



Global Compact
Network South Africa

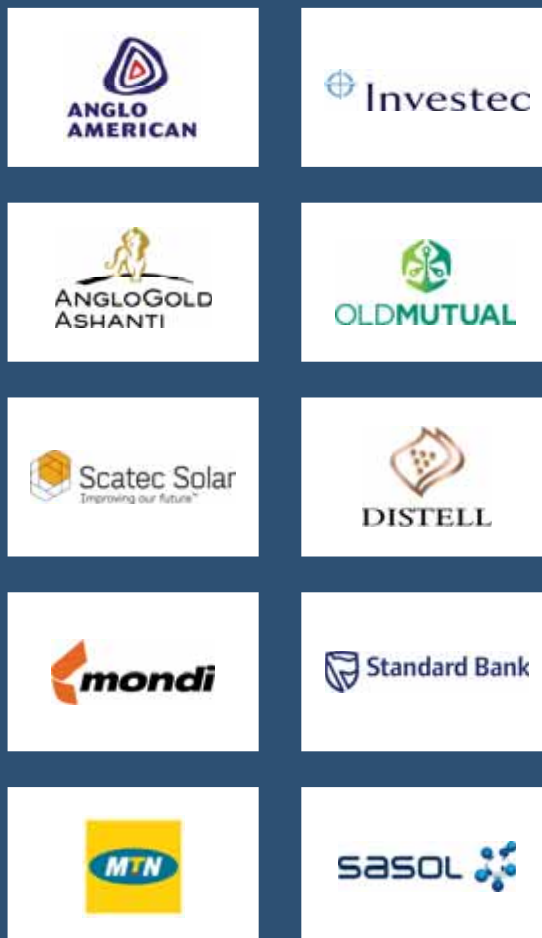
Private Sector Contribution to South Africa's 2019 Voluntary National Review on Sustainable Development Goals

July 2019



Submitted to the South African Department of Planning,
Monitoring and Evaluation (DPME) as a contribution to the
South African Voluntary National Review

SUSTAINABLE DEVELOPMENT GOALS



IT IS TIME FOR US TO REPORT BACK

PREAMBLE TO THE 2030 AGENDA

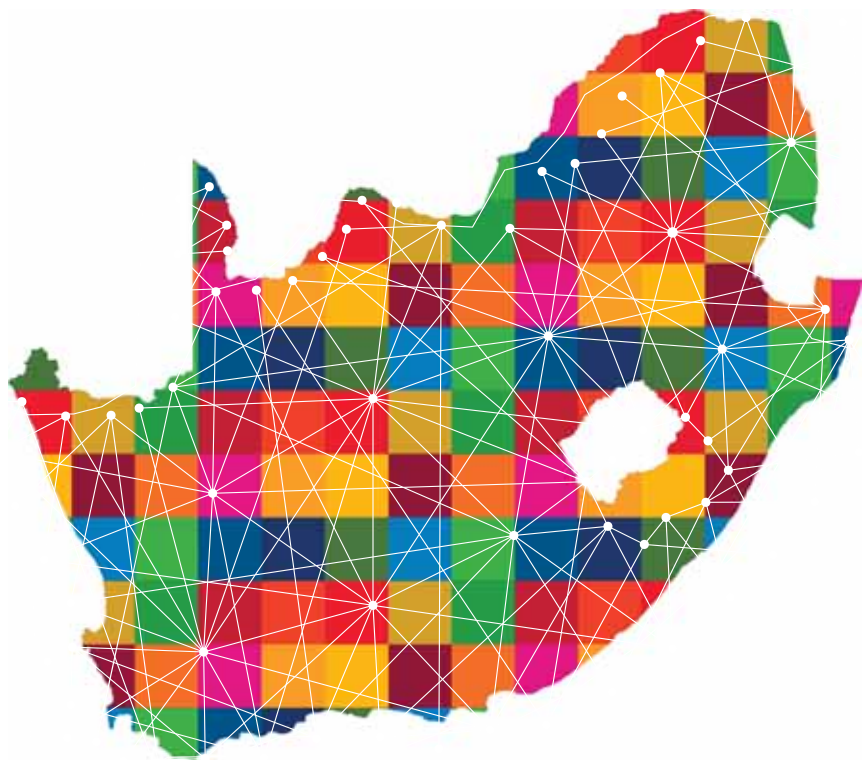
"The 2030 Agenda is a plan of action for people, planet and prosperity. It also seeks to strengthen universal peace in larger freedom. We recognise that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. All countries and all stakeholders, acting in collaborative partnership, will implement this plan.

We are resolved to free the human race from the tyranny of poverty and want to heal and secure our planet. We are determined to take the bold and transformative steps which are urgently needed to shift the world onto a sustainable and resilient path. As we embark on this collective journey, we pledge that no one will be left behind. The 17 Sustainable Development Goals and 169 targets which we are announcing today demonstrate the scale and ambition of this new universal Agenda.

They seek to build on the Millennium Development Goals and complete what these did not achieve. They seek to realize the human rights of all and to achieve gender equality and the empowerment of all women and girls. They are integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental."

HEADS OF STATE AND GOVERNMENT AND HIGH REPRESENTATIVES

United Nations Headquarters in New York
25-27 September 2015



BACKGROUND

The Global Compact Network South Africa (GCNSA) is part of the United Nations Global Compact, the world's largest corporate sustainability initiative. The core purpose of GCNSA is to bring the private sector to work together and with other stakeholders, to collectively respond to the national and global challenges of poverty, inequality and environmental degradation. Our main focus is on private sector contributions to Sustainable Development Goals (SDGs) as aligned to the National Development Plan, underpinned by application of the UN Global Compact Ten Principles.

In 2017, South Africa lodged a notification volunteering to present its first Voluntary National Review (VNR) report at the July 2019 High Level Political Forum (HLPF) under the UN Economic and Social Council. South Africa is one of 51 UN member States that have volunteered to present their VNR report on implementation of SDGs.

The National Coordination for Sustainable Development is led by the Department of Planning, Monitoring and Evaluation (DPME) through the National Planning Commission (NPC).

At GCNSA July 2018 Board Meeting, the DPME requested GCNSA to consider becoming its Private Sector Institutional Partner, to support the coordination of the sector's contributions to the NDP/SDG process. In consolidating private sector performance, GCNSA was guided by the following key questions:

- How are companies prioritising and aligning the SDGs into the business?
- How are businesses performing on the SDGs and what is the impact?
- Are there examples of private sector collaboration on the SDGs?
- How is business disclosing and communicating performance?

This report represents the input from the private sector and identifies key messages for DPME for inclusion in the National Report.

This report also highlights the following;

- The challenges that the Private Sector identifies as they implement the SDGs.
- The key interventions or priorities that South Africa should focus on.
- The Private Sector SDG emerging success stories.

The GCNSA is committed to leveraging the VNR reporting process as an opportunity to build an on-going platform that unifies businesses around the 2030 Agenda. Participating companies are excited about our mission to create a foundation that builds solidarity and collaboration; and unifying private sector action with the National Development Plan, Africa's Agenda 2063, other public sector plans as well as civil society and community initiatives.



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FOREWORD BY UN RESIDENT COORDINATOR



South Africa's 25-year young democracy has seen much progress in critical areas of development, such as expanded access to basic services for the historically marginalised populations, establishing and implementing one of the world's most comprehensive social security policy regimes and establishing democratic institutions to further deepen these advances. Despite these impressive gains the country continues to grapple with the stubborn challenges of unemployment, inequality and poverty, which are compounded by the need to respond to the global call to action on the climate agenda and to reverse the sluggish economic growth. These issues form the contextual backdrop for South Africa's engagement with the Sustainable Development Goals and its own National Development Plan.

South Africa's participation at the Voluntary National Review process of 2019, is evidence of the Government's commitment to the realisation of the Sustainable Development Goals at a national level. However, the commitment and actions of Government alone are not enough to see us deliver on the SDGs. It is for this reason that Goal 17 prioritises a partnerships-based approach and collective actions as a means of implementing the Agenda 2030.

Collective action of cause requires specific sectors to outline their own contributions to the agenda, which when blended with the actions of others will deliver our collective action. Strong collaboration and alliances help to minimize trade-offs and maximize synergies associated with the universal and integrated 2030 Agenda for Sustainable Development. It is within this context of a society-wide and partnerships-based approaches and collective action that we welcome this report.

The SDGs offer opportunities for business development solutions and sustainable business strategy. However, the private sector contributions go beyond making profits. It also includes endeavours to respond to the complex social, economic and environmental issues that confront us. Through this report we see how the sector is taking up the challenge posed by the SDGs and the unique contributions of individual companies. We are encouraged by efforts made by the sector to reposition itself in line with the emerging sustainability demands and to engage in meaningful efforts of integrating the various elements of sustainability into business and operating models. From these experiences we can extract key learnings that can assist us build the momentum required across the sector.

Opportunities are abundant in South Africa to accelerate the achievement of the SDGs – but political and public momentums are needed to translate potential into concrete development actions.

I would like to highlight the following as potential areas where we must focus in order to realise the opportunities presented by the SDGs:

- a. Each SDG is a business development solution in the country. All SDGs offer business opportunities. In this regard, promoting impact investment targeted at strategic areas of national interests including energy, infrastructure, and agricultural transformation can serve as SDGs accelerators in the country. Investment in small scale enterprises will unleash entrepreneurial capacity to generate substantial jobs for the youthful population.
- b. Public-private partnership, devoid of political patronage, could unleash the power of partnership for accelerated progress. Scaling up partnership between large- and small-scale enterprises, between urban and rural businesses, and between domestic and foreign companies could be the game changers for SDG achievement in the country. Partnerships with CSOs and the public sector in enhancing service delivery capacity at the local level as well as in promoting targeted investments in basic services is pivotal. Public and private sector partnership with the academia and research institutions is key to deepening innovations through research and development.
- c. South-South cooperation plays a crucial role in advancing development transformation without going through the associated teething problems. The BRIC, for instance, offer tremendous opportunity for South Africa, which the United Nations Development System could facilitate. While China set the pace for global poverty reduction, Brazil remains a trailblazer on reduction of income inequality in recent times, while India succeeded in improving the welfare of more than 100 million rural dwellers over the past decade. The UN presence across the world and being part of these transformative works across the world offer opportunity to leverage this transformation. The transformative role of MPESA in Kenya, the Commodity Exchange in Ethiopia and the Youth Connekt in Rwanda are trailblazing successes in Africa that could help address youth unemployment in the country.

d. Resources needed to achieve the SDGs are within South Africa's reach. The commitment to improved governance by the current administration could increase the momentum to tackle corruption and illicit financial flows, expand resource mobilization, and attract private sector financing. South Africa needs to take a bold step to effectively use idle foreign reserves and pension funds domestically. The paradox of "scarcity in the midst of plenty resources" must be addressed headlong. In 2015, alone, South African pension fund was estimated to be \$181.0 billion and external reserves excluding gold amounted to about \$42 billion in the same year. Yet, these resources are invested outside the economy. South African money must be used for South African development. In addition, South Africa has the potential to be a global giant on export of renewable energy.

For South Africa, this Voluntary National Review process should mark the beginning of a sustained multi-stakeholder approach to SDG implementation, and we hope that the private sector will continue to take the lead in finding innovative solutions to our national and continental challenges.

Finally, I would like to extend a warm congratulatory message to the UN Global Compact Network South Africa, under the leadership of the Board Chairperson, Ambassador Nozipho January-Bardill, for the leadership they have provided in coordinating this report.

Ms Nardos Bekele-Thomas

UN Resident Coordinator, South Africa

MESSAGE FROM THE CHAIRPERSON



South Africa was an active participant in the drafting and first signatory in the adoption, by the General Assembly (GA), of the 2015 United Nations (UN) Sustainable Development Goals (SDGs). What differentiates these SDGs is twofold: First, the goals obligate all UN member states, and not just those in so-called "developing countries", to implement the 17 goals and targets in the framework document. Secondly, unlike the Millennium Development Goals (MDGs) adopted by the GA in 2000, the private sector, by invitation of the Secretary General, played a role in conceptualizing and shaping the outcome document, making the SDGs both universal and inclusive of governments, civil society and corporate citizens across the globe.

The 2020 strategy document of the United Nations Global Compact adopted in 2017, mandated the UNGC Local networks to not only continue the promotion and mainstreaming of the 10 Principles of the UN Global Compact among their corporate members, but also support them to integrate the 2030 goals into their business strategies.

Despite many challenges, the South African Global Compact Network was able to successfully reposition itself to deliver on its renewed mandate and support many of its affiliate members to see the value of embedding the SDGs in their business strategies. Companies that took the lead have been generous about sharing their varied experiences with peers and competitors alike. With the support of toolkits and guidance shared through workshops and the Global Compact digital platforms, many member companies are making steady progress in advancing the global goals through their business strategies.

It is for this reason that the government of South Africa invited the Global Compact Network to work with the office of the president in compiling this first voluntary country report on the SDGs. The private sector section enables government to provide an inclusive maiden report on the efforts of both the public and private sectors in SA in advancing the 2030 Global Goals.

The UNGC Local Network wishes, in this regard, to express our appreciation of the invitation by government to partner it in compiling this maiden report. We also appreciate and thank those members and partners who willingly volunteered to share their experiences in the SDG implementation and reporting processes.

The exercise has helped to build mutual trust, to learn lessons in collaboration, coordination and open communication. We are confident that our review of this process will lead to improved reporting in the future, as well as demonstrate that it is possible for government, civil society and the private sector to form a solid compact and deliver on the SDGs.

We also appreciate the invaluable role that our host, the Gordon Institute of Business Science and our partners Empanda have played in facilitating our convening mandate, writing the report, and shaping its look and feel.

The guidance of our CEO Dr Achieng Ojwang, cannot be overstated and neither can the role of our committed board and their companies. They have never hesitated to support the Global Compact Network South Africa.

It would be remiss not to mention the support that the Global Compact Network has received from the Office of the UN Resident Coordinator and some of our sister agencies. Their contributions are central to our efforts to deliver on our mandate.

Finally, and in conclusion, we encourage other companies to join us in this journey as we build a South Africa that cares for all its people and respects its government and all related institutions. One that encourages engagement by all public and private national and corporate citizens to take responsibility for changing our country and the world through the SDGs, our NDP and Agenda 2063. Ending poverty, inequality and unemployment through observing the human rights of all people and utilizing the power of collective action is not an impossible dream.

Nozipho January-Bardill

Chairperson of the Board
Global Compact Network South Africa



MESSAGE FROM GCNSA EXECUTIVE DIRECTOR



When GCNSA Board of Directors received a request from the Department of Planning, Monitoring and Evaluation (DPME) in the Presidency to Coordinate Private Sector Performance on the SDGs, without any hesitation, we responded in the affirmative.

The request was well aligned with GCNSA mandate and strategy of supporting private sector action and collaboration on the Global Goals and the Ten Principles of the UN Global Compact. With the support of GCNSA Board of Directors, we soon mobilised an initial group of Private Sector SDG Champions and jointly built a strong business case for participation in the 2019 Voluntary National Review.

On the cusp of a positively changing political climate in South Africa and optimism for increased economic growth, the private sector was keen to demonstrate unity with government through targeted action and renewed commitment to the country's development priorities; as framed in the National Development Plan (NDP) and greatly resonated in the SDGs. Coming soon after the Presidential Investment Summit and the Job Summit in 2018, GCNSA viewed the mobilising of private sector action on the SDGs, in fulfilment of the NDP, as another critical platform to drive impact through collaboration and trust-building, to the benefit of society at large. This report communicates South Africa's SDG story from the perspective of the private sector, which has in part, informed South Africa's 2019 Voluntary National Review to be presented by government to the United Nations High Level Political Forum in New York during July 2019.

Information and materials contained in this report was collected through a variety of ways including a survey open to all companies; qualitative interviews with a few companies; in-depth company case studies; existing material from 2018 company Sustainable Reports; and a series of strategic business conversations through our platform; The Compact Dialogues on the SDGs.

In many ways, the report delves deep into private sector perspectives, strategies and existing best practice examples. It presents insights from six key sectors and identifies emerging trends of company prioritisation and implementation of the SDGs. We also highlight tools, methodologies and strategies produced by individual companies to guide internal implementation.

One of the key trends identified is that companies are aligning strategic frameworks to sustainability plans and mapping to the 169 SDG targets and most importantly, using these to advance objectives of the NDP and Africa's Agenda 2063. The report also makes a powerful case of aligning the SDGs to South Africa's transformation agenda as outlined through the Broad Based Black Economic Empowerment (BBBEE).

We are encouraged by the commitment of the private sector to the SDGs and the NDP. There is also great interest in the rest of the African Continent and specifically in Agenda 2063 on Peace and Security, as exemplified by the choice of activities by South Africa's Multi-National Companies with operations in the broader continent, in particular those in the ICT sector, Mining and Financial Services. Our hope is that companies will increase their ambition on our development priorities, stretch their targets and contribute to the quality of life of all.

At GCNSA, we believe in the power of business to create positive change. The finalisation of this report is not the end, but the beginning of GCNSA facilitation of collaboration and partnerships on the SDGs. We will continue coordinating private sector performance and availing to companies our regular platform The Compact Dialogues on the SDGs for strategic conversations and for learning. To Private Sector SDG Champions and all contributing companies, my sincere gratitude to you all for responding to GCNSA urgent Call to Action on the Global Goals and South Africa's Agenda 2030! A special thank you to GCNSA Board of Directors for their consistent strategic guidance and support. Thank you Empanda, an active participant of the Global Compact and our partner in the development of this report.

Dr Achieng Ojwang

Executive Director

Global Compact Network South Africa

VNR REPORT

STATUS & APPROACH

The GCNSA Board approved the mobilisation of a Private Sector VNR reporting process in November 2018. The aim and purpose of this initiative was to deliver private sector input to the DPME for consolidation into the overarching South African VNR.

In January 2019, the first Round Table of SDG Champion Companies was held at the GIBS Business school. The purpose of the session was to obtain sector insights into private sector priorities with respect to the delivery of the 2030 Agenda. In March, the GCNSA launched an Insights survey for completion by private sector and sustainability leaders and commenced qualitative interviews with voluntary review champions.

This report represents insights submitted to the DPME for inclusion in South Africa's VNR report to the United Nations. The GCNSA is very clear that baseline VNR reporting is only the beginning of our mission to support private sector delivery of the 2030 Agenda and the 17 Sustainable Development Goals. The GCNSA is mandated by its membership to continue to develop a platform to unify the private sector in taking further action with clear positive impact.

Beyond this submission, the GCNSA will continue to work with Private Sector SDG Champions and with sectors to deepen our understanding of the challenges, opportunities and dynamics that can be leveraged to accelerate the prioritisation and delivery of the SDGs.

We hope that our consolidated insights add value to the process, catalysing footsteps toward the delivery of the NDP, Africa's Agenda 2063 and Agenda 2030.



EXECUTIVE SUMMARY

It is critical that action in the private sector is aligned to South Africa's National Development Plan and Africa's Agenda 2063. The SDGs provide the detailed means to deliver this. The Global Compact Network South Africa has conducted extensive dialogue with South African companies about the value of the 2030 Agenda and the 17 Sustainable Development Goals. The overwhelming feedback is that these frameworks present significant alignment and opportunity to deliver on the needs of South Africa, the African continent and the world.

Prior to the announcement of the SDGs in 2015, companies were invariably pursuing sustainability activities, however, they see the Global Goals as being an opportunity to structure, prioritise and define activities in a way that can enable collaboration and partnership to deliver the National Development Plan.

