

EMPLOYEE REPORT

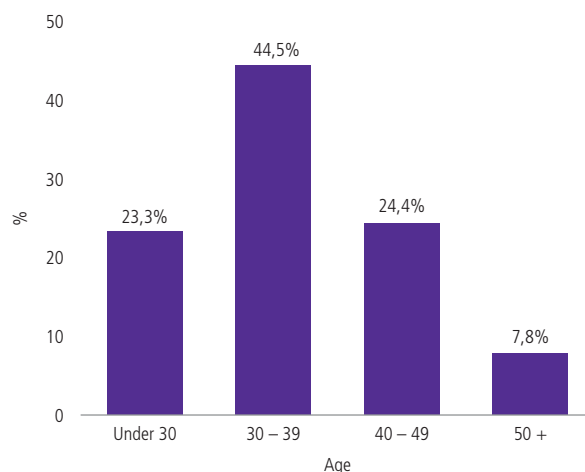
Human resources approach

Our people are our greatest asset. The continued success of the group's business is dependent on the ability of the leadership to sustain individual excellence within a framework of outcome-oriented teamwork. Competitive, innovative and personalised remuneration, together with progressive incentive and profit sharing schemes serve to reward excellence. Accountability and productivity are encouraged and sustained via an environment characterised by trust and mutual respect.

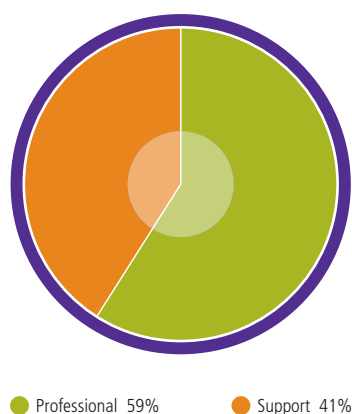
Our celebration of individual differences supports creative and alternative thinking while a spirit of free mindedness is fostered within an environment that is devoid of formal, traditional corporate hierarchy. A flat, integrated organisational structure facilitates communication between all levels, allowing for a free flow of thought thereby fostering unfettered maneuverability in response to client needs.

Operational guidelines replace formal policy to allow for individualism, and open communication facilitates the understanding of team dynamics and individual strengths. Brait is a lean organisation staffed by a relatively small group of highly qualified, young and energetic individuals who are driven by challenge, achievement, accountability and high work ethics. Brait believes its employees are the driving force behind its reputation, image and results.

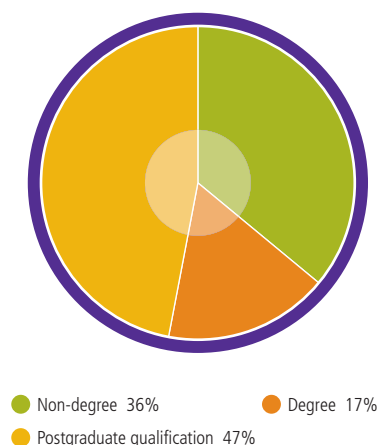
Age distribution



Ratio of professional staff to support staff
at 31 March 2006



Staff qualifications distribution



Professional staff	Number of employees
CA(SA)	21
Other Master's level qualifications	5
	26

EMPLOYEE REPORT CONTINUED

Human capital development

Mentorship and coaching initiatives will always be the cornerstone of manpower development within Brait. Learning and development is a core part of Brait's human capital strategy, with two main objectives:

- To grant each employee the opportunity to achieve his or her potential in pursuit of organisational objectives; and
- To provide a challenging work environment and opportunities for personal growth.

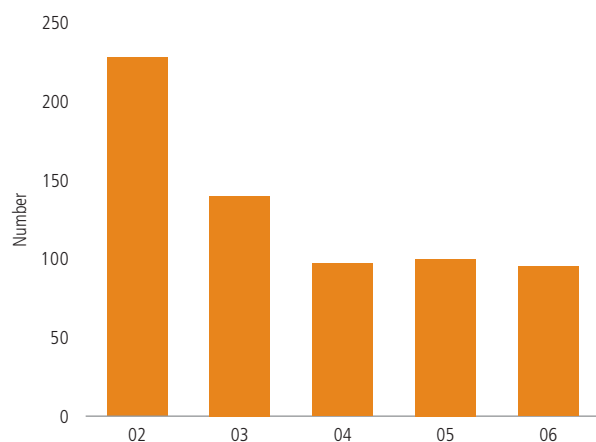
This strategy serves to facilitate the effective transfer of essential areas of knowledge to Brait's future executives whilst allowing for development of character, values and individualised career development. Opportunities exist for staff to develop broad business skills ranging from financial analysis and valuations, to business and people management, as well as investor relations. Brait's emphasis on this form of development has resulted in the formation of closely-knit multi-cultural teams joined by strong relationships and commonality of purpose. Standards of performance are clearly understood and team members promote and reinforce the consistent and ethical application thereof. Through the introduction of structured and customised Trainee Emerging Manager and employee development programmes, efforts are made to develop the potential of existing staff and provide a future channel of potential managerial and senior staff resources for different areas of the business.

