. OHS accountability training is mandatory for all legal appointees. In addition, health and safety representatives are nominated and trained at their respective sites.

We promote worker health through various communication campaigns and support mental health by providing staff access to a psychologist. Employees are also made aware of sick leave eligibility. We promote staff and student hygiene to avoid preventable diseases. Some of our sites also have HIV/Aids awareness and information campaigns (usually on World Aids Day).



Hygiene management

ADvTECH's food services are mainly outsourced. It is imperative that scholar, student and staff meals meet minimum hygiene standards. All canteens and food suppliers must be in possession of the relevant permits that govern food hygiene regulations.



Customer health and safety

Safety is maintained on all construction sites by independently appointed safety officers who report on, and ensure compliance to, the relevant construction regulations. In August 2019, Crawford Sandton secured a prohibition notice from the Department of Labour halting construction at a site adjacent to the school until the necessary safety measures had been put in place. Our commitment to safety compelled us to take this action to ensure the safety of our students, staff and visitors given the close proximity of the development to our property.

SUSTAINABILITY REVIEW continued

CASE STUDY

PLAYING IT SAFE

"Standards for playground equipment set a safe framework for children to explore and work off energy. As well as complying with international best practice, our input takes into account the wide spectrum of different environmental scenarios that are found across South Africa and into the rest of Africa."

Marike White, Group occupational health and safety officer (OHS).

ADvTECH'S GOALS

Promote safety across all ADvTECH campuses

Ensure compliance with best practice safety legislation, standards and procedures

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



Overview

ADvTECH goes the extra mile when it comes to the playtime safety of our school children. Proper surfacing underpins the safety of all equipment. Some 70% of all playground accidents are owing to falls on hard surfaces. Ideally any structure with its highest accessible point of more than 50cm needs an impact-absorbing surface to a minimum depth of 30cm. Acceptable surfaces include hardwood fibre/mulch, sand, rubber chips or matting while paved bricks, tar, grass, concrete, are considered unsafe.

ADvTECH excels in best practice to ensure our young students are safe and secure. We also share our knowledge and expertise with various stakeholders and communities, including government, by giving our input to establish and improve regulatory safety standards for school playgrounds. As well as complying with international best practice, our input accounts for the wide spectrum of different environmental scenarios that are found across the country and into the rest of Africa.

WHY

A holistic education includes time for play and a safe physical space where children have an outlet for their natural energy. A variety of play equipment enables them to learn new skills and develop spatial awareness. Physical activity also helps stimulate mental acuity and it therefore forms part of the balanced curriculum ADvTECH provides. There are several playgrounds catering for pre-primary, primary and junior school-goers across ADvTECH's schools that incorporate supervision and recognised safety standards.

HOW

As there are no regulatory requirements for playground safety in South Africa, we have set our own minimum standards to ensure compliance across the group. Following extensive research, in collaboration with the director of the Playground Safety Institute South Africa, best practice guidelines were developed for South Africa using international best practice as a guideline.



OUTCOMES

All playgrounds are audited annually by an independent evaluator to ensure compliance to the SANS 51176 standard. This resulted in a year-on-year reduction in playground equipment related injuries. There was also a sharp decrease in playground incidents at ADvTECH schools.

SUSTAINABILITY REVIEW continued



Communities

ADvTECH's brands are integral to the communities they operate in. Education is a bedrock of the United Nations SDGs, which call for inclusive and equitable quality education and the promotion of lifelong learning opportunities for all. For this reason, educational outreaches are central to our corporate social investment (CSI) programme.

Overview

Education promotes equality and enables social transformation, which is why community development through educational support is key to ADvTECH's CSI programmes. Our business is all about people development, education and imparting knowledge. Our CSI approach is directed towards education interventions with disadvantaged local communities. The group promotes employee and student participation in our educational outreach projects. Examples of the projects that had a positive socio-economic benefit for various beneficiaries are shown alongside.

SUPPORTED
655
CSI PROJECTS

INVESTED
R194
MILLION
IN BURSARIES
(2018: R174
MILLION)

Rosebank College supported the Home of Hope for Girls and Lerato House by teaching computer skills and assisting residents with their homework respectively

The annual **Vega Brand Challenge** provides students with client experience and an opportunity to showcase their skills. Proceeds from the fees are donated to a bursary scheme assisting historically disadvantaged youth to attend a tertiary institution

Our **student teacher bursary programme** provides an opportunity for young members of the community to develop through mentorship, guidance and on-the-job training. Our aim is to produce well-grounded, quality educators and ensure a pipeline of suitably trained teachers to ensure business and academic continuity

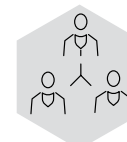
The **teacher bursary scheme** currently has 4 participants (2018: 6) and aims to support the need for quality teachers in South Africa. In addition to completing their tertiary studies, bursary recipients are given the opportunity to practically apply their skills within ADvTECH's schools

Educational impact on society



We never compromise on quality and we strive to maintain the confidence of all our stakeholders. Our goal is to develop a nurturing environment of innovation and academic excellence, resulting in balanced and confident students who can identify and embrace personal growth opportunities. In our schools, we plant a seed and nurture it for 12 years as students progress through school, and sometimes for several more years when students complete their tertiary studies through our brands.