Larger organisations tend to have made significant inroads in aligning the Global Goals into the business. However, they identify a tangible deficit when it comes to meaningful platforms and forums for effective collaboration within their sectors, across the private sector, with communities, and with the public sector. Many of these companies are actively preparing to share tools and techniques that they have developed to accelerate South Africa's delivery of the 2030 Agenda. One way the GCNSA works involves leveraging off such individual company initiatives for broader SDG learning in the Private Sector. We will continue to enhance learning using these best practice tools and methodologies.

That said, all stakeholders note that South Africa faces significant sustainability and transformation deficits. This report finds that the opportunities for leveraging the NDP and the 17 Sustainable Development Goals are boundless, however significant effort needs to be made by all sectors and stakeholders to enable effective partnership to prioritise, align and deliver.

South Africa is uniquely differentiated from other countries because of the action implemented post-apartheid to drive transformation through Broad-Based Black Economic Empowerment (B-BBEE). As a consequence, the calibre of reporting, as well as the extent to which the private sector takes action is unparalleled. That said, many South African companies are taking incremental rather than transformational action necessary for exponential impact. The spirit and intention of B-BBEE could feasibly be made more attractive by leveraging the SDGs and the NDP to drive action. This can be an opportunity to simplify and align frameworks enabling a refreshed narrative and the creation of new incentives.

The opportunity cost of private sector inaction on transformation is too vast to quantify. A key recommendation of our participants in this regard is that the government develop means to reward and recognise positive participation to drive the 2030 Agenda, potentially via further alignment and integration with B-BBEE and the NDP. In this regard, the GCNSA notes that collaboration and prioritisation of the Global Goals in a South African context is critical. Given the mandate to be inclusive and leave no-one behind, we must make participation easier by aligning the frameworks and incentivising.

Several large Private Sector players are making real and tangible commitments on the NDP/SDGs for positive impact on South Africa and the world. This report represents the views of participating companies that want to deliberately and intentionally catalyse accelerated transformational action.

We hope that this report starts to surface the real SDG story of our contributors, enabling further learning, implementation and the creation of new partnerships. We hope to successfully articulate the emerging trends we see across sectors. We hope to initiate the reimagining of compliance with practical approaches that drive wider private sector action that all sectors can align around. We hope that the private sector, together with others, will enhance the momentum, scale and actions required to create impact, expand markets and transform society.

Dr Achieng Ojwang

Executive Director

Global Compact Network South Africa

SOUTH AFRICAN PRIVATE SECTOR CONTEXT

South Africa is one of the largest economies in Africa, designated as an upper-middle-income economy. Since 1996 our GDP has almost tripled, with strong diversification supported by a material emerging middle class. The private sector blends with state owned enterprises within a formal sector that is also richly imbued with a range of non-governmental organisations. There is a broad agreement that our greatest challenges are unemployment; inequality; and poverty as articulated in the National Development Plan (NDP). All players within our economy and within society at large prioritise the importance of job creation, as a key mechanism for creating a more equal South Africa. Strategies to deliver this outcome are focused on critical enablers such as a quality education, and good health and well-being.

South Africa has an abundant supply of natural resources, with an exceedingly strong foundation in related industries. These industries come with a powerful requirement for solid infrastructure and for responsible resource consumption. This places a significant focus on industry innovation, clean water and sanitation and affordable clean energy being identified as priorities for sustainable cities and communities, as well as enablers for business in delivering decent work and economic growth.

The private sector in South Africa takes a more proactive stance on this than is the global norm. There is a powerful and positive intention within the sector to partner with government, communities and in-between industry verticals. This is practically and vocally supported by well developed financial, legal, and communications sectors, and a stock exchange that is globally recognised.

Much work has been done within South Africa that delivers upon the vision of the 2030 Agenda, both in alignment with the framework presented by the Sustainable Development Goals, and also as a part of collaboration on the National Development Plan and public sector planning at departmental, provincial, district and municipal levels. Uniquely, B-BBEE also provides a South African framework for ambitious transformation that motivates the private sector to collaborate with the development community to mitigate negative impact, and to drive for positive change. It is universally acknowledged that there is still much work to do.

The private sector acknowledges the role of good governance and respect for human rights as critical for the successful delivery of the NDP/SDGs. Having just emerged out of the interim political period and gone through national elections, there is hope that South Africa will soon be on a positive trajectory; both in terms of governance and economic growth.

The Global Compact advocates and supports companies to employ a principles-based approach to delivering on the Global Goals.

In this report we consider key sectors that comprise the South African business world, seeking an understanding of successes we can propagate, challenges we need to overcome, and approaches that have potential for future collaboration.

Since December 2018 we have been working with key representatives from the private sector to understand progress and action to deliver the 2030 Agenda to support the voluntary national review process. We have gathered insights regarding awareness, priorities, action, challenges and emerging solutions and opportunities for future collaboration.

OUR RESEARCH COVERS INPUT AND PERSPECTIVES FROM THE FOLLOWING SECTORS:



Mining



Financial Services



Communications and Information Technology



Electricity, Gas and Water



Agriculture, Food Production and Retail



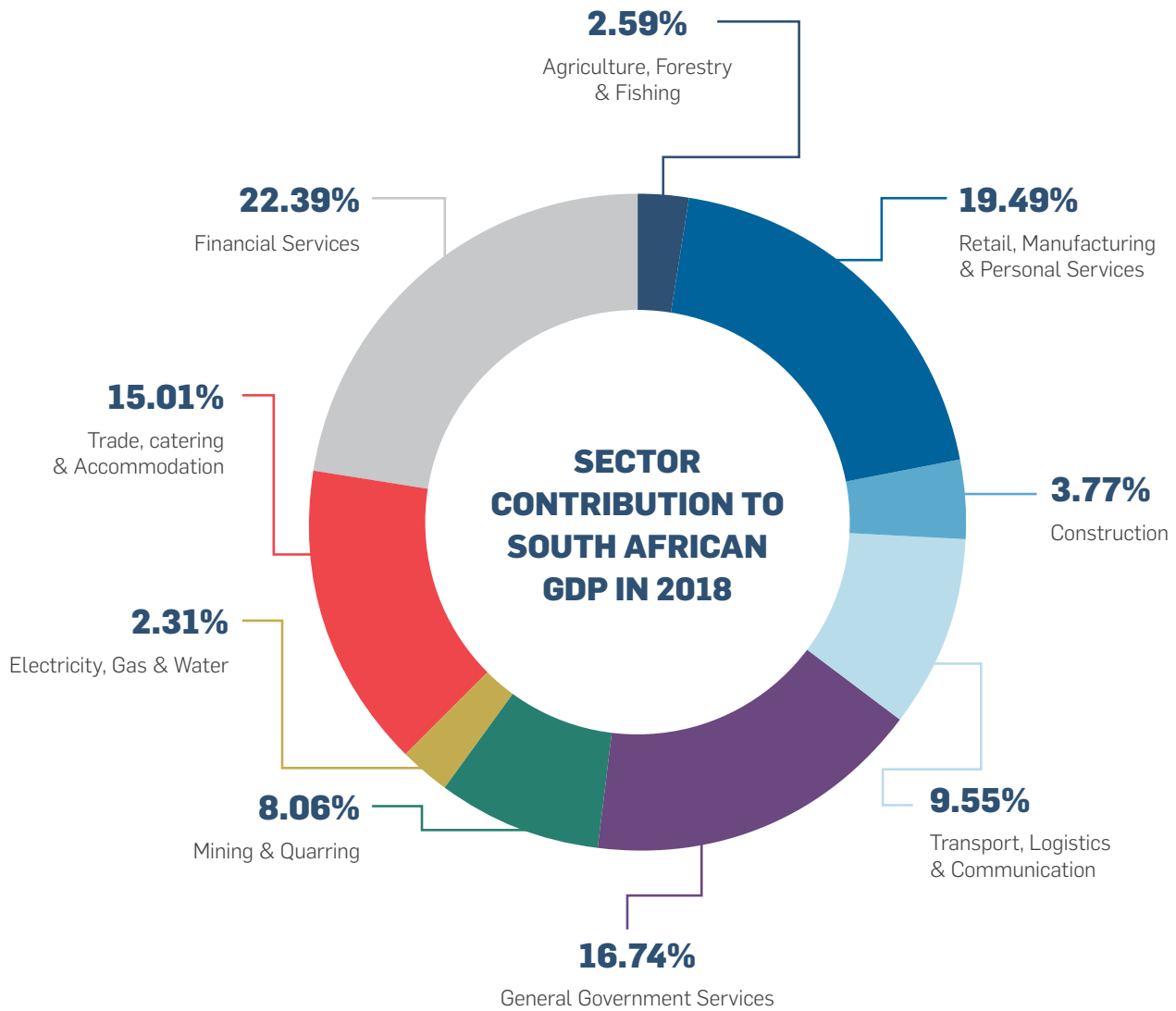
Manufacturing and Consumer Products



NGOs and the Development Community

This represents insight from just over 80% of sector contribution to the South African GDP. The sectors that are not covered include catering and accommodation, fisheries, general government services, transport and logistics and construction.





PRIVATE SECTOR PARTICIPATION IN THE 2030 AGENDA

68%

One of the critical questions that was asked was: Are companies prioritising and aligning the SDGs into business? This question is underpinned by whether or not the private sector is aware of the 2030 Agenda. Currently 68% of South African companies surveyed by PwC directly mentioned the SDGs in their reporting. This is a good start; however ambitious transformational action involves creating greater awareness and support of the 2030 Agenda. Business has the potential to play a critical role, in collaboration with other sectors.

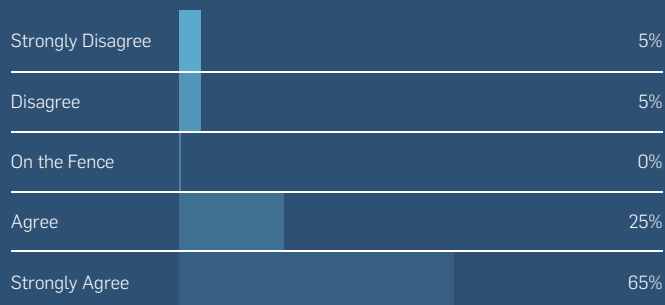
PRIVATE SECTOR AWARENESS OF THE 2030 AGENDA

90%

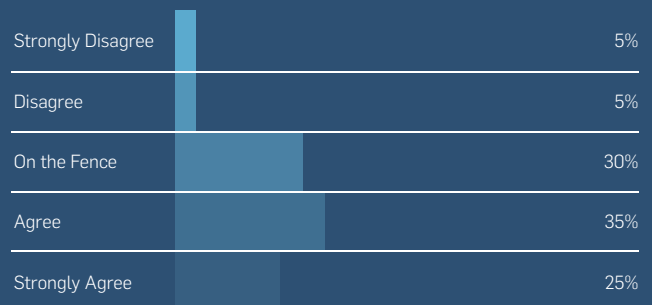
The Global Compact Network of South Africa conducted an insights survey that gathered the perspective of member and non-member companies, asking about awareness. As might be expected, given the majority of participants are connected with the United Nations Global Compact, 90% were aware of the Sustainable Development Goals, with 95% being of the opinion that the framework presents

a real opportunity to effect innovation and transformation in South Africa. In 60% of cases the companies had extended awareness of the 2030 Agenda into their employee base, integrating the sustainability dialogue into their organisational culture to enable action.

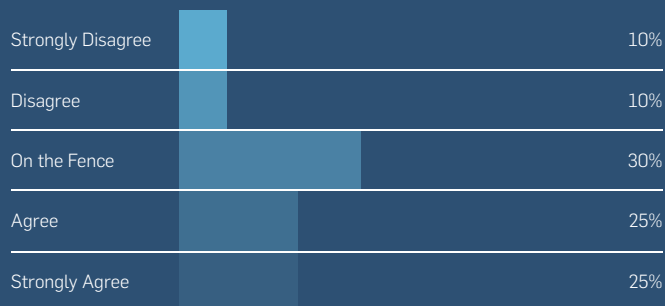
Our Company is aware of the 2030 Sustainable Development Goals (SDGs)



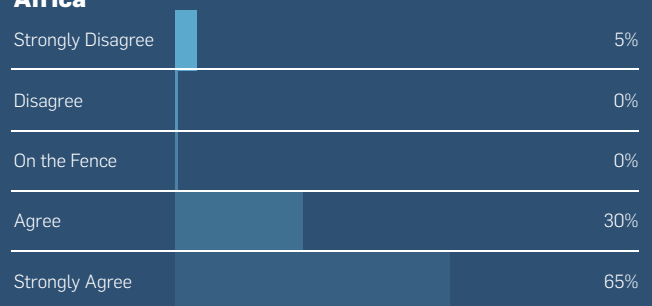
Our Employees are aware of the 2030 Sustainable Development Goals (SDGs)



South African Business is aware of the 2030 Sustainable Development Goals (SDGs)



The 2030 Agenda and 17 SDGs are a real opportunity to effect innovation and transformation in South Africa



Source: Global Compact Network South Africa Insights Survey 2019

When asked about the more general South African business awareness of the agenda only half of the participants believe that the private sector is aware of the 2030 Agenda. This means that whilst companies that are aware of the agenda almost universally believe that the 2030 Agenda is able to offer great value, the framework is not as effectively communicated as it could be.

One challenge to private sector performance against the SDGs is, therefore, simple awareness of the 2030 Agenda and the opportunity to participate. Within the qualitative interview process the participating companies cited a significant number of opportunities for shared value and wider participation.

RECOMMENDATION

More is done to create awareness of the 2030 Agenda and the 17 Sustainable Development Goals for companies of all sizes. This should include key messaging that communicates the value of participation for varied company stakeholders.



SUPPORT FOR PARTICIPATING COMPANIES TO DELIVER THE 2030 AGENDA

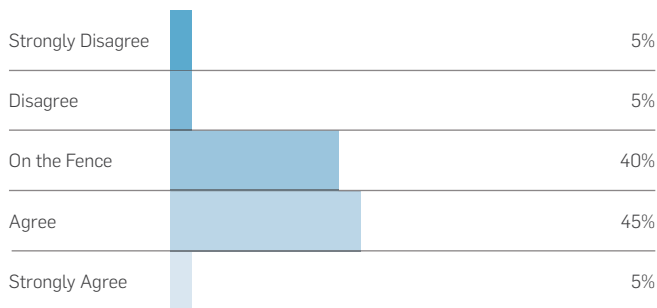
95%

Participating companies are almost universal in believing that the SDGs provide a valuable framework for enabling and promoting action to deliver positive transformational change. They are also clear that their employees value working for a company that is delivering positive change. At Board and Shareholder level 95% of companies indicate that their Boards and Shareholders tangibly value sustainable development. This is caveated by many believing that more needs to be done to embed sustainability into indices and frameworks that make sustainability efforts transparent to investors.

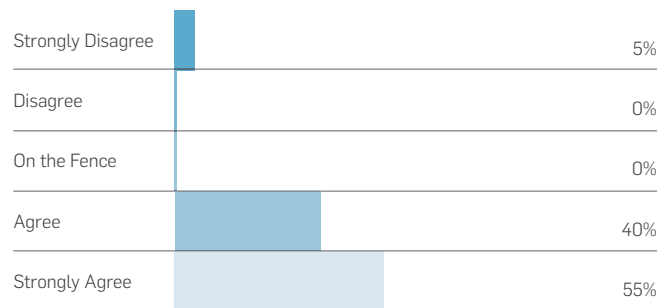
Many of the participating companies believe that this is essential to motivating further companies to take action to deliver positive transformation.

Another key stakeholder group is the customer. When asked whether customers and clients tangibly value participation in sustainable development, only half of participating companies agree or strongly agree that they do. In a world where civil society is increasingly demanding, this proves quite curious.

Our Customers and clients tangibly value our participation in Sustainable Development



Our Board and Shareholders tangibly value our participation in Sustainable Development



Source: Global Compact Network South Africa Insights Survey 2019

When queried during the qualitative interview process, participants gave various responses, including that often customers and clients were unaware of sustainability work being done. Alternatively, it was noted that customers are often more purely interested in the direct customer value proposition, weighing up price, quality and specification of product and service solutions. Another consideration was that customers and clients are sceptical of company sustainability efforts, believing them to be Public Relations motivated. A final consideration is that customers take the view that positive action is only being taken to fulfil B-BBEE or other compliance requirements and is not motivated by business or authentic intention to make a positive impact.

Unawareness, sceptical, or neutral perception of the action that the private sector is taking to deliver a better South Africa is an obstacle that needs to be overcome. It demotivates many South African companies from joining in to take action on the 2030 Agenda, preventing maximum positive impact. The perspective of participating companies is that a deeply embedded approach to sustainability is of enormous intrinsic benefit. Companies that are participating are doing so because of an authentic belief in shared value creation. We need to find ways to value the change that we want to see

RECOMMENDATION

That investment indices and other investor valuation mechanisms are enhanced to give more transparent insight into the delivery of the sustainability agenda, evolving the way that values private sector contributions and performance.

That work is done by all sectors to communicate a superior understanding of what motivates private sector organisations to invest in sustainable business models. Sustainable business makes superior business sense, in combination with an authentic desire by companies to deliver a better world for all stakeholders.

PRIVATE SECTOR INSIGHTS INTO PUBLIC-PRIVATE SECTOR COLLABORATION

Almost all participating companies noted the importance of collaboration between the public and private sector, with most citing a variety of examples. Within the insights survey we asked participants for their view of dependencies between the two sectors in delivering the 2030 Agenda. The vast majority of companies (85%) believe that successful delivery of the 2030 Agenda relies critically upon the private sector taking action, with the same number

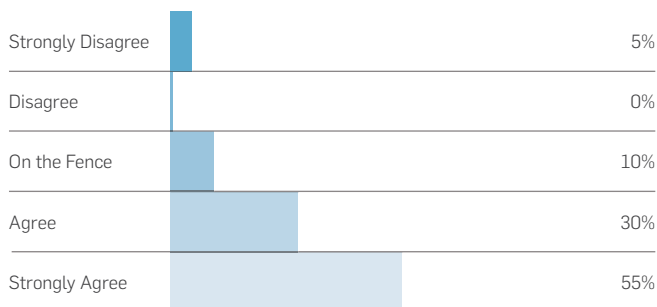
believing that action can only be truly successful with government support and a contribution from other sectors.

Goals do not belong to specific sectors, however when asked which goals the private sector needs further delivery on from the public sector, in order to flourish, companies are frequently cite the following enablers:

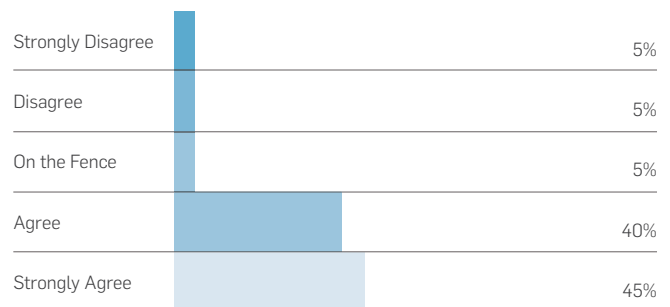


The private sector believes it also has a role supporting the attainment of these goals and believes that there is a strong mutually dependent relationship between all South African sectors.

Delivery of the 2030 Agenda relies on action by the South African private sector



Private sector action plans can only be successful with government support



Source: Global Compact Network South Africa Insights Survey 2019

Within the qualitative interview process, participants cited a multitude of case studies where companies are working to galvanise the public sector mandate to deliver basic services such as water, sanitation, electricity, transport infrastructure, housing, education and other basic services. There was a significant focus on Goal 17: Partnership for the Goals, with extensive consultation, financial investment, and delivery toward public plans.

Almost all participating companies are paying particular attention to supporting and enabling sustainable basic services for communities located near company operations. In particular, the private sector has stepped up where municipalities have struggled to deliver on their

mandate to deliver basic services. Often, private sector investment has been implemented where basic services and infrastructure are a proactive requirement for the delivery of business operations. In these situations, companies have seen that there is a cost efficiency in extending their delivery to local communities. A key point raised by participants is that they are often concerned about the long-term maintenance and sustainability of investments in basic services and infrastructure.