Staff are encouraged to continually improve on their levels of skill and personal development. The amount expended on skills development, during the period under review, was ZAR470 000. In support of this, training and educational programmes are regarded as essential components of the group's investment in human capital. A closed bursary scheme is available to all staff, and an amount of ZAR212 000 has currently been utilised through this scheme.

Brait closed bursary scheme	Number of employees
Certificates/Diplomas	1
Degrees	2
Postgraduate degrees	5
	8

Effective communication throughout the organisation is vital to sustain manpower strategies and serves to develop a culture of openness, honesty and trust.

Group headcount at 31 March 2006



Transformation and diversity in South Africa

Brait's human resource structure continues to focus on the strategy of recruiting and retaining the best individuals from South Africa's diverse population base. Recruitment standards are high and leadership is measured on the recruitment, development and retention of intellectual talent.

There has been strong progress towards the realisation of equity objectives. Despite a progressive reduction in employee numbers, Employment Equity targets established in the 2001 Employment Equity report have been exceeded during this financial year.

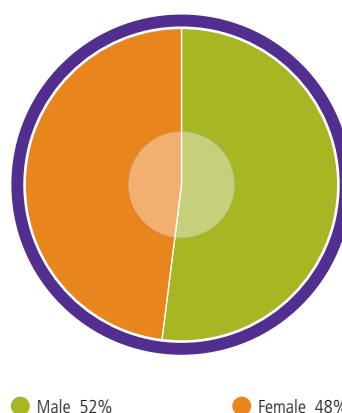
Workforce demographics show a progression over the past four-year period which reflects the overall objective and intent of Brait, that workforce demographics must, more closely, reflect the demographics of the economically active South African population as a whole. This trend will continue as objectives are consistently met.

A fully representative Employment Equity committee ensures regular workforce analysis to monitor the achievement of defined numerical targets and to ensure fair and equitable employment practices.

Transformation continues to be driven on several fronts including social investment, black economic empowerment initiatives, corporate social investment and employment equity initiatives.

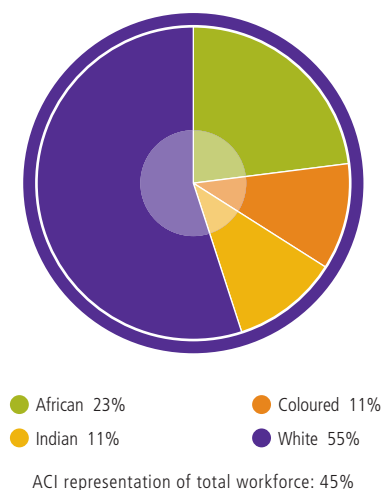
Although Brait has progressed well with regard to its transformation process, female representation at senior and executive levels remains a priority. Overall, females represent 48% of the total group workforce, however, improvement is required with regard to representation at senior levels. Strategies have been put in place that are aimed at the identification of professional female talent in the marketplace, and the Private Equity division has appointed a female director this year.

Group gender representation at 31 March 2006

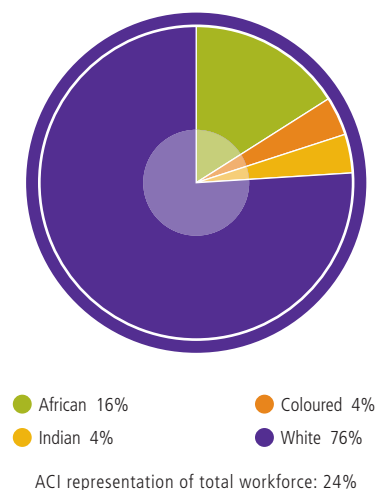


Group equity representation

at 31 March 2006



at 31 March 2003



Changes in workforce demographics are reflected when comparing the period ended 31 March 2003 to the current period under review, ending 31 March 2006, as shown above:

Financial Sector Charter in South Africa

The Financial Sector Charter ("charter"), as applicable from January 2004, sets out the commitments of organisations in the financial services sector to achieving the ideals of transformation and empowerment in South African society. The charter provides the framework for promoting black economic empowerment and Brait has made considerable progress in meeting this objective. Brait, as a party to the charter, is committed to the aims and the full achievement of all applicable requirements, with an internal objective to surpass the charter targets, wherever possible.

Performance measurement in respect of the Financial Sector Charter Scorecard is fully operational. Achievements to date in respect of ownership and control, corporate social investment and procurement clearly indicate that the group is on track to achieve the 2008 targets established by the charter.

Employee well-being

Brait's most valued asset remains its people and the optimisation of their abilities, skills and talents is paramount. An employee wellness programme provides individuals with support mechanisms necessary to cope with trauma, stress and health, including HIV/Aids and other difficult life situations. The programme provides professional, confidential counselling and advisory services, via a 24-hour helpline, and is available to all staff and their immediate family members.

Regular well-being programmes are run in-house to ensure the optimisation of health with the more popular programmes being eyesight tests and annual flu vaccinations.