Local communities



We appreciate that our operations impact local communities. ADvTECH proactively engages with its local communities to minimise disturbances or negative impacts when, for example, we build facilities within the community where we operate. Positively, our operations also afford opportunities such as local employment and procurement.

Procurement practices

Most of ADvTECH's procurement expenditure is with local suppliers, whether in South Africa or the African countries in which we operate. There are some exceptions, such as our academic administration systems and some digital and social media platforms. For example, at Trinityhouse Glenvista nine local small businesses were employed by the main contractor for various jobs, including bricklaying, ceiling installations, tiling, tree removal and cleaning services to a value of approximately R2 million. ADvTECH also contracts locally based security and cleaning contractors where possible.

Supplier assessment

ADvTECH ensures that it engages ethical suppliers with good standing and has zero tolerance for unethical behaviour towards society and the environment. While we have included B-BBEE accreditation levels when requesting quotations, we have not set minimum standards of adherence. We have preferred suppliers based on delivery capabilities, quality, past performance and best overall value on price. Building tenders are vetted by professional quantity surveyors and each tender is approved by relevant executives and senior managers.

SUSTAINABILITY REVIEW continued

CASE STUDY

ADOPT A SCHOOL

"Students and staff have an opportunity to engage in community outreach work, which is important in their personal and professional development."

Louise Wiseman, Managing director Varsity College and IIE MSA.

ADvTECH'S
COMMUNITY
GOALS

Provide quality
education

Assist with basic
needs and
infrastructure
improvement

Partner with
disadvantaged
schools to improve
academic quality

Encourage students
to 'pay it forward'

Ensure
sustainable cities
and communities
through community
partnerships

Overview

Community projects must align with the community needs and be undertaken in partnership with community members. In addition to offering bursaries to our schools, we also assist other local schools through tutoring, literacy enhancement initiatives, and academic and administrative support.

ADvTECH's Adopt a School programme provides students and staff the opportunity to contribute to the local community by providing a holistic education experience to the learners. In partnership with committed principals and school management teams, the projects have attempted to assist in meeting some basic needs to improve the school experience of the young disadvantaged learners.

WHY

To assist in uplifting disadvantaged schools in areas where ADvTECH campuses are located, eight Varsity College campuses have adopted disadvantaged schools in their CSI programmes. Some schools operate out of containers, lack the basics (water, furniture, teaching aids, stationery, books, sanitary products and playgrounds) while others have no electricity and most have vulnerable infrastructure.

HOW

All eight campuses adopted a school in their local community. Initial funding was provided by each Varsity College campus, and students and lecturers undertook fundraising events to supplement the budgets. External service providers were also approached to partner with the project. Although projects differed across the schools, most included teacher training workshops, infrastructure upgrades (maintenance, painting, fencing, provision of water tanks), library refurbishments, playground equipment, creation of vegetable gardens, donations of sanitary towels, stationery packs, books and teaching aids.

OUTCOMES

Focus areas

Pretoria

School adopted

*Motshegofadiwa
Primary School*

Teacher development workshop to assist 11 local teachers to apply and implement unique mathematics teaching techniques with up-to-date methods

Vegetable garden and the library is in the process of being revamped

Port Elizabeth

School adopted

*Adolph Schauder
Primary School*

Chose Mandela Week to help paint the play area and install a jungle gym for the foundation phase learners

Installed a water tank and donated balls and sanitary products

Sandton

School adopted

Diepsloot Primary

Built a fence to stop the bullying of younger children

Donated chairs, desks and computer tables as well as painted classrooms

Cape Town

School adopted

Atlantis Secondary

Organised a two-day teachers' conference

Painted classrooms and arranged stationery packs for the learners

Durban North

School adopted

Mbonisweni Primary

Revamped the library, provided books, magazines and dictionaries as well as loading apps onto the school's tablets

Pietermaritzburg

School adopted

*Dlokwakhe Junior
Primary School*

Collected stationery and teaching aids, bought a jungle gym, painted chalkboards, painted a mural in the play area, provided chairs, desks and other furniture

Created a vegetable garden

Westville

School adopted

*Christiansburg
Primary School*

Provided a jungle gym in a safely fenced area, five overhead projectors, transparencies and pens

Provided a new three-plate gas stove for the kitchen together with a secure gas supply



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