Most are working to engage with local public sector entities to create plans for sustainable, long term handover of assets and infrastructure that have been implemented.



The rationale for investment in basic services and infrastructure is to enable local communities. By increasing the health, wellbeing, and skill levels, companies are not just demonstrating very real ethical and morally motivated philanthropy, they are also demonstrating that investing in sustainable communities makes good business sense. Companies are consciously enabling future local workforces and investing in thriving economies that nurture the customers of tomorrow.

RECOMMENDATION

That more formal, recognised, and supported public sector processes for companies that are interested in the handover of infrastructure, invested in by companies to relevant public organisations, enabling the sustainable ongoing funding, revenue streams, training and ongoing employment of staff.

Improved recognition, contribution mechanisms, and incentives for private sector companies that have identified investments in municipal infrastructure and basic services, that there is a business or community rationale for investment in, enabling more integrated processes for collaboration.

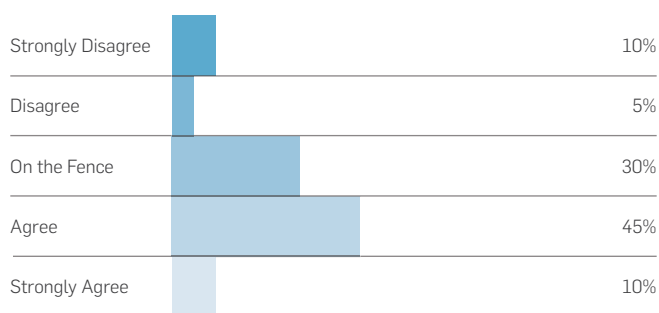
PRIVATE SECTOR STATUS ON ALIGNING TO THE SDGS

Companies that are aware of the SDGs are at different stages of prioritising and aligning the goals with strategies, and with embedding them into operations and performance management frameworks. Most companies that have achieved deeper alignment are clear that this process is not to be underestimated.

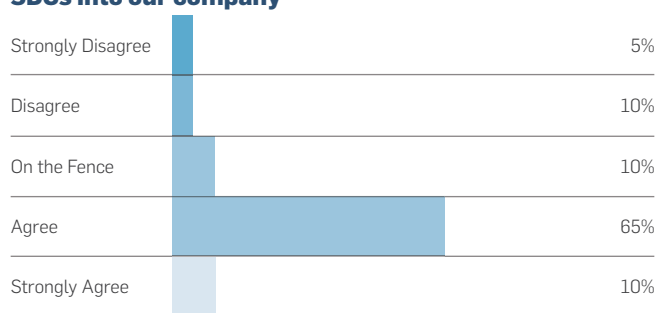
Overall, participating companies have made significant progress on the prioritisation of the goals, with 75% having included employees

and other stakeholders in the prioritisation and integration process. However, only 10% of companies surveyed strongly agreed that they had integrated action on the SDGs into performance management, with many communicating that this is an evolving process. In 85% of cases the alignment included activity to ensure that work to prioritise the SDGs is being aligned with B-BBEE strategies, with other companies noting the importance of alignment with industry and sector ethical and sustainable frameworks.

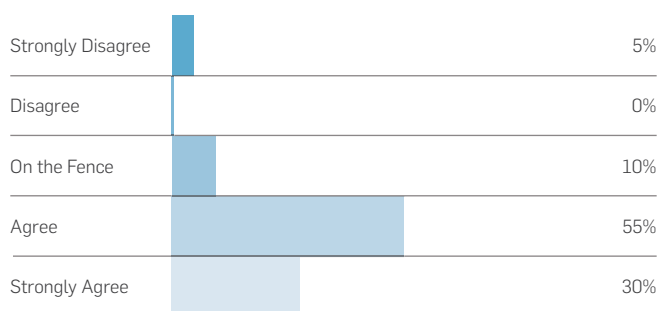
Our company has already integrated action on the SDGs into our performance management



Our employees and other stakeholders are included in the SDG prioritisation process and integration of the SDGs into our company



Our B-BBEE activities are aligned to our prioritisation of the SDGs and the 2030 Agenda



Source: Global Compact Network South Africa Insights Survey 2019

On a positive note, a recent PwC Report notes that relative to the global norm, 3% more South African companies that had assessed the SDGs had gone on to include the SDGs within their business strategies (30%), and 29% more South African countries that have gone as far as SDG prioritisation have included the SDGs within business strategies (83%). So, where companies have conducted prioritisation, they are regularly adopted.

At first SDG prioritisation and alignment into operations can seem superficial and easy, however, participants have extremely complex reporting and performance management processes, and often already operate in alignment with other with external performance and reporting frameworks.



PRIVATE SECTOR CHALLENGES IN REPORTING ON ACTION

The challenges that participants committed to alignment regularly cite are:

PRIORITY GOALS SHIFT ON DEEPER ANALYSIS:

Goals that start out as priorities reveal themselves to be outcomes best delivered by tackling other goals that can be more directly impacted. A regular example of this is that if a company wants to impact Goal 1: No Poverty, the sustainable and tactical approach is regularly to generate and create jobs. This results in the priority goal shifting to become Goal 8: Decent Work and Economic Growth

MEASURES AND TARGETS ARE OWNED EXTERNALLY:

For example, if a company takes action on Goal 10: Reduced Inequality, many of the best measures are not company metrics that can be baselined and tracked to show a specific company's contribution as there are likely to be varied drivers of the outcome.

SUPPLY CHAIN CONSENSUS AND COLLABORATION:

Many companies want prioritisation and strategies to extend beyond their own operations, noting that to have optimised impact they need to address their extended value chains working with upstream suppliers and downstream customers, across supply chain ecosystems.

ALIGNMENT AND INTEGRATION WITH OTHER FRAMEWORKS:

Various sectors have existing ethical, sustainability and corporate responsibility charters, frameworks and approaches. Often these are owned and presented at sector or industry level. For example, in Financial Services, significant work is being done by the Banking Council to enable an approach that can be adopted by the sector overall, with a significant investment in collaboration between financial service entities.

FINDING OPPORTUNITIES FOR EFFECTIVE ACTION:

Smaller companies have fewer resources to direct at alignment, and more importantly seeking the best opportunities to take tangible action. Major corporates are creating massive extended ecosystems that drive sustainability, welcoming collaborators, however smaller companies, or companies from other sectors, are often unaware of opportunities to join in.

NURTURING STAKEHOLDER OWNERSHIP:

The participants in this voluntary review have consistently stressed that sustainability is inherently connected to ownership. In engagement with communities this is especially true. Companies have learned the hard way that even the best intended and resourced initiatives fail if the relevant stakeholders that play a role are not involved in the full lifecycle of change. Participants note that building engagement and ownership is a process, and one that should not be under-estimated. Companies are regularly collaborating with specialists in the NGO, Faith and Development communities because of the expertise they offer in supporting consultation, engagement, the development of meaningful relationships and the building of trust.

When it comes to prioritising and reporting, companies often opt to work with external specialists and analysts to support the process of prioritisation and embedding frameworks

RECOMMENDATION

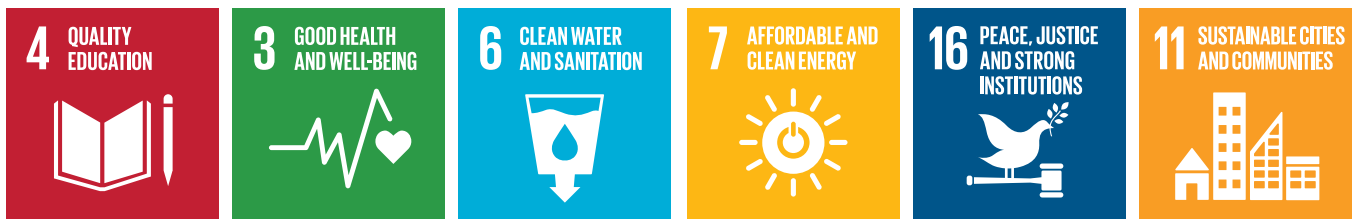
Effort is invested in continuing to draw together accessible SDG Acceleration tool kits that showcase processes and tools that can enable prioritisation, measurement and approaches for delivery of the global goals.

Collaboration platforms are developed to enable match making and connection of smaller companies to bigger company ecosystems, so new companies can start to participate in the 2030 Agenda more easily.

Further work is done to support inter-sector communication of collaboration opportunities, for example in the mining sector companies are often seeking agricultural, manufacturing or development agencies to team with within their communities.

PRIVATE SECTOR CROSS CUTTING ENABLERS

The majority of the SDG prioritisation focuses on where business can have the most positive impact. However, there are some SDGs that relate to what businesses need as enablers so they can deliver their role. Businesses consistently talk to the SDGs that are critical to a healthy private sector. Sometimes these are the Global Goals that business can only indirectly tackle. It is worth noting these goals as enablers. Enablers are also the goals that the private sector needs to be in place for its ultimate priority, Goal 8: Decent Work and Economic Growth, to flourish:



PRIVATE SECTOR VALUES AND OUTCOMES

Whilst the private sector has tended to prioritise goals that it can take direct, primate action on, there are some goals that consistently are raised as desired outcomes. These goals are invested in as part of corporate responsibility action and are also positively impacted by action on other goals. It is important to note these goals as 'the change that we want to see', reflecting the values of companies and their stakeholders. These 'outcome' type goals tend to include:



10 EMERGING TRENDS IN PRIVATE SECTOR SDG PRIORITISATION AND ACTION

Many of the participants from the private sector have invested heavily in alignment to the Sustainable Development Goals. Whilst some participants are still in the process of prioritisation, others have mature approaches with defined targets and plans embedded into operations. Other companies can benefit from early movers by observing emerging trends in the approaches that first movers have taken.

EMERGING TRENDS INCLUDE:

1. MOBILISATION OF ALIGNED STRATEGIC FRAMEWORKS AND SUSTAINABILITY PLANS
2. ANALYSIS OF SDG INTERCONNECTIONS TO CREATE 'ECONOMIC ECOSYSTEMS' OF IMPACT
3. GLOBAL SOUTH AFRICAN COMPANIES FOCUSING ACROSS AFRICA AND BEYOND
4. A STRONG FOCUS ON ACTION TO DELIVER GOAL 4: QUALITY EDUCATION
5. SDG STRATEGIES FOCUSED ON POSITIVE TRANSFORMATION FOR LOCAL COMMUNITIES
6. SDGS ALIGNED TO TAKE ACTION THROUGH THE EXTENDED VALUE CHAIN
7. GLOBAL PRIORITIES ENHANCED WITH ACTION TO ADDRESS COUNTRY SPECIFIC NEEDS
8. ALIGNMENT OF THE SDGS TO THE CORE BUSINESS VALUE PROPOSITION
9. COLLABORATION BETWEEN COMPANIES AND WITH GOVERNMENT IS ACCELERATING THE 2030 AGENDA
10. A FOCUS ON LEADERSHIP, ACCOUNTABILITY AND OWNERSHIP



TREND 1.

MOBILISATION OF ALIGNED STRATEGIC FRAMEWORKS AND SUSTAINABILITY PLANS

The participating members of the private sector are not only prioritising the 2030 Agenda and the 17 Sustainable Development Goals and mapping to the 169 targets, they are embedding the SDGs into integrated sustainability frameworks that also align to the National Development Plan and the African Union Agenda 2063. Companies are at varying stages of a process to commit to objectives and targets that are transparently reported upon, and backed by operational plans for delivery.

CASE STUDY ANGLO AMERICAN



INTRODUCING THE ANGLO AMERICAN CASE STUDY

The Anglo American South Africa case study describes a best in class approach, where the 17 Sustainable Development Goals have been prioritised within a Sustainability Framework that is underpinned by a purpose. This purpose is to re-imagine mining to improve people's lives. The framework is grounded around three sustainability pillars: Trusted corporate leadership, thriving communities and a healthy environment. The Anglo American SA case study shows how their Sustainable Mining Plan has defined milestones, with 33 of the SDG targets, mapped to business activities that will deliver action on the goals. The process of reimagination is done through FutureSmart™ mining, which is an innovation led approach to sustainable mining. This strategy goes far beyond compliance with mining law or regulatory requirements and outlines a holistic approach to making impact that positively transforms mining, through the eyes of all stakeholders.

Anglo American South Africa (AASA) is a business that already makes significant contributions to the SDGs and is well positioned to play a greater role in South Africa's achievement of the SDGs. Before beginning the process of aligning our business to the SDGs through our Sustainable Mining Plan, we have already established solid foundations of SDG contributions from which to build on as we move towards 2030.

The United Nation's 2030 Agenda for Sustainable Development has a pledge to leave no one behind. As Anglo American we need to begin to internalise and bring to life what this actually means.

ANDILE SANGQU, Executive Head
Anglo American South Africa

The SDGs have informed the development of our Sustainable Mining Plan that we launched in 2018 and the Plan sets a vision for 2030 with clear targets that will re-imagine mining to improve people's lives. In 2017/2018 we also began mapping our activities in our South African business units to the SDGs to ascertain how our current activities support the SDGs. This business-as-usual footprint revealed how we are already making significant investment towards the SDGs through a portfolio of workplace, operations, community and supply chain activities.

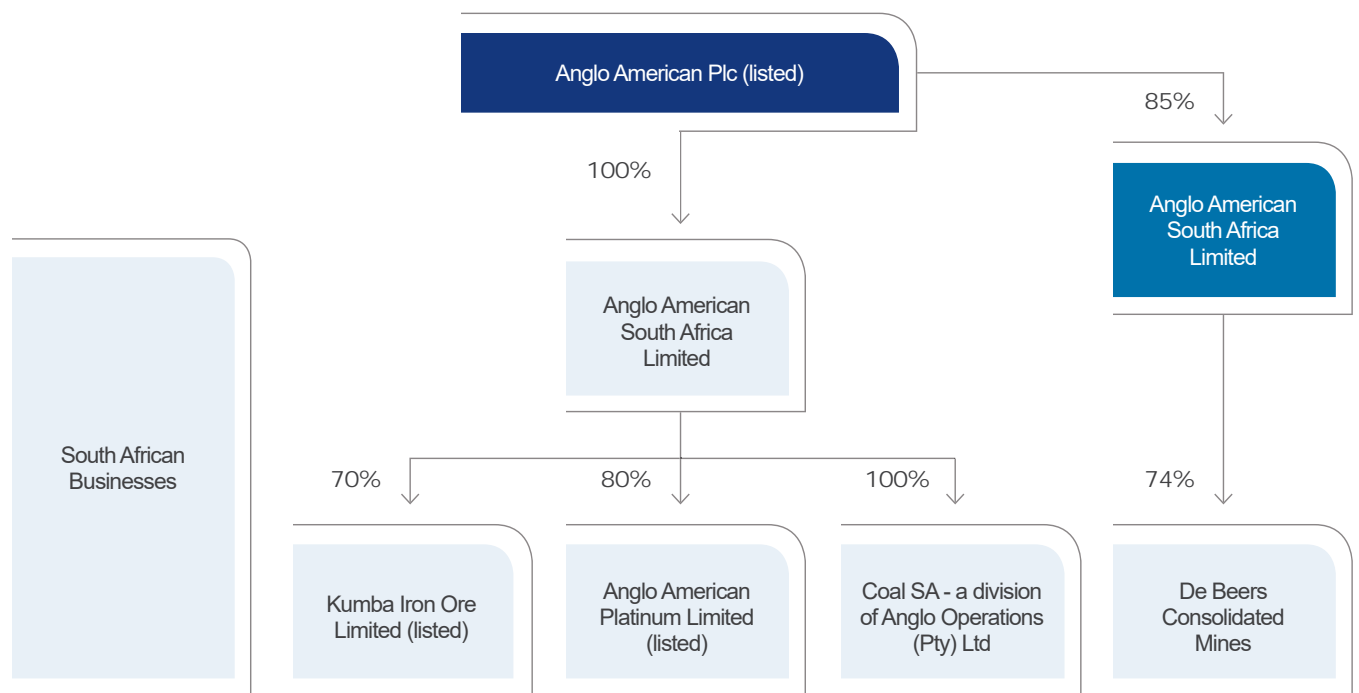
Our SDG roadmap is thus one that assesses our SDG footprint while implementing our Sustainable Mining Plan in the context of an ongoing stakeholder accountability dialogue.



OUR PURPOSE: RE-IMAGINING MINING TO IMPROVE PEOPLE'S LIVES

Anglo American is a leading global mining company and our products are the essential ingredients in almost every aspect of modern life. Our portfolio of world-class competitive mining operations and undeveloped resources provides the metals and minerals that enable a cleaner, more electrified world and that meet the fast growing consumer-driven demands of the world's developed and maturing economies. With our people at the heart of our business, we use innovative practices and the latest technologies to discover new resources and mine, process, move and market our products to our customers around the world – safely, responsibly and sustainably.

Our purpose is to re-imagine mining to improve people's lives. We do this through FutureSmart Mining™, our innovation-led approach to sustainable mining. We have developed our Sustainable Mining Plan through extensive internal and external engagement and analysis of critical opportunities and risks, including the UN Sustainable Development Goals (SDGs).



Our strategy goes far beyond compliance with mining law or regulatory requirements.

It's about making a more strategic and holistic impact on the ground and it comprises mutually reinforcing elements that will positively transform how our stakeholders experience our business, both locally and globally.

OUR CONTRIBUTIONS IN 2018

Number of employees	47,000
Taxes borne	\$761,000,000
Wages and benefits paid	\$1,768,000,000
Local procurement spend	\$1,047,000,000



THE ANGLO AMERICAN SUSTAINABLE MINING PLAN

In addition to our existing SDG-aligned activities, the implementation of our Sustainable Mining Plan is how we will go about aligning our business to the SDGs. The Plan is built around three Global Sustainability Pillars, comprising 3 Stretch Goals respectively which will be implemented in 5-year bespoke plans at each of our operations:



The Plan is underpinned by our Critical Foundations, the common and minimum requirements for our business as a whole which are essential to the long-term credibility and success of both the plan and our social licence to operate.

Collaborative Regional Development aims to bring long-term and sustainable development opportunities to the regions around our operations by identifying socio-economic development opportunities with the greatest potential in a region, through spatial planning and analysis.

Our Sustainable Mining Plan brings into sharp focus a set of 12 SDGs that, through the implementation of the 9 Stretch Goals, will ensure that AASA contributes strongly to specific SDG targets between now and 2030. The Stretch Goals and the nature of the interventions within each are then in turn directly related to 33 of the 169 SDG Targets.

SDG ALIGNMENT FRAMEWORK



Pillar	Stretch Goals	SDGs in focus	Targets in focus
Thriving Communities	Education	SDG 4. Education	4.1, 4.2, 4.6
	Health & Well-being	SDG 3. Health & Well-being	3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9
	Livelihoods	SDG 8. Decent Work SDG 1. No Poverty*	8.5 1.2
Healthy Environment	Water	SDG 6. Clean Water SDG 9. Industry, Innovation & Infrastructure	6.4 9.4
	Climate Change	SDG 13. Climate Action SDG 9. Industry, Innovation & Infrastructure	13.1 9.4
	Biodiversity	SDG 15. Life on Land	15.5
Trusted Corporate Leader	Accountability	SDG 16. Peace, Justice & Strong Institutions	16.6, 16.7
	Ethical Value Chains	SDG 12. Responsible Production	12.6, 12.7
		SDG 8. Decent Work*	8.7, 8.8
		SDG 10. Reduce Inequalities*	10.3
		SDG 16. Peace, Justice & Strong Institutions	16.2, 16.5, 16.6
	Policy Advocacy	SDG 17. Partnerships for the Goals SDG 5. Gender Equality* SDG 9. Industry, Innovation & Infrastructure*	17.9, 17.15, 17.6, 17.7 5.2 9.5

*SDGs that are addressed by implication of knock-on effects

DISCLOSING MEANINGFUL KPIs

The implementation of the Sustainable Mining Plan will require the formulation of meaningful metrics and indicators with which to track and report on SDG performance. Work is underway to align these with the SDGs at a target level. Our intention is to move beyond simply mentioning or identifying priority SDGs, but to disclose meaningful SDG related KPIs. The table to the right highlights the SDGs addressed by our nine Stretch Goals while also specifying which SDG targets are most directly linked to the activity undertaken in the respective Stretch Goal.

