

# Marsh BBEE Profile

## Mission

To create and deliver risk solutions and services that make our clients more successful.

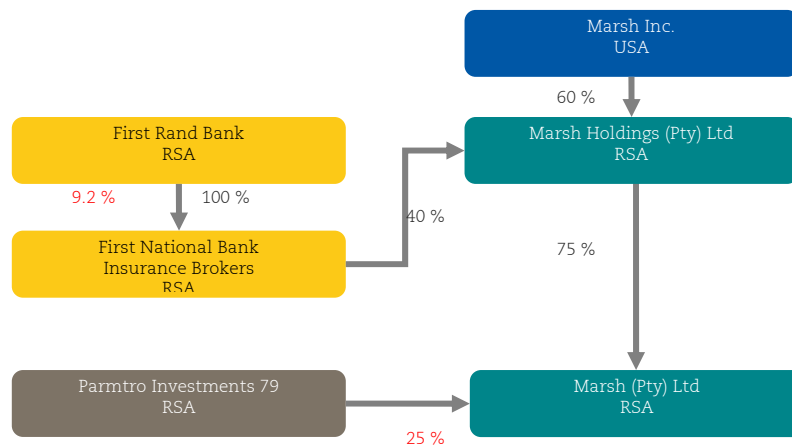
## Vision

To be the number one choice in every market we serve.

Marsh (Pty) Ltd is a member of the Marsh & McLennan (MMC) Group and is 25% black owned by a consortium of black entrepreneurs and an investment company benefiting various NGO's. The company was registered in South Africa in 1999 as a joint venture between Marsh Holdings and First National Bank Insurance Brokers (previously First Link Insurance Brokers, a wholly owned subsidiary of FirstRand Bank, trading as First Bowring at the time of the transactions). First National Bank Insurance Brokers has a 40% shareholding in Marsh Holdings.

Marsh embraces transformation within South Africa and has aligned itself with the Generic Codes of Good Practice as established through the Broad-Based Black Economic Empowerment Act 53 (BBBEE Act).

This brochure aims to outline the BBBEE practices and initiatives which have been undertaken to drive transformation in the organisation and also provides a brief outline of the BBBEE scorecard per element.

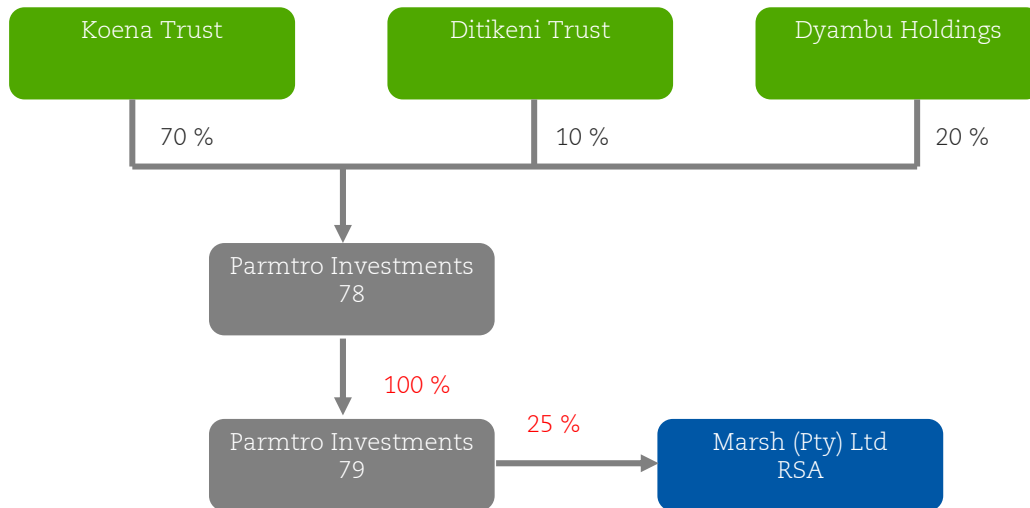


Contact us:

**Sandton Head Office** – The Marsh Centre, 88 Grayston Drive, Benmore, Sandton, 2010, Tel: +27 (0) 11 506 5000, Fax: +27 (0) 11 506 5241. **Durban** – Tel: +27 31 275 4642, Fax: +27 (0) 31 265 0500 **Cape Town** – Tel: +27 (0) 21 421 1590, Fax: +27 (0) 21 419 3867

## Profile of BBBEE Partners

Our BBBEE Partner, Parmtro 79 is a 100 % black-owned company and a black new entrant, as defined in the Codes of Good Practice. Parmtro 79 is a consortium that represents the interests of the Koena Trust, Ditikeni Trust and Dyambu Holdings.