HIV/Aids

Brait recognises that the scope of the HIV/Aids pandemic in South and Southern Africa is such that it is likely to have a significant impact on the national economy. The board acknowledges the impact that HIV/Aids may have on its workforce, and is committed to creating and maintaining a safe working environment for all employees, and undertakes to deal with HIV-infected employees and/or employees with Aids in the same way as with employees suffering from any other life-threatening disease. This is done with due consideration for all stakeholders, whilst addressing the issue in a positive, supportive and non-discriminatory manner.

Brait continues to commit its full support and co-operation through an HIV/Aids policy designed to assist management and employees deal with HIV/Aids issues in the workplace. Strategies will be formulated this year to assess the impact of HIV/Aids on the business and to develop plans to mitigate the adverse effect that HIV/Aids will have on the people and business of Brait.

The group HIV/Aids policy was reviewed in November 2005. The policy provides for voluntary HIV testing, confidentiality and the privacy of those who are HIV-positive and/or suffering with Aids, HIV/Aids education programmes as well as the management, care and counselling of HIV/Aids employees.

Brait currently makes use of an Employee Wellness Programme (EWP) with regard to HIV/Aids. This programme offers a comprehensive prevention and support approach which includes, inter alia, care and support strategies, pre- and post-test counselling, bereavement and loss counselling. Brait employees and their immediate family members have access to telephonic counselling services and up to three face-to-face counselling services.

The EWP provides a specialist network of trauma counsellors throughout South Africa who have specific training and experience in the management of trauma. Any individual either self-referred or referred by a supervisor, will be offered individual trauma counselling.

EMPLOYEE REPORT CONTINUED

By early 2007, Brait would like to roll out the voluntary HIV/Aids testing programme, supervised and managed by our employee wellness provider. This programme will incorporate the following:

- HIV/Aids education and awareness training for employees, managers and HR consultants;
- Support for managers and HR consultants to deal with disclosure, HIV/Aids support and incapacity management;
- Voluntary counselling, testing and referral into the various disease management programmes offered by three medical aids;
- Support for employees who are infected with or affected by HIV/Aids;
- One of the crucial components of a comprehensive HIV/Aids strategy is the "Know your Status" campaign. Whilst employees can be tested by their private medical doctors or at other facilities, only a limited number of people make use of this opportunity. To deal with this problem of participation on-site "Know your Status" programmes will be implemented;
- Ongoing coaching and mentoring to managers, supervisors as well as to peer educators; and
- Programme management as part of a comprehensive HIV programme.

This HIV/Aids programme will ensure adherence to the Code of Good Practice on Key Aspects of HIV and Aids and Employment issued in terms of the Employment Equity Act No 55 of 1998 and the Schedule on HIV testing issued in terms of the National Policy of Health Act No 116 of 1990, and promotes the principles as contained in the ILO Code of Practice on HIV/Aids and the World of Work.

Occupational health and safety

Employee health and safety in the workplace remains a group priority, and is reviewed and monitored by the health and safety committee on a regular basis. The health and safety representative, appointed in terms of South Africa's Occupational Health and Safety Act (OHASA), conducts regular workplace safety investigations via daily, weekly and monthly site inspections of the various different components of the Johannesburg offices. Potential health hazards, and any related safety or risk issues highlighted are reported and resolved immediately. High-risk matters are reported to line management for follow-up remedial action and, if necessary, are escalated further. The facilities manager is responsible to ensure that all business units comply with their occupational health and safety.

In addition, three members of staff have been trained as first aid officers and are available to deal with any day-to-day emergencies. There were no work-related accidents or incidents reported over the past year and, consequently no related man-hours lost.

Remuneration and benefits

The purpose of the group's remuneration and reward strategy is to attract, retain and motivate employees. Brait's ability to inspire and retain staff through the joint establishment of outcomes-based reward structures and participative remuneration assessment, continues to differentiate the group. Guaranteed remuneration is reviewed once a year to ensure that employees who contribute to the success of the group are remunerated competitively. Guaranteed remuneration consists of a basic salary, company contributions to a retirement fund, group life and disability insurance, and a flexible portion that can be allocated to various benefits, such as a car allowance, and medical aid contributions. Employees may, once a year during the annual review, elect to have higher levels of group life cover, or increase their retirement funding contributions.

A focused, hands-on management style allows for the formulation of personalised remuneration design. Individualised variable reward structures allow for centred performance targets against which achievement can be monitored monthly.

Performance management ensures the alignment of individual and corporate strategy. Informal performance assessment takes place weekly with formal structures taking place annually.

A remuneration committee comprising executive and non-executive representation provides the Brait board with assurance that the directors, senior executives and staff of Brait are fairly rewarded for their individual contributions to the group's performance and demonstrates to stakeholders that such remuneration and reward is set by an independent committee of the board. Remuneration is surveyed annually to ensure the company is ahead of industry practices and trends.

Share incentive schemes align the interests of staff and stakeholders and instill a sense of ownership amongst participants.