72%

of companies in our study mentioned the SDGs in their corporate and sustainability reporting

50%

of companies have identified priority SDGs

23%

disclosed meaningful Key Performance Indicators (KPIs) and targets related to the goals - suggesting the selection of priority SDGs isn't backed up by meaningful action or monitoring

27%

of the total companies mentioned SDGs as part of their business strategy

Source: SDG Reporting Challenge 2018. PwC

 We are here now

 Our SDG roadmap will take us here

ALIGNMENT TO THE SDG TARGETS

Of the 169 targets, the implementation of our Sustainable Mining Plan will address 33 targets in particular. Our intention is to move beyond simply mentioning or identifying priority SDGs, but to disclose meaningful SDG related KPIs. The table below highlights the SDGs addressed by our 9 Stretch Goals while also specifying which SDG targets are most directly linked to the activity undertaken in the respective Stretch Goal.

	Thriving Communities			Healthy Environment			Trusted Corporate Leader		
	Education	Health & Well-being	Livelihoods	Water	Climate Change	Biodiversity	Account-ability	Ethical Value Chains	Policy Advocacy
 1 NO POVERTY			1.2						
 2 ZERO HUNGER									
 3 GOOD HEALTH AND WELL-BEING		3.1, 3.3, 3.5, 3.7, 3.9, 3.2, 3.4, 3.6, 3.8							
 4 QUALITY EDUCATION	4.1, 4.6, 4.2								
 5 GENDER EQUALITY									5.2
 6 CLEAN WATER AND SANITATION				6.4					
 7 AFFORDABLE AND CLEAN ENERGY									
 8 DECENT WORK AND ECONOMIC GROWTH			8.5					8.7 8.8	
 9 INDUSTRY INNOVATION AND INFRASTRUCTURE				9.4	9.4				9.5
 10 REDUCED INEQUALITIES								10.3	
 11 SUSTAINABLE CITIES AND COMMUNITIES									
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION								12.6 12.7	
 13 CLIMATE ACTION					13.1				
 14 LIFE BELOW WATER									
 15 LIFE ON LAND						15.5			
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS							16.6 16.7	16.2, 16.6, 16.5	
 17 PARTNERSHIPS FOR THE GOALS									17.9 17.16, 17.15, 17.17

BUSINESS-AS-USUAL FOOTPRINT

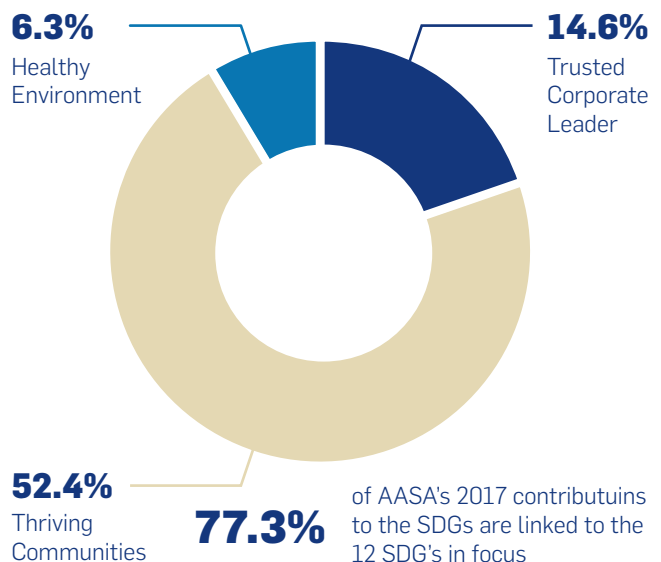
In 2017 we contributed R67,4bn towards the SDGs through internal and external activities such as workforce engagement, business activities at our operations and sites, our community investment and the extent to which we contribute through our supply chain activities.

R67.4bn

contributed through internal and external activities

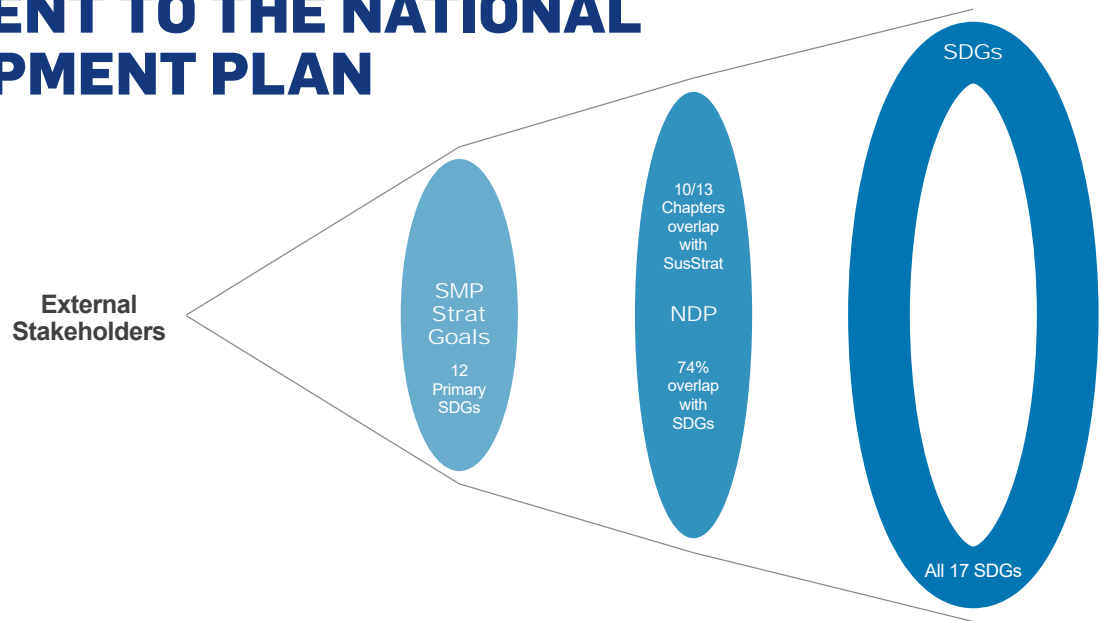
INTERNAL	Workforce	<ul style="list-style-type: none"> Salaries & Wages Human Resource Development Housing & Services Health and Wellness Safety
	Operations	<ul style="list-style-type: none"> Environmental Management
EXTERNAL	Community	<p>Mine Community Development:</p> <ul style="list-style-type: none"> Health & Social Welfare Education and Skills Development Infrastructure Development Enterprise Development Capacity Development Corporate Social Investment Sports, Arts and Culture Community Development Trusts
	Supply Chain	<ul style="list-style-type: none"> Procurement

Table: Business-as-usual activities in scope



The 2018 footprint will again account for how our investment is aligned to the SDGs, whilst also incorporating non-financial metrics and indicators in order to capture the outputs of our activities and how they are aligning to the impact we would like to see in the areas within which we operate.

ALIGNMENT TO THE NATIONAL DEVELOPMENT PLAN



As a global company, Anglo American has adopted the Sustainable Mining Plan as its blueprint for action, which will be tracked against its own key performance indicators that will be aligned to the SDGs. However, the local development agenda encapsulated by the National Development Plan (NDP) will be in focus too as there is significant overlap between the frameworks.

Our initial analysis reveals that the Sustainable Mining Plan's pillars and Stretch Goals address 10 of the 13 NDP chapters. Work is also underway to identify how this alignment plays out on an indicator level, while also considering how to harmonise the African Union's Agenda 2063 regional plan into our activities.

THE ACCOUNTABILITY IMPERATIVE



Image: Visual facilitation output that captures the themes from our SDG Accountability Dialogue in November 2018

“Most claim that we don’t see enough benefit from mining. The benefit from mining does not live up to the expectations of our stakeholders. It is clear that there is an expectation mismatch.

We therefore need to find some language and content around how we improve, and the SDG’s are a step in the right direction.

Anglo American South Africa has started the process and we hope to continue accountability-based dialogues in other countries that we operate in as a global firm.”

RICHARD MORGAN, International Relations,
Anglo American plc

SDG ACCOUNTABILITY DIALOGUE SERIES



Our Trusted Corporate Leader pillar sets a stretch goal of increasing national and local accountability, whereby stakeholder accountability forums need to be established by 2020. In order to fulfil this, AASA launched the SDG Accountability Dialogue Series in November 2018 as an accountability-based conversation with key stakeholders around how we measure our footprint against the SDGs through the implementation of our Sustainable Mining Plan.

The 1st dialogue outcomes validated our approach to the SDGs, however our external stakeholders want us to go further than achieving a set of internal targets. Stakeholders want to see positive strides in terms of environmental stewardship, development impacts that are felt at community level, and the fostering partnerships that can unlock interlinkages between the SDGs that will be addressed through the Stretch Goals. AASA have subsequently hosted a smaller Technical Working Group with external stakeholders to continue maturing our approach. Plans are in place to engage in a larger SDG Accountability Dialogue again in November 2019 to share progress.

In November 2018, we launched the first of what we aim to be a global series of Accountability Dialogues focusing on the relationship between the SDGs and our Sustainable Mining Plan.



How do we best direct our efforts to achieve wider development impact? We held this first meeting in South Africa, using the footprint data that we had gathered from our four main business operations in the country. The audience was made up of a wide range of external stakeholders comprising government, labour, civil society, NGOs and academic institutions and included representatives from our own business units who will monitor delivery of our sustainability targets.

We followed this up in December with a presentation – also in Johannesburg – to the UN Deputy Secretary-General, alongside other corporates and business organisations, to show that business was prepared to rise to the SDG challenge, while recognising that conventional business models would have to change to a certain degree to achieve the 2030 vision of the SDGs. Having an overriding purpose, in our case re-imagine mining to improve people's lives, was seen as a key driver.

Next steps are to hold similar national-level dialogues in Brazil, Chile and Australia in 2019 and to bring the emerging overall picture together through a web dialogue to be held in London in June. This will be tied in with mine site-based dialogue to ensure that more specific community needs are also being addressed.



ANGLO AMERICAN SOUTH AFRICA **EXAMPLES**

The following case studies are illustrative of Anglo American South Africa's contributions to the SDGs. These are publicly available on our websites, contained in the Anglo American plc Sustainability Report 2018 or in the respective business unit reports.

ANGLO AMERICAN SOUTH AFRICA EDUCATION PROGRAMME

OPTIMISING THE USE OF SISHEN'S NON-OPERATIONAL MINING LAND

TWO MOBILE CLINICS BOOST COMMUNITY HEALTH CARE

BULK-WATER SUPPLY TO COMMUNITIES AT MOGALAKWENA MINE

CLEAN WATER FOR SUSTAINABLE AGRICULTURE

HIV TARGETS IN SIGHT

PROTECTING THE FUTURE OF THE AFRICAN ELEPHANT

PIONEERING THE USE OF DRONES TO IMPROVE MINE SAFETY

THE OPERATIONAL INTELLIGENCE SUITE (OIS):

FUTURESMART MINING™

HELPING SMALL SUPPLIERS MEET ANGLO AMERICAN STANDARDS

CASE STUDY

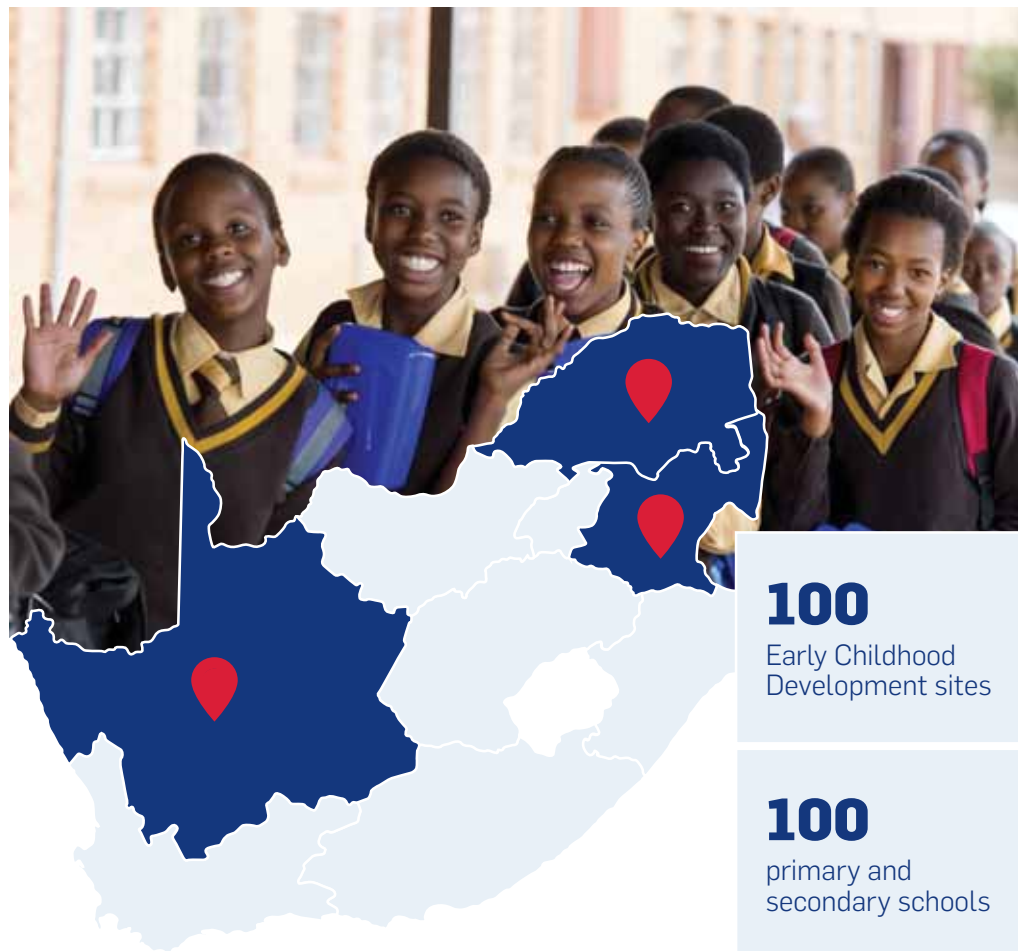
ANGLO AMERICAN SOUTH AFRICA EDUCATION PROGRAMME

The Anglo American South Africa Education Programme, an initiative of our new Sustainable Mining Plan, is a holistic approach to education, from early childhood learning through to matric.

In partnership with the Department of Basic Education, our goal is to improve the educational outcomes of the learners in our local communities. With experienced partners, we will provide support to School Management Teams, School Governing Bodies, Principals and Heads of Department. Where needed, we will support teachers to improve their knowledge and teaching techniques.

The Education Programme will be implemented over a five-year period, 2018 to 2022. Ongoing monitoring and evaluation systems have been embedded in the programme from the start.

The Anglo American South Africa Education Programme will focus on 100 Early Childhood Development sites and 100 primary and secondary schools local to Anglo American operations in the Northern Cape, Limpopo and Mpumalanga. Many of the schools around our operations are no-fee schools, with many of them requiring support and assistance.



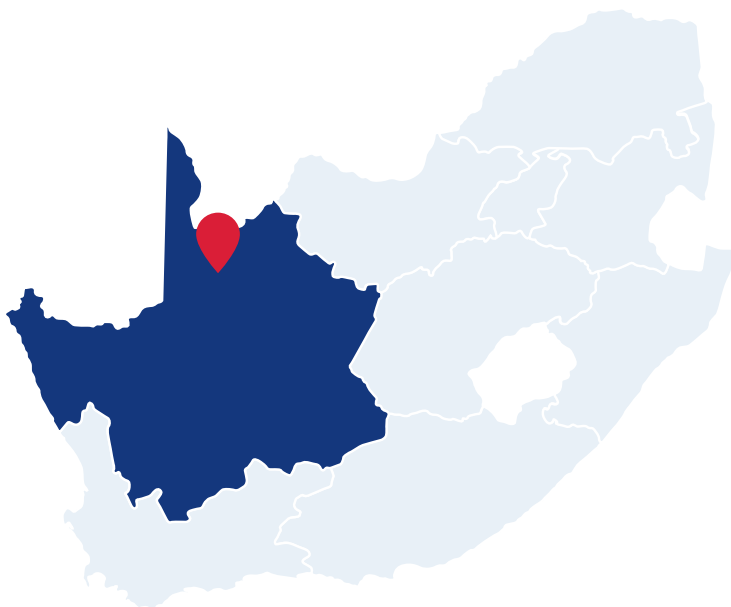
CASE STUDY

OPTIMISING THE USE OF SISHEN'S NON-OPERATIONAL MINING LAND

Sishen aims to ensure that its non-mining land is utilised optimally to benefit the mine and surrounding communities. The mine has updated its land management strategy and plan to guide an integrated approach that recognises the linkages between land-use, rehabilitation, conservation, local community development, and mine closure planning.

The proposed land-uses centre around: game breeding; cattle farming; conservation of land; ecotourism and education; land restoration; leasing and selling of land.

Sishen owns approximately 37,000ha of land. Approximately 11,000ha is used for mining activities and the other non-mining land has a combination of uses, including game farming, third-party grazing compensation and nature conservation.



In implementing our land management plan, key focus areas and objectives include:

- identifying opportunities for land use (notably farming related) that can be operationally self-sustained in the future
- collaborating with local farmers and neighbours on farming practices
- incorporating socio-economic development initiatives onto existing land
- rehabilitating mine-impacted land and using it to generate increased biodiversity and/or economic value
- educating and raising awareness around conservation
- developing a nature reserve as a destination offering a variety of recreational and learning experiences
- collaborating with local farmers and neighbours on conservation practices
- informing Sishen's closure plan on possible economic land uses such as game breeding and ecotourism that can be sustained on the rehabilitated mining footprint to benefit the local community

A significant portion of non-mining land outside the mine fence is currently not used for farming. The majority of this land is in relatively poor state due to bush encroachment and presents an opportunity to improve land use to expand farming operations, to increase cattle sales and to introduce alternative income streams such as ecotourism.

Sishen's Brookes and Bredenkamp farms are currently used by Sishen for cattle and game farming and are converted into a Provincial Nature Reserve. The nature reserve management plan aims to share biodiversity value through eco-tourism, promote biodiversity through research and education, and create awareness of Sishen's commitment to conservation.



