

6th December 2021

Dear employees within the Hudaco group,

MINIMISING COVID RISK IN THE WORKPLACE

As South Africa moves into a 4th wave of Covid-19, driven by the new Omicron variant, the Hudaco group is encouraged by the call of President Ramaphosa to place great emphasis on the vaccination of as many people as possible, as well as the support he has received from certain labour unions and business organisations. Hudaco recognises its responsibility in protecting its employees and their families, business partners and associates, other members of South African society and the economy in general.

The first three waves have been devastating to companies, staff, the economy and South Africa as a whole, economically and through the loss of lives. We have all felt it. The government stepped in with TERS and grants and so too did Hudaco by compensating many for the overall loss in income over the period. The impact on the country will be felt for years to come, as many companies and families went into deep overdraft and or closed down and millions of jobs were lost. The government cannot afford to step in again as it doesn't have the money. Hudaco alone reduced its number of employees by some 300 people.

South Africa cannot afford another lockdown and Hudaco cannot afford another lockdown. The only scientifically proven way to prevent further lockdowns is to be vaccinated. Scientists advise that new variants emerge where there are high levels of unvaccinated people, so vaccination protects not only the individual but the entire community and the economy at large.

It has been shown that it is overwhelmingly unvaccinated people who need to be hospitalised for Covid-19 and who put healthcare systems under strain around the world. The success of vaccines in containing both the spread and severity of the disease has been well documented. For example, data shared by Discovery Medical Scheme shows that an unvaccinated person who gets Covid is 20 times more likely to die from it than a vaccinated person who gets Covid. To date, Hudaco has implored all its people to get vaccinated and has done what it reasonably could to assist, including in some cases bringing nurses on site, providing transport to vaccination sites and allowing paid time off to go for vaccinations. While most staff members have taken advantage of the opportunities presented, there are still some who have not.

South Africa has an adequate supply of vaccines at no cost to the individual but many people are not taking the trouble to be vaccinated or have objections that are not well founded in science. Unvaccinated people are putting their families, friends, co-workers, jobs and the economy at risk. If everyone is vaccinated we will be able to get back to normal, create jobs and get the economy going again.

In this context, Hudaco has performed an overall risk analysis and is formalising a policy that will be adopted effective from 10 January 2022, aimed at saving lives and protecting employment. We want to provide a working environment in which all employees can be as safe from Covid-19 as possible, we want to get back to normal, we want to get the economy going and create jobs and the only way you can help us is by being vaccinated. Several countries around the world are making it mandatory and our government has recently indicated that South Africa will follow imminently. Various business bodies and labour unions are supportive and are seeking guidance from the courts in this regard.

In the meantime, we have decided that in the new year, admission to all Hudaco premises will only be granted to employees who have been fully vaccinated or who have had a negative Covid test within the prior seven days. Proof of vaccination status or recent Covid test will be required. The company will not contribute to the cost of Covid tests as vaccines are free. Employees will also not be allowed to use paid working hours to get tested. Employees will not be forced to be vaccinated, nor will they be compelled to divulge their vaccination status, which it is their right to keep confidential. Anyone who wishes not to divulge it will have the alternative of producing evidence of a negative Covid test each week instead.

I urge all of you to embrace this initiative and to work with us in your own best interests, in the best interests of everyone close to you and the in the best interests of the country as a whole.

May you enjoy a well-earned break with your families over the Festive Season. Travel safely, observe Covid social distancing protocols throughout and have a wonderful time. We look forward to your safe return in January, well rested, vaccinated and ready for the year ahead.

Graham Dunford