The shareholders of Marsh (Pty) Ltd are indicated below:

Corporate or Organisation Shareholders	Percentage Holding	Beneficiaries
Entity Name	%	%
Marsh Holdings	75%	N/A
Dyambu Holdings	5%	100% Black Women
Ditikeni Trust	2.5%	100% Black Beneficiaries
Koena Trust	17.5%	67% Black Women Beneficiaries
<b>Total Holdings</b>	<b>100%</b>	

**Dyambu Holdings:** Dyambu is a 100% black women owned enterprise and is headed by Hilda Ndude. Dyambu Holdings has a 5% interest in the consortium and had previously partnered with Marsh in the Vikela Marsh joint venture in 2001. Hilda sits on the board of Marsh as a non-executive director.

**The Ditikeni Trust:** The trust has a 2.5% interest in the consortium and benefits over 20 non-profit organizations working in disadvantaged communities. It is represented on Marsh’s board by Ms Grace Matlhape as a Non-Executive Director. Grace is the Deputy Chief Executive Officer of loveLife.

**The Koena Trust:** The beneficiaries of the trust are 100% black and 67% thereof are black women. Sam Montsi is one of the trustees of Koena Trust and he led the consortium. Sam sits on our board as a non-executive director and is actively involved in the management and business development of the company.

The scoring for the Ownership scorecard is as below:

Points Allocated	Points Earned
23	22.04

## Management Control

Our Board of Directors is constituted as follows:

NAME OF DIRECTOR	POSITION	GENDER
Brian Blake	Chairman & Managing Director	White Male
Volker van Widdern	Chief Operating Officer	White Male
Winston Skosana	Deputy Chief Operating Officer	Black Male
Fareed Chothia	Chief Financial Officer	Indian Male
Sam Montsi	Non-Executive Director	Black Male
Hilda Ndude	Non-Executive Director	Black Female
Grace Matlhape	Non-Executive Director	Black Female

The scoring for management control is summarized below:

Points Allocated	Points Earned
11 (Including bonus point)	5.43

## Employment Equity

Marsh is committed to the Employment Equity Act and submits its annual Employment Equity reports to the Department of Labour. The Human Resources Department has developed its Employment Equity Plan having taken into cognizance the Employment Equity Act, its applicable regulations and the Codes. In the October 2007 report, Marsh had 212 employees of which 40% are Black, 20% are Black women.

Black people in Middle Management positions (as defined in the Employment Equity Act) amount to 23% of which 7% reflects Black women.

Points awarded in the scorecard are as follows:

Points Allocated	Points earned by Marsh
18 (Including bonus points)	9.52

## Skills Development

Marsh has a workplace skills plan and encourages its employees to gain knowledge and acquire new skills throughout their careers. Employees are provided with opportunities to attend seminars and professional workshops both locally and internationally. Suitable programmes and courses are arranged by the Skills Development Facilitator.

The scoring for the element is summarized as below:

Points allocated	Points Earned by Marsh
15	4

## Learnership

The 2007/2008 learnership program was run in conjunction with Workers Academy of Insurance, a black empowerment company accredited by INSETA as a Training Provider that offers specialized training in the field of insurance. Marsh selected four (4) learners to participate on its Learnership programme. Each learner has been assigned a mentor and has been placed in a department to gain practical work experience.

Two (2) learners participated in the 2006, Learnership program, one of the learners who completed the Learnership Program has been appointed as a Junior Broker whilst the other learner has been provided with employment on a contract basis in the Claims Department.

## Procurement

The Procurement Committee which is a sub-committee of the BBEE Transformation Committee oversees activities geared at the procuring of goods and services. The sub-committee is governed by its Charter and procurement spend is monitored in accordance with the Procurement Policy and Procedure. In our commitment to transformation, we endeavour to procure goods and services from black owned and / or black empowered suppliers.

Points allocated	Points Earned by Marsh
20	13.73

## Enterprise Development

In 2001 prior to the drafting of the Codes, Marsh had established Vikela Marsh, which was a black majority owned insurance brokerage. Through Vikela Marsh, Marsh has had a long standing relationship with African Dawn Risk Solutions a 51% black female owned brokerage. The brokerage is duly licensed by the Financial Services Board. At the beginning of 2007, Matona Risk Solutions was introduced as a beneficiary to Marsh’s Enterprise Development Programme.