CASE STUDY

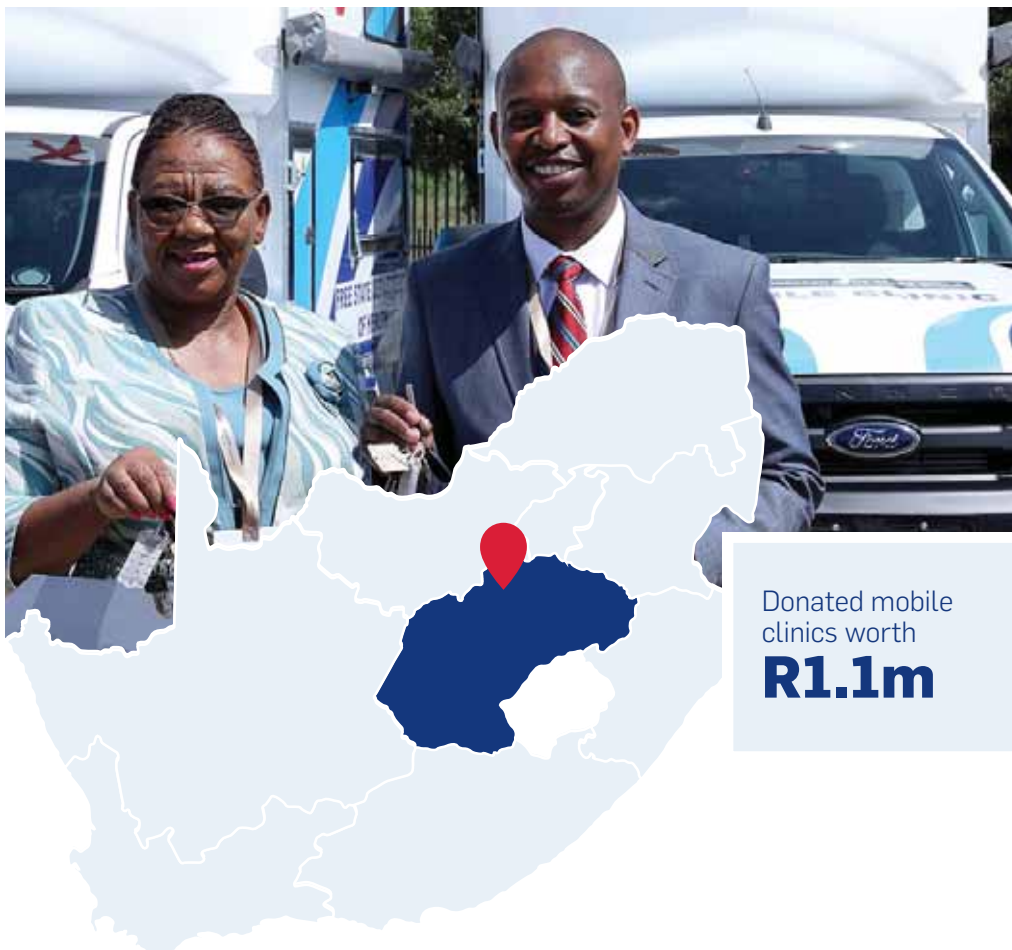
TWO MOBILE CLINICS BOOST COMMUNITY HEALTH CARE

De Beers Group has donated 2 mobile clinics to communities surrounding Voorspoed mine as part of its strategy to leave a lasting, positive legacy in the countries where it operates. The mobile clinics, worth a total of R1.1 million were officially handed over to the Free State Department of Health at Boitumelo Regional Hospital on 26th March 2019. The mobile clinics will provide health care services to communities in the Moghaka Municipality and surrounding farms in the Fezile Dabi District. The mobile clinics will operate from 9am to 3pm daily, with a team consisting of a professional nurse, nursing assistant and a driver. Health services provided will include treatment of minor acute ailments, cholesterol, tuberculosis and diabetes and offer blood pressure screenings and immunisation for infants.

The donation forms part of Voorspoed's Social and Labour Plan, which aims to strengthen communities of the Free State Province and develop a working partnership with the Department of Health.

Voorspoed mine stopped mining operations in December 2018 upon reaching the end of its mining lifecycle. However, the mine will continue to implement its Social and Labour Plan, as agreed with local municipalities and the Department of Mineral Resources.

De Beers Consolidated Mines Head of Corporate Affairs Innocent Mabusele hands over the keys to the mobile clinics to Free State Health MEC, Hon. Montseeng Tsu.

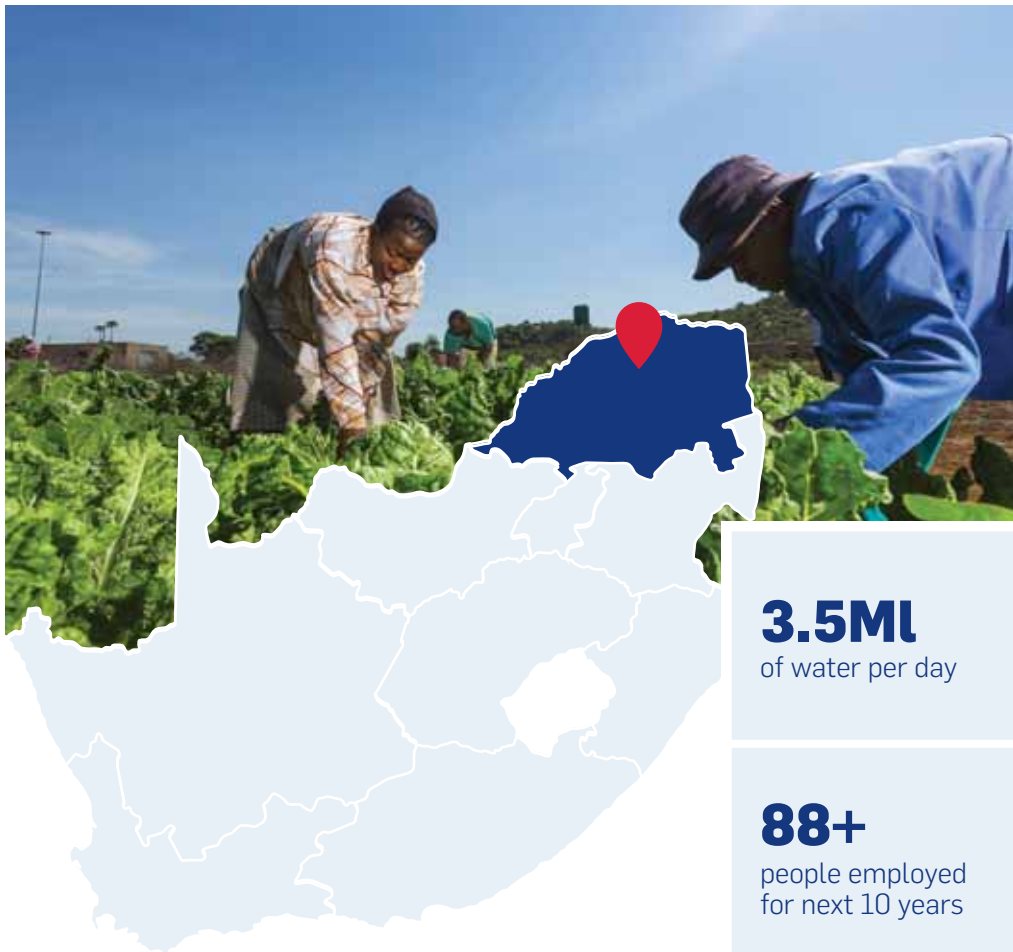


CASE STUDY

BULK-WATER SUPPLY TO COMMUNITIES AT MOGALAKWENA MINE

Anglo American Platinum is funding a long-term solution to provide water to over 70,000 people living in 42 villages around Mogalakwena. Given the regional water scarcity, the mine previously trucked water to these villages. The contractor, Hall Core Water Mapela, is responsible for increasing water-supply capacity by drilling, equipping and maintaining boreholes for 10 years, while Amplats is funding potable water supplied.

The project, which was successfully piloted at Scheming village in July 2018, is being rolled out across the villages and will deliver a total of 3.5Ml per day. At least 88 people will be permanently employed for the next 10 years.



CASE STUDY

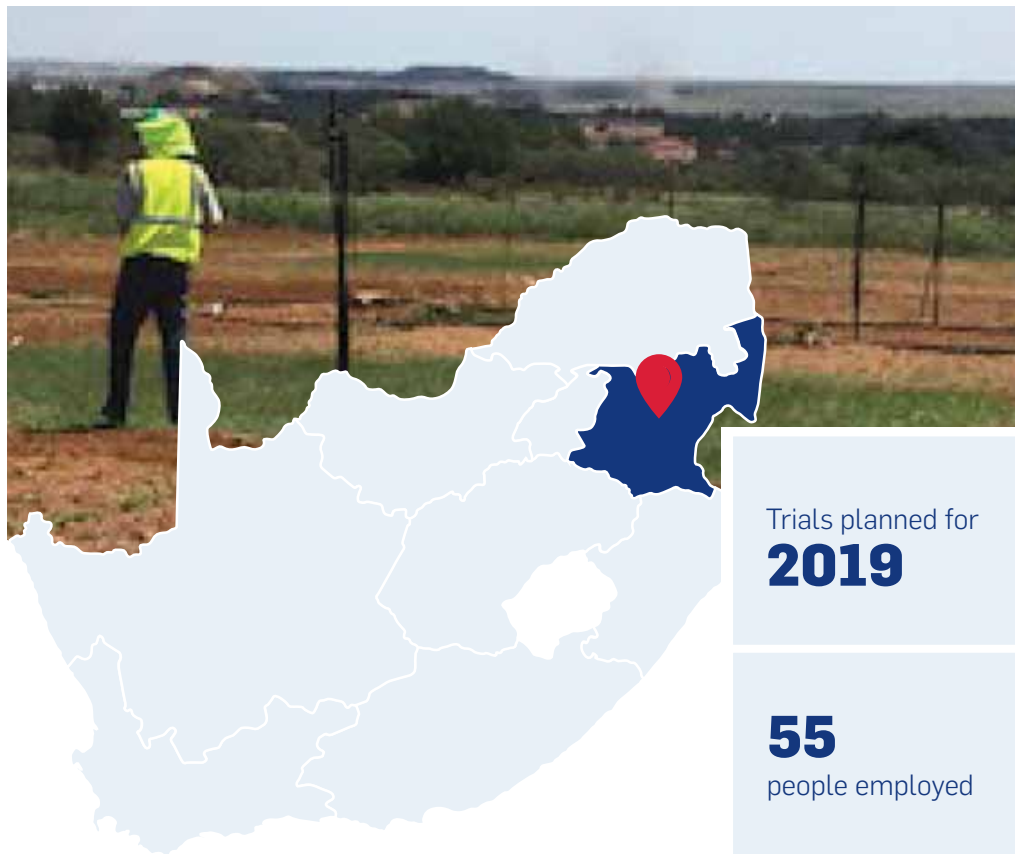
CLEAN WATER FOR SUSTAINABLE AGRICULTURE

The imminent closure of a coal mine in South Africa has stimulated an innovative project to convert contaminated water to a clean resource for sustainable agriculture and job creation.

The Kromdraai section of the Khwezela colliery in Mpumalanga province will shut in 2019 after more than 100 years of production. Responding to the challenge of ensuring the mine is closed in a safe and sustainable manner, Anglo American designed a self-sustaining agri-industrial hub that reduces our closure liabilities while boosting local economic development and employment. The proposed Green Engine project is an example of industrial symbiosis, whereby waste material from one process becomes a resource for another.

“Doing nothing would have seen contaminated water discharged into the local catchment area, so we looked for ways to turn it into an agriculture business,” says Thermal Coal's microbiologist and water manager Ritva Muhlbauer.

Short term plans may include vertical greenhouses, in which produce is farmed in upright stacks, using less land and water than traditional farming and producing vegetables and herbs for export, with trials planned for 2019. There is scope for multiple greenhouses on the site, with each one employing up to 50 people.



CASE STUDY

HIV TARGETS IN SIGHT: CLOSE TO MEETING THEM TWO YEARS AHEAD OF SCHEDULE

In 2016, Anglo American embraced the ambitious 90/90/90 targets of the Joint United Nations Programme on HIV and AIDS (UNAIDS).

UNAIDS has set a 2020 target for 90% of all people living with HIV to know their HIV status; for 90% of people with diagnosed HIV infection to be receiving sustained anti-retroviral therapy (ART); and for 90% of all people receiving ART to have viral suppression. At the end of 2018, 88% of our employees knew their status and 86% were on treatment. Unfortunately, a number of our employees resist testing. We are looking into alternatives to address their concerns.

Anglo American is recognised as a global pioneer and leader in HIV/AIDS management and, in 2002, was one of the first major companies in the world to introduce free ART to employees, which was later expanded to include all dependants. This has had a positive, and measurable, effect on the well-being of employees, and on business performance.

“Our performance against the UNAIDS targets is promising and we are intensifying efforts, with a view to 90% of all employees knowing their status and being on ART by the end of 2020,” says Charles Mbekeni, Group lead for health operations in Southern Africa.

About 17% of Anglo American's 34,684 employees in South Africa are living with HIV and the company has adopted the World Health Organization's test-and-treat clinical guidelines. Testing is free and widely available at occupational health and primary care clinics.



Anglo American offers free HIV testing to all employees, working towards the UNAIDS 90/90/90 goals. Here, Platinum Group Metals CEO Chris Griffith undergoes voluntary HIV testing under the supervision of a healthcare professional.

Trials planned for
2019

55
people employed



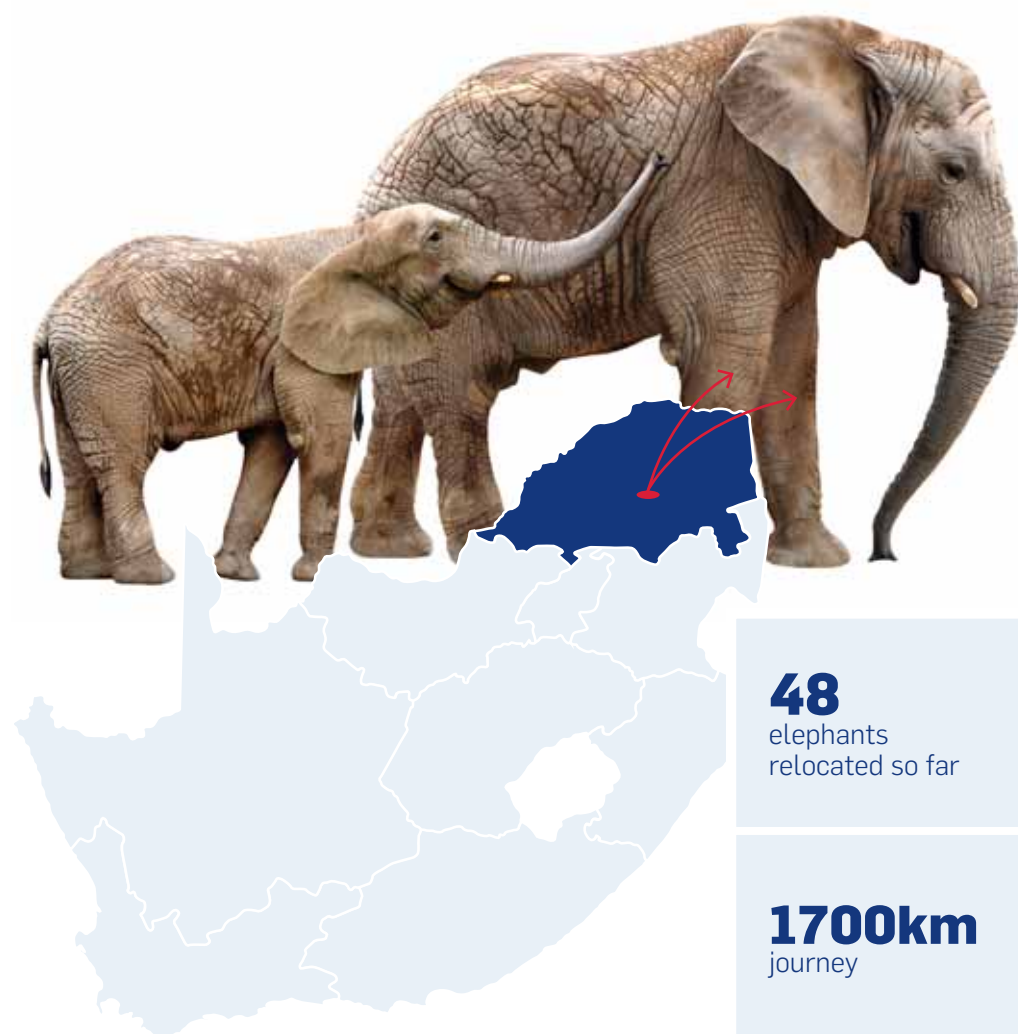
CASE STUDY

PROTECTING THE FUTURE OF THE AFRICAN ELEPHANT

As part of its commitment to protecting the natural world, De Beers launched the first phase of its programme to relocate 200 elephants from its Venetia Limpopo Nature Reserve in South Africa to Mozambique, as their current home can no longer support their population.

By August 2018, 48 elephants had completed the nearly 1,700-kilometre journey to Zinave National Park in central Mozambique.

The translocation will both protect the welfare of wildlife in South Africa and help secure the future of Mozambique's elephant population for generations to come. From 2019, the remaining elephants will be moved to conservation areas in Mozambique that have sufficient resources to sustain them. This programme is a collaboration with Peace Parks Foundation, a well-respected organisation involved in transboundary conservation.



CASE STUDY

PIONEERING THE USE OF DRONES TO IMPROVE MINE SAFETY

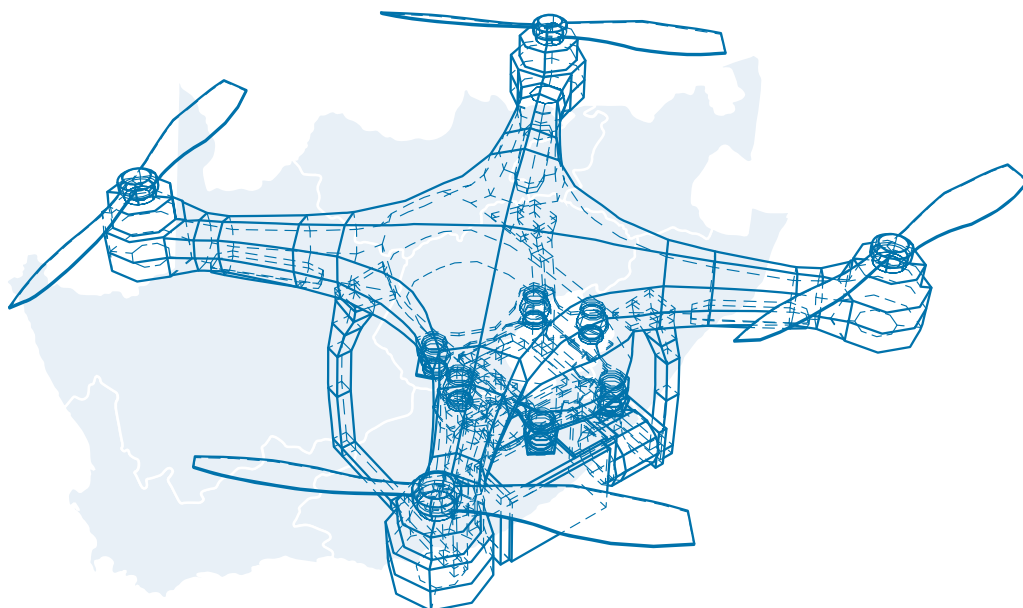
Although still very much at the infancy stage in the mining industry, drones (remotely powered aircraft) are increasingly being deployed to take the human element out of mining operations and minerals exploration activities. Anglo American is today an industry leader in pioneering the use of drones for safety, surveying and security.

The deployment of drones is assisting in making our activities safer. Crucially, their use avoids the need for personnel in potentially hazardous areas. Drones are now being used to inspect and monitor high risk areas, including stockpiles, mine slopes, ore passes, tailings dams and chemical storage facilities, all without human intervention. They can check for the presence of personnel in a blast area, and measure fragmentation or the direction of dust movement after a blast. Other applications cover compliance with traffic management at operations, as well as monitoring rehabilitation activity, including in areas where it can be difficult, and risky, for people on the ground to gain access.

Drones are an important part of our drive to remote control and eventually automate many of our mining activities. We have an expanding fleet, from fixed-wing aircraft to quadcopters, with about 50 skilled operators and another 30 people working in drone maintenance. Drones are being used in such varied tasks as exploration, mine mapping and calculating the volume of stockpiles – and are proving to be cost-effective.

“Drones increase our safety and efficiency, and they let us take humans out of potentially dangerous environments,” says Frans Kruger, Anglo American's Global Aviation Safety Principal.

Drone technology is evolving fast and, as a responsible operator, Anglo American is working closely with other drone operators and with South Africa's Civil Aviation Authority to develop appropriate standards, while also serving with other mining companies on the technical advisory committee of the Flight Safety Foundation.



CASE STUDY

THE OPERATIONAL INTELLIGENCE SUITE (OiS)

Anglo American has developed an innovative technology that enables real-time monitoring of health hazards and risks to employees and host communities.

The system's diagnostic health and safety performance monitoring allows employees and management to quickly make the right decisions when things go wrong. By identifying the source of hazards, it helps us to avoid repeat incidents.

Known as the OiS, the system records, analyses and collates data such as dust concentrations, air flow, gas levels and noise on a single platform. It was recognised at the 2018 American National Institute for Occupational Safety and Health (NIOSH) Awards for Technology Innovation in Health and Safety.

“OiS gives us the ability to turn data into information and use it to inform risk management decisions. We can measure not just what employees and host communities are potentially exposed to, but also the source of that hazard and the performance of controls such as exhaust-ventilation or mist-suppression systems. That tells us whether the risk is under control, and allows us to act immediately if a control is failing.”

Cas Badenhorst, Group lead for occupational health and hygiene.

This project supports our vision of zero harm, one of our sustainability critical foundations. OiS is being rolled out at our PGMs, Coal and Iron Ore operations in South Africa, and Copper's Chagres smelter in Chile. Further roll-outs are planned for operations in Chile, Brazil, Australia and Botswana in 2019.



CASE STUDY

FUTURESMART MINING™



Reducing our
water intensity
by more than
20%

PARTNERING FOR REGIONAL WATER MANAGEMENT

Coarse particle flotation (CPF) technology allows us to coarsen grind size while maintaining recoveries – thereby reducing the energy required to grind ore, as well as reducing our water intensity by more than 20%. Where CPF is combined with dry-disposal technology, we are targeting a reduction in water intensity of more than 50%.

CPF is currently being tested at several of our sites around the world. A 500 tonne per hour unit, the biggest of its kind, is currently under construction at El Soldado copper mine in Chile and is due to come online in the second half of 2019.

FUTURESMART MINING™ BULK SORTING

By taking advantage of the natural variations within orebodies, we can identify and reject gangue (waste rock) close to the mine face. This means that we can reduce our energy intensity by more than 10%, as less reject gangue is being processed in our plants. Today, we have a full-scale demonstration installed at a copper mine in Chile, with two more units scheduled for delivery by mid-2019.



Reducing our
energy intensity
by more than
10%



30%+
Less energy used

FUTURESMART MINING™ SHOCK BREAK

More than 60% of the energy used at a mine is used to crush ore to a particle size that is suitable for liberating minerals. To tackle this, we have developed a new method for crushing ore that uses 30-50% less energy than conventional mills. In August 2018, we began testing our full-scale demonstration unit in South Africa to confirm the energy savings were as expected, and to demonstrate the wear characteristics of the components within the demonstration unit. In 2019, we are installing a second pilot unit at a new site to augment and accelerate our learning.



CASE STUDY

HELPING SMALL SUPPLIERS MEET ANGLO AMERICAN STANDARDS

Many of our small suppliers need help to meet our requirements regarding health and safety, environmental protection or respecting human rights. To address this gap, in 2016 we piloted a 2 day capacity building programme with 20 small host community businesses which provide construction, contract mining and technical services to our South African operations. They were trained in the identification of risk, then given self-assessment tools, templates and customised training to meet legal and best-practice requirements. We reached 80 small businesses in 2018, with more planned for 2019.

Anglo American sponsored the cost of third party audits for certain suppliers, allowing for an independent assessment of risk, and development of customised corrective action plans. Typical risks identified included excessive working hours, weak employment contracts, incorrect wage calculations and ineffective safety management processes. The suppliers were also mentored through the implementation of their action plans and follow-up audits conducted.

We spend upwards of \$10.2 billion annually with more than 22,000 suppliers globally, and are committed to responsible sourcing and ethical decision-making when buying goods and services. We increasingly focus on support for entrepreneurs in communities around operations, with local procurement currently accounting for around 21% of our total expenditure with suppliers.

Small suppliers, or those new to the mining sector, may need – and are then given – additional guidance to comply with Anglo American requirements, particularly as they expand.

“Building an inclusive supply chain affirms the positive impact of mining,” says Ashlin Ramlochan, Group principal for sustainable and responsible supply chain. “As part of our Code of Conduct, and doing the right thing, we recognise the benefit of training our suppliers on how to comply with our high standards and meet their legal obligations.”



\$10.2bn+
Spent annually



“Congratulations to the leadership of Anglo American for the bold and courageous decision in focusing the spotlight for the need of corporate accountability.

This paradigm shift requires a different calibre of leadership and in the case of Anglo it requires a new breed of mining managers whose understanding, and conceptualization of development, transcends the short-term influence and economic gains.

The realization of the indivisibility of the Global Goals sets forth a clarion call to dismantle silos and to create linkages between the development institutions.”

NARDOS BEKELE-THOMAS, Resident Coordinator,
UNDP South Africa

TREND 2.

ANALYSIS OF SDG INTERCONNECTIONS TO CREATE 'ECONOMIC ECOSYSTEMS' OF IMPACT

Companies are analysing the economy for high impact opportunities and then taking action within economic ecosystems on a variety of enabling initiatives that unlock a multiplier effect. Key examples of opportunities include renewable energy, FinTech, tourism, and infrastructure. Investment know-how is then being leveraged to understand how ecosystems work, with enabling dynamics such as healthy communities and skill levels being addressed with a long term perspective on future success.

CASE STUDY INVESTEC



INTRODUCING THE INVESTEC CASE STUDY

We see the Investec framework for creating sustained long-term wealth, while contributing to society, macro-economic stability and the environment. This approach focuses on three dimensions, people, planet and profit. The Investec model is focused on how the financial services sector can advance the SDGs to build a more resilient and inclusive world. Investec takes an investment oriented approach, aligning its consultants to sustainability principles. We then look at a Investec collaboration with multiple stakeholders to preserve the 'Wild Economy'. In this case study, the tourism industry, which is worth over R130 billion to the South African economy each year is targeted to combine impact on sustainable communities, education levels, and life on land. This interconnected strategy has taken a 'hand up', instead of a 'hand out' approach by developing skills, services and infrastructure that will sustainably transform the lives of people, whilst also preserving the rhino, and biosphere that supports them both.

Corporate sustainability at Investec is about contributing in a positive and responsible way to the health of our economy, the wellbeing of our staff and communities, while safeguarding our natural resources to build a more resilient and inclusive world.

“We recognise the role that the private sector, and in particular the financial sector, can play in advancing the SDGs to build a more resilient and inclusive world. Investec has committed to participate and collaborate with clients, investors and public stakeholders to support delivery of the SDGs. We will take a multifaceted approach by looking at the contribution that our existing businesses can make and at the same time consider new business opportunities to finance sustainable solutions to socio-economic issues.”

FANI TITI Joint Chief Executive Officer
Investec Group

FUNDING A SUSTAINABLE ECONOMY

WE PLAY A CRITICAL ROLE IN FUNDING A SUSTAINABLE ECONOMY THAT IS COGNIZANT OF THE WORLD'S LIMITED NATURAL RESOURCES.

- We signed up as full participants of the United Nations Global Compact's 10 principles on human rights, labour, environment and anti-corruption
- We signed the CEO statement of support for the United Nations Women's Empowerment Principles
- We have strengthened our climate change statement that supports the transition to a low-carbon economy. Together with UK Climate Investments, Investec committed R1 billion to a dedicated renewable energy investment vehicle called Revego Africa Energy
- As one of the first signatories to the Youth Employment Service (YES) initiative in South Africa, we placed in excess of 1200 youth with 11 partners during the year
- We signed up to the United for Wildlife Financial Taskforce which leverages existing global financial crime architecture to combat illegal wildlife trade.

1200

Youth placed with 11 partners during the year

WE PARTICIPATE AND HAVE MAINTAINED INCLUSION IN SEVERAL GLOBALLY RECOGNISED SUSTAINABILITY INDICES.

- Investec PLC ranked in the Dow Jones Sustainability Investment (DJSI) Index as one of 15 industry leaders on the DJSI World and one of nine in the DJSI Europe indices
- Investec Limited ranked as one of four industry leaders on the DJSI Emerging Markets Index
- Constituent of the FTSE4Good Index
- Constituent of the ECPI Index
- Constituent of the FTSE/JSE Responsible Investment Index Series
- Rated AAA on the MSCI Global Sustainability Index Series
- Member of the STOXX Global ESG Leaders Indices.



PRIORITISING THE SDGs TO BUILD A MORE RESILIENT AND INCLUSIVE WORLD

After extensive stakeholder engagement, we prioritised our goals to ensure that they are globally aligned yet locally relevant to our core geographies and reflect our current business model and growth strategy.

The aim is to maximise socio-economic and environmental impact by coordinating and integrating activities across our operations, businesses and communities.

Financing innovative solutions that enable access to clean water (SDG 6) and affordable energy (SDG 7) as well as providing access to quality education (SDG 4) are all vital for economic growth and job creation (SDG 8).

At the same time, our business has established expertise in building and supporting infrastructure solutions (SDG 9) and funding sustainable cities and stronger communities (SDG 11).



OUR SIX PRIORITY SDGs ARE ALIGNED WITH:

- Our purpose
- Our business model and growth strategy
- Our global operations, to ensure local relevance




Our commitment
to our people and
communities

Our commitment
to the
environment

Our business
impact

OUR SDG FRAMEWORK

PARTNERING FOR A SUSTAINABLE WORLD

	 6 CLEAN WATER AND SANITATION	 7 AFFORDABLE AND CLEAN ENERGY	 4 QUALITY EDUCATION
Social impact Contributing in a positive way to socio-economic issues relevant for our core geographic locations	<ul style="list-style-type: none"> Reduces poverty and improves overall wellbeing, particularly in droughts Vital for agriculture, biodiversity and economic growth 	<ul style="list-style-type: none"> Powers our economies and daily lives Impacts education, health and learning Reduces/eliminates toxic GHG emissions 	<ul style="list-style-type: none"> Higher employment opportunities and income Enhanced skills Improved social well being and quality of life
Operational impact Managing and contributing through our physical activities, HR programmes and various ESG policies and practices	<ul style="list-style-type: none"> Ensure water is sustainably sourced and responsibly used in all Investec offices Installed efficient toilets in UK head office and piloting in SA head office 	<ul style="list-style-type: none"> Minimise and manage energy consumption in all offices Draw from renewable sources where possible 	<ul style="list-style-type: none"> Staff bursaries Staff L&D programmes CA programme IT Grads programme The Education Benefit
Business impact Our specialist skills in lending and investing play a critical role in funding a stable and sustainable world	<ul style="list-style-type: none"> Established expertise in water infrastructure Finance water saving solutions Propelair in UK Finance safe water storage Abeco in SA 	<ul style="list-style-type: none"> Finance and develop energy generation and transmission Participate in £1.6bn renewable projects globally 86% of energy lending portfolio is in clean energy Finance energy solutions for corporates and households Mettle Solar 	<ul style="list-style-type: none"> Contributing to a greater pool of talent and creating economic participants IWI philanthropic offering 55% of funds allocated to education Fund education solutions Richfield Holdings and Invictus in SA
Corporate Social Investment Focusing on charitable and CSI activities programmes, aligned with our purpose and SDG priorities	<ul style="list-style-type: none"> Funding the provision of clean water to rural communities in Mpumalanga and Limpopo Partnership with EDT and Innovation Africa 	<ul style="list-style-type: none"> E.g : Kathu Solar Park spent R8.5mn on 27 socio economic development projects during construction (plus 1% of revenues for next 20yrs) 	<ul style="list-style-type: none"> Comprehensive CSI education programme in SA (Promaths and Bursaries) Two flagship education projects in UK Support skills development and learnerships Eg YES)

<div> <div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div>  </div>	<div> <div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>  </div>	<div> <div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div>  </div>
<ul style="list-style-type: none"> • Reduces inequality and poverty and improves self worth • Eradicates forced and child labour, slavery and human trafficking 	<ul style="list-style-type: none"> • Boosts productivity, incomes, standards of living, health • Vital in addressing environmental and economic challenges 	<ul style="list-style-type: none"> • Reduces vulnerability to factors like natural disasters, overcrowding and air pollution • Improves overall health and quality of life
<ul style="list-style-type: none"> • HR, Compliance & ESG Policies (incl Code of Conduct) • Employ >10,000 people • Enable internal mobility 	<ul style="list-style-type: none"> • Resilient and efficient IT infrastructure • Focused digital strategy • Staff 'hackathons' to encourage innovation 	<ul style="list-style-type: none"> • Minimising and managing our carbon impact • Managing air quality in all Investec offices • Support alternatives to reduce transport
<ul style="list-style-type: none"> • Fund clients to grow their businesses, employ more people and contribute to economic growth • Particular focus on funding SMME's and entrepreneurs ASA International Group 	<ul style="list-style-type: none"> • Fund critical infrastructure projects • Support infrastructure development IAM's Emerging Africa Infrastructure Fund • Finance innovative technology Vayyar Imaging detects tumours 	<ul style="list-style-type: none"> • Fund sustainable transport systems Engenie in UK • Fund sustainable property developments Cornubia mall in SA • Fund affordable housing projects IPF Australia
<ul style="list-style-type: none"> • Youth employment through YES (>1 200 youth placed with 11 partners) • Support entrepreneurship programmes (JASA and YoungTreps in SA; Bromley by Bow in UK) 	<ul style="list-style-type: none"> • Rural digital learning: Fund computers and tablets for the GWF digital learning centres in rural Bushbuckridge community in SA 	<ul style="list-style-type: none"> • Working with communities in rural areas to conserve biodiversity and supporting the economy of wildlife Rhino Lifeline, Wild dog programme, GWF etc



CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all through:

- **6.1 Safe and affordable drinking water**
- **6.3 Water use efficiency**



WITHIN OUR OPERATIONS

Investec's statement on climate change and policy on environmental and social risk take into account the challenges that climate change and limited natural resources presents to the global economy. We will consider any meaningful activity that either reduces the negative impact or prolongs the life on our planet. Internally, we are reducing water consumption where possible.

10.09 Kilolitres

Water consumption per average headcount (2018: 11.11)

WITHIN OUR COMMUNITIES

Through our collaboration with the Entrepreneurship Development Trust (EDT), Innovation Africa have installed solar water pumping systems to 11 communities in rural South Africa. Approximately 20 000 litres of clean water is distributed to at least 8,000 people per village providing clean drinking water as well as supply drip irrigation systems which in turn offers a source of food and income for farmers and their families.

20 Kilolitres

Of clean drinking water delivered to 11 rural communities per day

WITHIN OUR BUSINESS

We recognise that water is a scarce resource. We have an established expertise in funding and structuring infrastructure projects and partner with our clients to finance innovative solutions to enable access to clean water and water efficiency.

For example: Investec has taken an £8 million investment in Propelair a UK company that uses innovation to reduce water consumption from cistern flushing

84%

Less water and 80% less energy used by Propelair than conventional toilets





AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all through:

- **7.2 Increase share of renewable energy**



WITHIN OUR OPERATIONS

Acknowledging that we cannot continue consuming natural resources at the current rate, we focus on ways to ensure the security of natural resources in all our operations. We are therefore exploring various opportunities as we work towards our ultimate goal of becoming carbon neutral. One of these opportunities is drawing energy from renewable sources where possible.

5.74 CO₂

Emissions per average headcount (2018: 6.23)

WITHIN OUR BUSINESS

We recognise the risk of climate change and are committed to supporting the transition to a clean and energy-efficient global economy. We have international expertise in financing and developing energy generation and transmission. We deliberately focus on financing infrastructure solutions that promote renewable energy. We also help clients to reduce their emissions and encourage investment in renewables and divestment from fossil fuels.

86%

of our total energy lending portfolio relates to clean energy

We have also established a renewable energy investment vehicle, Revego Africa Energy, to invest in and acquire equity instruments in private unlisted companies that are undertaking renewable energy projects in sub-Saharan Africa with an initial focus on operating assets in South Africa. In January 2019, Investec and UK Climate Investments, in equal proportions, jointly committed **R1 billion** to the fund.

R1 billion

Jointly committed to the Revego Energy fund

Investec Property Fund (IPF) actively tracks and benchmarks consumption across the portfolio in order to identify energy efficiency opportunities as well as monitoring improvements. This has reduced both the cost of electricity and the demand from the grid. IPF is exploring the continued rollout of Solar PV plants across its retail, office and industrial property portfolios.

Solar Photovoltaic (PV)

Projects implemented on six of their building's rooftops.



QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all through:

- **4.3: Equal access to education**
- **4.4: Increase skills amongst youth**



Indirect Impact

WITHIN OUR OPERATIONS

We invest significantly in a number of opportunities for the development and upskilling of our employees as well as leadership programmes to enable current and future leaders of the group.

Employees are encouraged to be the driving force behind their own development and should be proactive in identifying and addressing development needs, allowing them to maximise learning opportunities most relevant to their unique requirements.

Through our various learning and development initiatives we are contributing to SDG 4 (quality education).

1.5%

Total group learning and development spend as a % of staff costs was 1.5% (2018: 1.9% and target of 1.5%)

WITHIN OUR COMMUNITIES

Our strategy in Southern Africa focuses on creating opportunities, through education and learnerships, that equip and enable young people within our communities to become active economic participants in society.

We support and empower talented individuals within a defined continuum of interventions through school and university to the workplace.

2.1%

Community spend achieved in South Africa as a % of operating profit (Group target of >1.0%)

WITHIN OUR BUSINESS

Within our business activities we actively finance and facilitate a number of education and vocational businesses and partner with clients to enhance quality education and skills development in South Africa.

Investec Africa Frontier Private Equity Fund 2:

Private-equity fund managed by Investec Asset Management, has acquired a controlling stake in private-college operator Richfield Holdings.

96%

of students are black South Africans

The Investec Wealth & Investment philanthropy offering

has become more strategic in nature due to the move towards supporting more long-term sustainable solutions.

55%

of funds were allocated to education

We are a shareholder of **Invictus Education Group** and are integrally involved in the business from a strategic perspective.

93%

of students employed upon graduation





DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all through:

- **8.5 Full and productive employment and decent work**
- **8.9 Promote sustainable tourism**



Indirect Impact

WITHIN OUR OPERATIONS

Investec remains committed to the ten principles of the UN Global Compact and our philosophy is to respect the dignity and worth of the individual.

In South Africa, we remain committed to black economic empowerment and the Financial Sector Code. Internally, we encourage transformation by bringing about greater representation in our workplace. Initiatives are driven through a number of structures set up to debate and monitor its various activities. These efforts are supported by the board and our group management forum in South Africa

Other initiatives to transform our society in South Africa include:

- Entrepreneurship Development Trust (EDT)
- Khulasande Capital Partnership
- The Izandla Property Fund

WITHIN OUR COMMUNITIES

Our strategy in South Africa supports the growth of young South African entrepreneurs from school-going age to working entrepreneurs, in order to grow the South African economy and create employment opportunities.

Some of our programmes include the following:

- **The Youth Employment Service (YES) initiative:**
With Investec one of the first companies to sign up to the programme. In the last financial year, we partnered with 11 organisations across South Africa to host over 1 200 youth, of which 63% are female.
- **Global Exposure Programme:**
This program in partnership with the EDT, takes aspiring entrepreneurs from different sectors on overseas trips to expose them to countries that are sector leaders.
- **Startup School:**
Startup School offers a 12-week online entrepreneurial learning programme for startup and scale-up entrepreneurs in South Africa as well as on the African continent.