Points allocated	Points Earned by Marsh
15	15

**Vikela Marsh (Pty) Ltd:** Vikela Marsh was established as a joint venture between Marsh and empowerment companies, Montsi Investments (Pty) Ltd and Dyambu Holding (Pty) Ltd in 2001. Montsi Investment and Dyambu Holdings jointly held a 51% interest and Marsh had a 49% stake in the company. It was deregistered in 2006, following the conclusion of the Empowerment transaction. The former Chief Executive Officer of Vikela Marsh, Winton Skosana currently sits on the board of Marsh as an Executive Director.

**African Dawn Risk Solutions:** African Dawn Risk Solutions is a short term insurance brokerage that is black woman owned. It was established in 2003. African Dawn in currently part of a JV with Marsh for the servicing of one of Marsh’s clients.

**Matona Risk Solutions:** Matona Risk Solutions was established in 2003 as a Short-Term Insurance Brokerage, it is an authorised financial services provider involved in commercial insurance.

The company is a 100% woman-owned company, its Managing Director; Tebogo Matona has been involved in insurance since 1993. The Company's relationship with Marsh started in January 2007.

## Corporate Social Investment

In January 2006, Mehlaeng Combined Farm School, a farm school on the outskirts of Bredell became a beneficiary of Marsh Corporate Social program. The school has recently been converted into a primary school. In previous years Marsh donated computers, provided basic computer training to teachers and also conducted an HIV/AIDS Awareness program as part of its HIV/AIDS awareness program to staff.

When the school was still a high school, the top performing matric learners enjoyed the benefit of attending Cida City Campus on a Marsh scholarship to study towards a 4 year Bachelor of Business Administration.



In 2007, Marsh entered into a Memorandum of Understanding with loveLife, a South African initiative aimed at preventing the infection of HIV/Aids among the youth. The agreement was concluded to enable Marsh to run an HIV/Aids prevention program and to promote a positive lifestyle among the youth at the school and those around the school.

The program is geared towards reducing pregnancy rate at the school, improving morality of the learners and increasing self-confidence among the youth. Marsh has erected a Y-centre at the school to ensure that its social investment program will have an impact in the community as well.

At the beginning of 2008, a former matriculant from Mehlaeng was appointed as a Groundbreaker (Peer educator) by loveLife, she will be trained by loveLife as a Peer Educator and her focus will be to implement loveLife programs with the support of the school management and loveLife at the school. This is yet another way that Marsh is creating employment and empowering the youth.



CIDA is a registered institution of higher education that provides a four year Bachelor of Business Administration degree. Since 2007, Marsh has been sponsoring top performing matriculants from Mehlang to enroll for the 4 year qualification.

**The Haven Care Centre:** The Haven Care Centre is an inter-denominational organization, which cares for the homeless, unemployed and abused women and children. The Centre was established by Bettie Crellin with the assistance of Pem Morgan following the tragic death of a close family friend of Bettie Crellin. The Centre provides support and up-liftment programs for women and currently houses 55 people including 20 children. Marsh has been supporting the centre to enable them to carry out their Self-Upliftment programs since May 2003. Contributions made by Marsh have been utilized to sponsor school fees, and to provide for children's uniforms and school books. Marsh scoring towards Corporate Social Investment is as follows:

Points allocated	Points Earned by Marsh
5	3.59

## Conclusion

In its commitment to Broad Based black economic empowerment, Marsh strives to promote entrepreneurs and to empower them. It is currently in a drive to make an even greater impact towards empowering its people, enterprise development beneficiaries and those it supports through its social investment program.

Marsh has been rated by BEE Registry and is a Level 4 contributor. A copy of our BBEE Certificate can be found on the following page.

**The BEE  
Registry**   
www.beeregistry.org.za

**RATING REPORT**

**Marsh Vikela (Pty) Ltd**  
Reg. No. : 1999/000348/07

The records of the above referenced enterprise have been subjected to inspection and it has been rated according to the generic scorecard requirements of the Codes of Good Practice issued by the Department of Trade & Industry.

In terms of those Codes the enterprise qualifies as a

**Level Four Contributor**

thereby enabling its customers to apply a

**BEE Procurement Recognition factor of 100%**

to all monies expended with the company when determining their own BEE procurement statistics

This Rating Report has been compiled based on information that was correct at the date of this report. It is an independent examination and analysis and is valid for 12 months from the date of its issue specified below.



Andrew J Fraser  
Chartered Accountant (South Africa)  
Director  
Date of issue : 15 November 2007  
Report number : GAU0105