WITHIN OUR BUSINESS

Our business has a critical role to play in changing the economic landscape and promoting economic growth. Below are some examples of how we are doing this:

Our Wealth & Investment business exposes clients to the opportunity of investing into funds to grow qualifying privately-owned SMMEs. These funds aim to improve South Africa's economic growth.

Investec partnered with Goldman Sachs on an equity trading co-operation agreement to capitalise on faster economic growth across Africa.

Investec Property Fund supports an enterprise and supplier development initiative known as AMP, a hub that brings together property entrepreneurs to facilitate collaboration and to nurture and grow their offerings, services and projects.

More than R13m in contracts have been awarded to AMP tenants since inception in 2016.

Investec has partnered, through a public/private partnership, with Wesgro, to help secure direct routes into Cape Town International Airport. Non-stop connections increased from 3 to 13 creating an aviation hub and supporting sustainable tourism.



INDUSTRY INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote sustainable industrialisation and foster innovation through:

- **9.5 Upgrade technological capabilities**
- **9.A Facilitate sustainable and resilient infrastructure development**



WITHIN OUR BUSINESS

We have a proven track record and partner with the private sector and government for the delivery of infrastructure through the provision of expertise to ensure the successful funding, implementation and development of projects. We see many opportunities to finance innovative technological or digital solutions to solve various socio-economic challenges, for example:

9.5 Upgrade technological capabilities

Investec is the anchor limited partner of an Israeli late-stage technology venture capital fund. The fund closed at the end of January 2019 with commitments of \$80 million. One of its first investments is into a company called Vayyar Imaging Ltd which develops safe, mobile, low-cost 3D imaging sensors which enable applications in the fields of tumour detection, people tracking, vehicle automation, security, radiation-level testing and construction, amongst others.

Investec has partnered with Crossfin to fund early-stage African fintech start-ups. Our partnerships aim to identify and fund innovative ideas and driven entrepreneurs who specifically develop solutions that point to the future of financial products and services in Africa. Access to financial services and support are provided to the entrepreneurs. The partnership will focus on entrepreneurs who are building solutions that meet the demands of modern consumers and businesses and bring the sector closer to a more inclusive, high-growth future.

Investec, in collaboration with Bankserv Africa and uPort, has demonstrated a digital identity system anchored in the Ethereum blockchain. Through the Ethereum blockchain, the prototype allows individuals to register a universal, re-usable and encrypted identity. The user has full ownership of his/her identity and can decide who can access their information. Improved security will minimise the risk of identity fraud significantly. For financial institutions, a blockchain based identity system could improve efficiency and greatly reduce the friction and costs of client onboarding.

9.A Facilitate sustainable and resilient infrastructure development

Investec Asset Management launched a number of dedicated investment funds for investors who want to support the transition to a more sustainable economic model. The Emerging Africa Infrastructure Fund (EAIF) is managed by Investec Asset Management and is now fully integrated into the African Investment platform. The EAIF is contributing to meeting the UN SDGs by supporting developing countries.

Through this infrastructure fund, we are enabling the long-term development of Africa's infrastructure, stimulating economic growth and employment and fueling Africa's long-term growth.





SUSTAINABLE CITIES AND COMMUNITIES

Make cities inclusive, safe, resilient and sustainable through:

- **11.1 Providing access for all to safe and affordable housing**
- **11.2 Providing access to safe, affordable, accessible and sustainable transport systems for all**
- **11.C Supporting sustainable and resilient buildings**



WITHIN OUR COMMUNITIES

Investec recognises that communities require a clean, resource-rich natural environment that supports the growth of business and the economy. Through our environmental initiatives, we are preserving our communities and supporting the economy of wildlife, thereby contributing to sustainable cities and communities.

For example:

- **Investec Rhino Lifeline:**

Investec Rhino Lifeline was established in 2012 to raise awareness of the rhino crisis in South Africa. It has refined its focus to concentrate on two key areas: youth education and rhino rescue. We partner with specialists supporting their efforts by raising awareness, funds and donations and leveraging Investec's international brand and presence to maximise our impact. concentrate on the critical Bushbuckridge community living alongside the Kruger National Park. We recognise that rhino protection is not possible without the buy-in and support of the surrounding communities and as a result

- **Endangered Wildlife Trust:**

Investec has supported the Endangered Wildlife Trust's (EWT) Carnivore Conservation Programme since 2013, funding the research and monitoring of the wild dog population in the Kruger National Park (KNP). The current focus of the project empowers communities along the boundary. We believe that with improved knowledge and understanding of wild dogs, communities can contribute to the ongoing conservation efforts of this important species.

WITHIN OUR BUSINESS

Through our lending and investment activities, we are able to play a meaningful role in building sustainable cities and communities. Our property business focuses on developments that bring value to surrounding communities and invest in sustainable and resilient buildings. We also finance innovative technologies that can contribute to more sustainable transport systems and safer, more robust infrastructure solutions.

For example:

- **11.1 Providing access for all to safe and affordable housing**

Investec Australia's infrastructure finance and investment team funded an affordable housing development in Adelaide which allowed key workers (for example nurses, police, council workers) a discounted rental rate for up to three years while they saved for a deposit to purchase their home. The team in Australia continues to look for further opportunities to deliver new mixed communities where social housing blends in with private and affordable housing.

- **11.2 Promoting sustainable transport**

Recognising the need for enabling cleaner transport and cleaner cities we have invested in a UK based company specialising in electric vehicle (EV) rapid charging. Through our investment 1 500 rapid chargers are being installed across London, and thereby contributing to SDG 11 (sustainable cities and communities).

- **11.C Supporting sustainable and resilient buildings:**

Through a joint venture, Investec Property launched a second FutureSpace office initiative, allowing entrepreneurs and small businesses to have access to collaborate and co-work. This facilitates smarter cities and economic development. Investec Property Fund (IPF), managed by Investec Property and 26.57% owned by Investec Limited, actively explores sustainable business development. IPF tracks and benchmarks consumption across the portfolio in order to identify energy efficiency opportunities as well as monitoring improvements. In the last financial year, IPF implemented Solar Photovoltaic (PV) projects on six of their building's rooftops: Balfour Mall, Newcastle Mall, Zevenwacht Mall, Kriel Mall, Dihlabeng Mall and 30 Jellicoe, totalling 5.4MW. This has reduced both the cost of electricity and the demand from the grid. IPF is exploring the continued roll-out of Solar PV plants across its retail, office and industrial property portfolios.

CASE STUDY

PRESERVING THE WILDLIFE ECONOMY

Investec has delivered an integrated programme to preserve the Wild Economy.

The oil that runs the wildlife economy is tourism, which contributed R130 billion to the country's GDP in 2017. That same year, Statistics South Africa (StatsSA) recorded that the tourism industry's contribution was bigger than that of agriculture, forestry and fishing. To sustain sector growth and to protect South Africa's biodiversity, it required a collective effort from the government, private sector and communities. In this collaboration Investec worked with local stakeholders to empower communities in Mpumalanga.

The 'Wildlife Economy' initiative has worked: combining the protection of biodiversity, educating the youth and creating job opportunities, tourism will continue to bloom and be one of the drivers of the South African economy.

By protecting biodiversity, educating the youth and creating job opportunities, tourism will continue to bloom and be one of the drivers of the South African economy.

1 IN 22

South Africans work in tourism sector

The Department of Environmental Affairs defines the wild economy as: "The economy that drives rural development and prosperity through the sustainable use of wildlife assets, the socio-economic benefits of ecotourism, co-managed conservation areas and related ancillary services to protected areas including the processing of such resources into secondary products that are consumed and traded domestically and internationally."

Although the tourism industry is blooming, it is also facing serious challenges. Poachers are threatening the Big 5 and, according to Save the Rhino, killing nearly 8,000 rhinos in the last decade despite the government and the private sector intensifying their efforts to fight the scourge of rhino poaching. Investec has been a key player in the approach to seeing an opportunity to combine protection of our biodiversity, by educating rural communities, tackling youth unemployment, and providing enabling basic services in collaboration with government and other stakeholders.

The South African economy has been sluggish in recent months with growth forecasts decreasing due to local politics as well as international influences. One silver lining in these trying times is the wildlife economy that is growing and bringing some much-needed skills development, job creation and cash injection into rural communities. In its 2018 data, StatsSA reported "one in every 22 working South Africans are employed in the tourism sector."

OPPORTUNITY IN BIODIVERSITY

According to the South African National Biodiversity Institute (SANBI), South Africa is the third most biologically diverse country in the world – topping the list behind Indonesia and Brazil. It's this biodiversity that's at the centre of a growing wildlife economy.

The Department of Environmental Affairs has identified the main focus areas of wildlife economy to be centred on "the socio-economic benefits of eco-tourism, co-managed conservation areas and ancillary services to protected areas."

It defines the wild economy as: "The economy that drives rural development and prosperity through the sustainable use of wildlife assets, the socio-economic benefits of ecotourism, co-managed conservation areas and related ancillary services to protected areas including the processing of such resources into secondary products that are consumed and traded domestically and internationally."

R130 BN

Tourism contribution to SA GDP, 2017



To sustain sector growth and to protect South Africa's biodiversity, it requires a collective effort from government, private sector and communities. An example of one such collaboration is the work Investec is doing with local stakeholders to empower communities in Mpumalanga.

"Investec aims to build a more inclusive wildlife tourism economy which incorporates previously excluded communities into the value chain by educating, training and creating new enterprises and employment opportunities for local participants," said Tanya dos Santos, head of Group Sustainability at Investec and Investec Rhino Lifeline.

7912

Africa rhino poached in the last decade

The communities Investec has identified in Mpumalanga are based in remote villages that are surrounded by an abundance of natural resources and many game parks that attract millions of local and international visitors every year.

With breath-taking natural resources, the big five and biodiversity at its best, the opportunity to uplift local communities is significant. What's needed are partnerships that ensure that communities are active participants in the economy of wildlife by focusing on the key areas of education, skills development, job opportunities and infrastructure development.

EDUCATING RURAL COMMUNITIES

Investment in education is a critical focus for any economic growth strategy. With the advent of the fourth industrial revolution, digital education has taken centre stage.

However, as urban school learners are more exposed to opportunities of digital education – rural learners are often left behind in a rapidly changing world.

Through the Good Work Foundation (GWF), in partnership with Investec, rural youth in the Hazyview area, in Mpumalanga, have been introduced to digital learning and English.

"The model that GWF has created is that we take young adults from school into the world of work, into enterprises we have created through career academies that are relevant for the economy around here. The profits generated from those enterprises feed back into the open learning or the children's programme which then re-energises the whole district of education in the area," said Kate Groch, GWF founder & CEO.

The GWF Open Learning Academy reaches over 5500 scholars per week from 20 schools. A further 440 youth are enrolled annually in adult learning and career training academies.

The foundation works with Stanford University to provide cloud-based learning and to deliver world-class education. Through these courses, learners are able to be absorbed easily into the wildlife economy fulfilling various roles that are key to the functioning of the ecosystem.

TACKLING THE ISSUE OF YOUTH UNEMPLOYMENT IN RURAL AREAS

The latest unemployment numbers from StatsSA's Labour Force Survey, Q4, 2018, showed that 6.1 million people are unemployed in South Africa, the majority of whom are young people.

In rural Mpumalanga, Investec's partnership with the Youth Employment Service (YES) has seen over 100 youth being employed in projects run by the Sabi Sands Pfunanani Trust.

Some Investec interns are graduates of the GWF and have been placed in administration, information technology, human resources as well as engineering and conservation services roles.

GWF interns start work already empowered with critical skills such as digital access which is crucial for a thriving tourism sector.

“Tourism is a big opportunity in terms of jobs in the conservation sector. So, it's really about getting our neighbouring communities into that economy and bringing them into the ecosystem and unlocking those benefits for them,” said Loma Powrie, Sabi Sands Pfunanani Trust CEO.

“It's not just about education and moving people into a job because of what we experienced with some of the candidates is that nobody in their family had worked before so work-readiness training is also very important,” said Powrie.

The YES internship extends to the protection of our rhino, which could be extinct in years to come due to increased poaching.

8000

rhinos have been killed for their horns

In the last decade, according to Save the Rhino, nearly 8 000 rhinos have been killed for their horns in Southern Africa.

It's a race against time for Investec Rhino Lifeline partner - Care for Wild Rhino Sanctuary - as it works to protect, rescue, treat, rehabilitate and release rhinos back into the wild.

The organisation has employed about 230 Investec interns to work on preserving the rhino and the legacy of the Big 5.

“There are K9 units of dog handlers and a mounted unit that can keep an eye on our rhino. Then you have your rhino monitors that sit a short distance from the rhinos just watching them and keeping them safe. We also have reaction teams,” said Petronel Nieuwoudt, Care for Wild Rhino Sanctuary founder.

PROVISION OF BASIC SERVICES

While these rural communities are being uplifted through education and job opportunities, they still lack some basic services.

Through partnership with Innovation Africa and the Entrepreneurship Development Trust (EDT) that was set up by Investec, several communities have benefitted from water infrastructure development.

By the end of 2018, eight villages in the Bushbuckridge community had access to clean running water from water towers where solar panels power pumps that extract clean water from boreholes. The water is then piped to centrally-located taps throughout the village.

“On a daily basis, we pump at least 20 000 litres which is distributed to at least 8,000 people in a village. So, it means in total the people we are impacting now is between 50 000 and 70 000,” says Abraham Ngobeni, Regional Director for Innovation Africa.

“Our model ensures that the village takes ownership of the project,” says Ngobeni who explains that local residents are employed in the construction and maintenance of the project and skills are transferred to them to build their work experience and help their future employment prospects.

A sustainable solution will grow the economy of the wild
“The Good Work Foundation provides that opportunity to the young person. Simply put, education but much more specifically put, digital access to digital learning and digital literacy which prepares that young person for a digital future which is very compatible to the economy of wildlife,”
 Dave Varty, Good Work Foundation chairman.

“All reservations and travel all done online. There are many components of a digital world which allow a young person to become self-empowered.”

It is through collaboration and a collective effort that communities in rural areas surrounded by natural capital will be empowered and become part of one of the most important industries in South Africa.

"As a financial institution, our most significant contribution to the SDGs and the NDP will be achieved by providing financial solutions to address various socio-economic issues thereby reducing inequalities and investing responsibly for a more sustainable and prosperous future for all.

Investec's purpose is to create and manage wealth for all stakeholders. This is not only about driving profits.

Guided by our purpose to create and preserve sustained long-term wealth, we seek to build resilient profitable businesses that support our clients to grow their businesses while contributing in a positive and responsible way to the health of our economy, our people, our communities and the environment to ensure a prosperous future for all."

TANYA DOS SANTOS

Investec Group Sustainability



TREND 3.

GLOBAL SOUTH AFRICAN COMPANIES FOCUSING ACROSS AFRICA AND BEYOND

Global South African companies take a global perspective. They are working to have an impact on the 2030 Agenda in all the countries that they operate in. Often this means that there is a focus on wider Africa where there are very material impacts on the quality of human life. This trend is also pushing for a more integrated Africa, pushing for easier and more open trade, and more consistent regulation and compliance. Companies that originally were rooted in South Africa are now having a far wider impact.

CASE STUDY ANGLOGOLD ASHANTI



INTRODUCING THE ANGLOGOLD ASHANTI CASE STUDY

In this case study we look at AngloGold Ashanti, which has a mature and embedded approach to the delivery of the Sustainable Development Goals. This strategic framework is fully integrated and was developed in partnership within the academic community. Aligning with the SDGs has enabled a coherent and strategic sustainability approach that is embedded into operations, and demonstrating delivery of trackable outcomes. AngloGold Ashanti is a global company with extensive worldwide operations. The strategies that it has developed have had impact across Africa and the wider world. We look at two case studies for positive impact, an example in Tanzania, where a increase in rice production was enabled for the local farming community. Then, in Ghana, where a malaria control initiative that rolled out longlasting insecticidal nets, has reduced malaria incidence, benefiting employees, contractors and the local host community.

The AngloGold Ashanti sustainable development portfolio comprises the five disciplines of safety, health, environment, community and government affairs, and security and human rights. Our sustainable development journey began in 2013, with the intent to integrate all disciplines making up the portfolio. Prior to this, disciplines functioned as independent streams, each with a predominantly technical focus implementing discipline focused strategies. The approach was mostly defensive, leaning towards compliance. The first step toward integration was the development of a common strategic framework.

A significant part of this was to ensure that the guiding principles and philosophies shaping the new sustainable development strategy were embedded into each discipline's work. This set the scene for embedding sustainable development approaches into core business practices, underpinned by the belief that the company's sustainable development performance was ultimately driven by operational leaders. By 2016, a solid foundation had been established, allowing a more outward looking approach.

The AngloGold Ashanti sustainable development portfolio leveraged a design thinking approach to develop their strategy which comprises; a clear understanding of sustainable development challenges and opportunities facing the business; a set of business aspirations which are congruent with the SDGs; a clear value proposition to respond to the challenges and achieve the aspiration; and an adaptation of Kaplan and Norton's strategy mapping and balanced scorecard tools to frame a coherent set of actions a clear understanding of sustainable development challenges and opportunities facing the business. These material issues were evolved into a set of business aspirations that are ambitious and congruent with the SDGs. The net result is a transformational, rather than a transactional approach that better understands the drivers that will influence successful outcomes. This refreshed agenda faces complex challenges like developing trust across stakeholder groups. There is a stronger approach to co-design of creative solutions with various stakeholders that brings enhanced innovation, integration, and greater ownership and support when it comes to implementation.

“The SDGs, the Africa Union's Agenda 2063, as well as South Africa's National Development Programme, are inviting all companies, universities, cities and sectors across our nations to mobilise our collective imaginations to move from the “business as usual” model to a more innovative approach that is inclusive, sensitive, agile and impactful.”

NOZIPHO JANUARY-BARDILL,

Chairperson of the Social, Ethics and Sustainability Committee
AngloGold Ashanti Limited

One notable merit of the AngloGold Ashanti approach is the attention that is paid to embedding strategy into operations and ensuring subsequent delivery.

Operationalising the SDGs

Using the existing AngloGold Ashanti sustainable development strategy as the base framework, a series of steps were taken to operationalise the SDGs through the disciplines making up the sustainable development portfolio.



In the AngloGold Ashanti case, the rigorous process of identifying and prioritising the company sustainable development challenges and opportunities is undertaken annually. Mapping the SDG themes to these challenges initiated a number of important conversations within the business. Firstly, the observation that all challenges and opportunities mapped to at least one SDG began to reinforce emerging conversations about the interconnected nature of the business and society, and the societal issues which affect company performance. Secondly, certain challenges and opportunities mapped to multiple SDG themes. The inference made, was that superior performance in these areas would create leverage – with potential positive results across a raft of SDGs. And finally, it became clearer that some of the SDG themes were cross-cutting – they were relevant across all of the challenges and opportunities.

RELATED SDGs



AngloGold Ashanti is a global company with extensive worldwide operations. The strategies that it has developed have impact across Africa and the wider world. As such, this company is an example of the emerging trend to take a pan-African and global approach, as the following case studies demonstrate.



PADDY FARMING IN TANZANIA

PROJECT BACKGROUND

This project is located in Saragulwa and Nungwe villages, about 20 kilometres from the mine site. These villages are enjoined by paddy fields measuring over 900 acres of arable paddy land. The land is approximately 4 kilometres from Nungwe bay on Lake Victoria. Over many years, farmers from these two and other neighbouring villages have been ploughing and planting paddy in these fields. Their traditional seed variety, until the inception of this project, was capable of producing 12 to 17 bags of rice (approximately 960 to 1,360 kilograms) per acre per season.

In 2015 Geita Gold Mine (GGM) launched the Geita Economic Development Program which was aimed at supporting existing economic activities of the surrounding communities to achieve their maximum potential and provide sustainable income. This program was further divided into three tiers which include: local procurement, agribusiness and Small and Medium Enterprise (SME). Under the agribusiness tier the crops on which focus was directed were rice and sunflower.



HOW THE PROJECT WAS IDENTIFIED

The project was identified easily because the paddy fields lie along the road connecting the processing plant and Nungwe Bay where the pump station is located. Members of the sustainability team could usually notice the activities taking place in the fields during the season and started enquiring as to the nature of the farming and whether the farmers were interested in improving the yield if they were provided with assistance. Farmers were then mobilised, formed into a co-operative society and connected to an Agricultural Research Institute, which provided training on best farming practices, supplied improved seeds and fertilisers and managed a demonstration farm which resulted in a significant increase in yield.

PROJECT FOCUS AREA

The project focuses on improvement of paddy productivity, value addition and market chain.

OBJECTIVE AND PURPOSE OF THE PROJECT

The project is intended to maximize the potential of paddy farming in the Saragulwa/Nungwe fields and to add value to the produce. It will further link the paddy products to both internal and external markets. By expanding the scope of the rice farming in this area, due to the introduction of a better seed variety and farming practices, this sub-sector is expected to attract more youths in the farming industry and reduce chances of them risking their lives in dangerous artisanal small-scale mining. Farming families are expected to improve their living standards.

PROJECT STATUS AS AT THE END OF 2016

By the end of 2016, 670 acres had been ploughed and planted for the 206/17 season. Expected yield was 53.5 tons of rice by May 2017. However, due to bad rains, yield may go down by one-third. GGM is also constructing a storage facility for the produce so that farmers do not have to sell their produce at the harvest season when prices tend to be too low to compensate for invested costs. This is in itself an initiative of value addition. Farmers are now being engaged in contributing towards the introduction of an irrigation scheme using the nearby Lake Victoria.

PROJECT PARTNERS AND THEIR ROLES AND RESPONSIBILITIES INCLUDE:

Partner Name	Role in Project
Geita District Council	<ul style="list-style-type: none"> • Technical support provided by agricultural extension officers • Facilitation of procurement of land for the storage facility • Facilitation of registration of the farmers' cooperative
Geita Gold Mine	<ul style="list-style-type: none"> • Funding the demonstration farm • Funding the ploughing of 670 acres • Funding, including purchase of a tractor to assist in ploughing • Funding capacity building of the farmers' cooperative • Construction of the storage facility
Cholima-Dakawa Agricultural Research Institute	<ul style="list-style-type: none"> • Provision of up-front technical expertise • Establishing and managing a demonstration farm • Provision of ongoing paddy farming guidance, after the demonstration • Continued off-field guidance of best farming practices to the farmers
Farmer Communities	<ul style="list-style-type: none"> • Land for projects. • Weeding and care taking of the farms • Security of hired equipment.

PROJECT BENEFICIARIES

Primary beneficiaries to this project are farmers who consented to join the cooperative, coming from both Saragulwa and Nungwe villages. These are 980 in total. However, other farmers also benefitted from the training on best farming practices and will benefit more by storing their produce in the modern facility that is being constructed at a fee payable to the cooperative.

This development will also attract more businesses from across the country come to the village, particularly during the harvest season where many business from across the country to the village to buy rice for processing and selling.

MONETARY VALUE OF THE CONTRIBUTION

Until December 2016 GGM had spent about 440,000 US dollars for clearing, ploughing and harrowing 670 acres. A further 300,000 US dollars went into the purchase of seeds, fertilisers and other incidental costs. The storage facility is expected to cost about 200,000 US dollars.

980+

Beneficiaries from Saragulwa and Nungwe villages

MALARIA CONTROL PROGRAMME IN GHANA

AngloGold Ashanti has operations in four African countries, where malaria is endemic, representing a significant company and community health challenge. All sites in these four countries have community-based malaria control programmes, often in partnership with stakeholders such as governments, NGOs, academic institutions and communities involved.

The main aim was to develop and implement sustainable Malaria Control Programmes that are effective, efficient, cost effective and measurable.

One example of our public-private approach in Ghana, is where AngloGold Ashanti was selected by Ghana's National Department of Health to be the principal recipient for a Global Fund grant to extend Obuasi's integrated malaria control programme to other districts in Ghana, based on the achievements of the Obuasi malaria control programme initiated in 2006 which received numerous national and international accolades. In 2018, the programme was estimated to have covered over a million structures, protecting around 1 million people, and creating some 1,300 job opportunities in the communities involved. Based on the sustained successes over the past decade, AngloGold Ashanti was again awarded principal recipient status and \$16 million to conduct malaria control activities in 14 districts and 45 prisons nationally for the period 2018 – 2020. Iduapriem Mine has also demonstrated success in its contribution to malaria control, with the community-based malaria programme being recognised as a major contributor to the second-place award received by the operation in the 17th edition of the Ghana Club 100 Corporate Social Responsibility (CSR) Awards.

The Iduapriem Malaria Control Program was launched in July 2017 as part of the Ghana Malaria Strategic Action Plan (2015–2020). It is aimed at reducing the burden of malaria by 75% (National Malaria Control Programme Annual Report, 2016). Consistent with the National strategic plan, the overall goal of the AngloGold Ashanti Iduapriem Integrated Malaria Program is to contribute this reduction in Malaria burden on the mine and host communities by 75% by 2020 through integrated interventions including distribution of Long-Lasting Insecticidal Nets (LLINs) and Community and Employee sensitisation and training.



The program has contributed to reduction in malaria incidences on the mine and in host communities. Statistics from the Sam Jonah Hospital of Iduapriem Gold Mine indicates that the Malaria Incidence Rate has reduced from 18.4 per 100 employees in 2017 to 14.8 per 100 employees in 2018 accounting for close to a 20% reduction in incidences.

Statistics from the Tarkwa Nsuaem Municipal Health Directorate also reveals that Malaria cases from the Iduapriem Sub Municipal (made up of 80% of host communities), reduced from 2088 (January to October 2017) to 1683 cases within the same period for 2018 representing a 19.4% reduction in total reported cases.

19.4%

Reduction in total reported cases.

THE FOLLOWING BENEFITS HAVE BEEN ACHIEVED THROUGH THE PROGRAM:

• INCREASED AWARENESS IN HEALTH PROMOTION

Through the program, sensitisation for a one-on-one education on malaria and its prevention including the effective use of Long-Lasting Insecticidal Nets were carried out. Through the use of Information, Education and Communications tools, the behaviour patterns of the communities were examined, and methods developed and implemented to enable individuals and families to play active roles in achieving, protecting and sustaining their own malaria prevention efforts.

• EMPLOYEE AND CONTRACTOR ACCESS TO LONG-LASTING INSECTICIDAL NETS

The nets were distributed to employees, contractors, registered dependents and host communities including three senior high schools. This has significantly improved individual access to, and ownership of nets. Employees of AngloGold Ashanti, including registered dependents, received 2,100 nets. Contractors received a total of 2,632 nets and this benefited their dependents, with 16 host communities receiving a total of 10,400 nets.

10,400

Nets received by 16 host communities

• EMPLOYEE AND CONTRACTOR ACCESS TO MOSQUITO REPELLENT

Employees and contractors on shift duty are given mosquito repellents at the beginning of every shift. This has also contributed significantly to a reduction in the incidence of malaria among those on shift.

2,100

Nets received by AngloGold employees, including dependents

• COMMUNITY AND SCHOOL ACCESS TO LONG-LASTING INSECTICIDAL NETS

Three senior high schools also benefited and received 4,315 student's bed nets. The program targeted individuals within households making it possible for members (such as boarding students, drivers) of the household to move to their various locations and destinations with their nets. This coupled with the training and sensitisation on the use of the nets has led to a significant increase in the use. Post distribution reports from the community indicate 75% adherence to sleeping under nets.

4,315

Bed Nets procured for three senior high schools

In 2017, a total of GH 295,091.86 cedis was spent in procuring 12,500 Long-Lasting Insecticidal Nets. In 2018 GH 55,711 cedis was spent in procuring 4,315 students bed nets for the three senior high schools. The program covered over 15,000 community members including employees, contractors and students of the three senior high schools, with a material positive impact on good health, well-being, and life itself.

Like any global mining company, AngloGold Ashanti has a range of important stakeholders which at times may have somewhat different or even conflicting expectations. While we are proud of the progress made in embedding a culture within our business of respecting and advancing human rights, there is conflict we face and must constructively address with various communities adjacent to our operations. While we recognise that mining is an important driver of economic development – particularly in emerging economies – we also know well that it is by its very definition a disruptive enterprise with impacts that must be carefully managed and mitigated.

KELVIN DUSHNISKY, Chief Executive Officer
AngloGold Ashanti Limited



Following the setting of aspirational sustainable development goals in 2017, we made further progress in aligning our work to achieving those SDGs that are relevant to our business.

This included understanding how our activities map and contribute to specific criteria of our prioritised SDGs, as outlined in the landmark United Nations General Assembly resolution on “Transforming our world: the 2030 Agenda for Sustainable Development.

Linked to this, all sustainability disciplines completed roll out of the company sustainable development framework, with the development of three-year work plans. Going forward we will maintain efforts to strengthen our social licence to operate, integrating sustainable development into the business and enhancing collaboration with all stakeholders as we strive to ensure mutual benefit.

DAVID NOKO, Executive Vice President, Sustainable Development
AngloGold Ashanti Limited



TREND 4.

A STRONG FOCUS ON ACTION TO DELIVER GOAL 4: QUALITY EDUCATION

Every company participating in the voluntary national review is making a concerted effort to positively impact education levels. Beyond employees, companies are training suppliers, communities, customers, youths, adults, and school children. Many are focused on enabling teachers and education systems, and others are working to mitigate the cost of tertiary education. The private sector is taking action to empower business and civil society with knowledge for immediate impact today, as well as a better future.



CASE STUDY OLD MUTUAL

INTRODUCING THE OLD MUTUAL CASE STUDY

We see the Old Mutual responsible business impact model, which abides by the principles of the United Nations Global Compact, subscribing to the sustainable development goals. The case study then shows how the Old Mutual business model is aligned to local and international frameworks, investing in a future that matters, with a strong commitment to ensuring environmental and social responsibility in investment at every stage and by all stakeholders.

Old Mutual touches many goals, however, it is a heavy investor in education, with outcomes intended to drive responsible investment, financial wellbeing, as well as a future generation that have opportunities. We see the Old Mutual Flagship Education Programme, as well as getting insights into On the Money, a money management education programme that enables financial inclusion. Old Mutual is a shining example of the trend in South African business to prioritise Goal 4: Quality Education.

In this case study, we cover the holistic action that Old Mutual is taking to deliver action on Goal 4: Quality Education, which it has identified as a critical enabler that unlocks the delivery of other SDGs. Old Mutual believes that by being invested responsibly it can positively impact communities today and build a better tomorrow. It is building a future that matters by driving investment into agriculture, education, renewable energy and affordable housing. Within the education space the Old Mutual investment is both material and high impact.

“My expectation is that we begin to evidence all the planning with practical, measurable and scalable initiatives that drive real impact. Within financial services, we need to lead by example in championing the 2030 Agenda. Our stance is that responsible business is about more than just climate change.

When we look at the African continent, we see a bigger picture around investing whilst driving social and economic change. What does this mean? It means that we cannot leave anyone behind. We have a duty to make the SDG agenda come alive through a series of interconnected actions and responsibilities that creates real shared value. This will require us to be more courageous and take a longer term view around profits, people and the planet.

KHANYISILE CHABA, Head: Responsible Business
Old Mutual

A RESPONSIBLE BUSINESS MODEL THAT SUBSCRIBES TO THE GLOBAL GOALS

OUR RESPONSIBLE BUSINESS PHILOSOPHY

Our Responsible Business philosophy is underpinned by the desire to be a purposeful organisation with a conscience. We believe that creating positive value for our customers, investors, employees and the communities we operate in, will facilitate long term sustainability for the Group, the economy and the environment. Our approach to Responsible Business aligns to the Group strategy. It is informed by an understanding of the expectations of our customers, the societies and communities we operate in, along with an awareness of the growing environmental and social challenges the world is facing.

OUR RESPONSIBLE BUSINESS PHILOSOPHY

In this context, ethical behaviour is a key driver in ensuring we deal with all of our stakeholders in a responsible and fair manner. Our framework for ethical business conduct ensures that we are fully compliant with the governing laws of the countries we operate in and comply with King Code being a JSE listed entity.

We are a signatory to the UN Global Compact and abide by its principles regarding labour practices, human rights and anti-corruption. We are also a signatory to the UN Principles for Responsible Investment (UNPRI) and subscribe to the UN Sustainable Development Goals (SDGs).

OUR VALUES

Our set of business values are aligned to the ethos of being a Responsible Business. They drive our behaviours to ensure that we act with integrity, trust and accountability and show respect for each other and our stakeholders. Our values also express our belief in the power of diversity and inclusion, our commitment championing the customer and our enthusiasm for agile innovation.

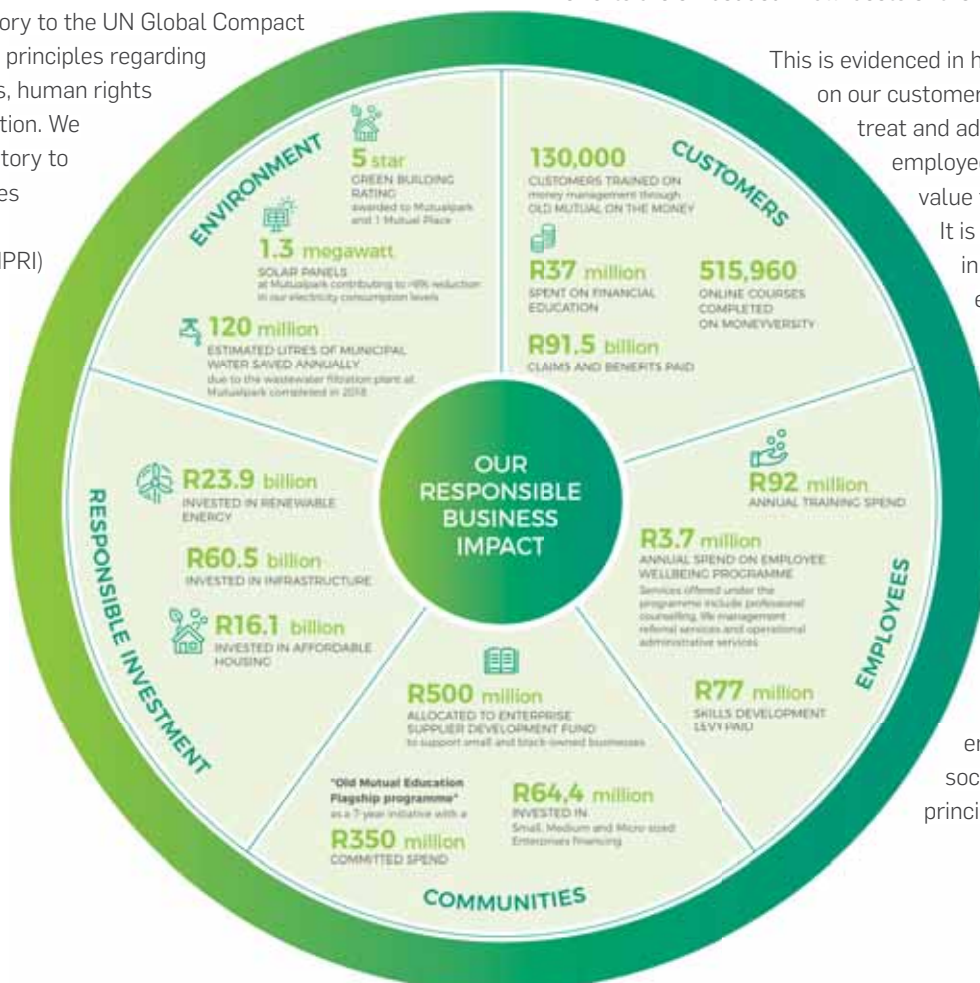
OUR RESPONSIBLE BUSINESS GOVERNANCE

Our Responsible Business commitments are governed by the Responsible Business committee and Responsible Business executive committee. Our Group Governance Framework, which is aligned to the codes, ensures that we conduct our business within the ambit of the laws of all the countries we operate in.

OUR STAKEHOLDERS

As a financial services organisation, our Responsible Business efforts are embedded in all facets of the organisation.

This is evidenced in how we deliver on our customers' expectations, treat and advance our employees and create value for our investors. It is also displayed in the professional engagement with regulators, the positive impact made to communities, meaningful partnerships with suppliers and making responsible investment decisions which incorporate the environmental, social and governance principles (ESGs).



OLD MUTUAL

PLANNING FOR A POSITIVE FUTURE

Africa is Old Mutual's home. It has been partnering to do great things here for over 170 years. It focuses on customers in both the business world, where it drives responsible investment, and with private citizens where it is motivated to enable financial wellbeing. This positions Old Mutual to have a very holistic impact



“We do not inherit the earth from our ancestors, we borrow it from our children.” – American writer and poet, Wendell Berry. This quote is a profound piece of wisdom about generational stewardship, beautifully encapsulating the longer-term importance of investing responsibly. The ultimate aim is to deliver lasting wealth, in all its forms, to our clients and their communities. As a proudly African asset manager, our context presents us with a unique set of environmental, social and governance issues. These range from youth unemployment and infrastructure deficits through to governance challenges, all of which present both risk and opportunity. By collectively driving capital on behalf of our clients into a more inclusive economy we deliver market-beating risk-adjusted investment returns and also directly contribute to building a green, productive economy. Not only does this approach make sound business sense, it is the right thing to do.”

TEBOGO NALEDI, Director of Institutional Business
Old Mutual Investment Group

THE OLD MUTUAL EDUCATION FLAGSHIP PROJECT

ENABLING THE EDUCATORS AND SCHOOL MANAGEMENT TEAMS: A FOCUS ON THE FUTURE GENERATION

The Old Mutual Education Flagship Project (OMEFP), a national education initiative started in 2013 to invest R350 million over seven years into under-resourced schools in key provinces. The overarching goal of the programme is to increase the number of bachelor passes (university entrance) of Grade 12 learners who have maths and science in their subject choice. By doing so, the number of students who access university education increases, resulting in professional skills in the economy.

Mentoring Teachers in Math, Science and Accounting:

The programme provides intense mentoring for school teachers in key subjects, especially math, science, english and accounting. Teachers are enabled to manage their classes and curriculum content more effectively, receiving critical learning aids and laptops with curriculum content uploaded so they are able to provide more engaging lessons.

Mentoring School Management Teams:

The programme invests in school management strengthening the school senior management teams and school governing bodies through a year-long intervention run by SEED Education Trust, together with ongoing mentoring and coaching, and the development of communities of practice to share learnings and experiences.

Young Leadership Programmes:

The programme has supported a values-based youth leadership initiative by Columba Leadership encouraging positive youth activism and embedding values of personal leadership such as awareness, social activation, creativity, integrity, perseverance and service in young leaders.

Student Nutrition:

In some schools the programme has supported the establishment of veggie tunnels on school grounds to improve the children's nutritional intake.

Support with University Applications:

The most recent programme now assists matriculated school learners, from OMEFP funded schools, with their application process into tertiary institutions. For many of these young adults, there has been no previous exposure to the often-complex requirements when completing online registrations for university applications.



THE OLD MUTUAL EDUCATION FLAGSHIP PROJECT EXAMPLES

RICHARD VARHA SECONDARY SCHOOL KING WILLIAMS TOWN EASTERN CAPE

Strengthening a school's governance, operations and management is a key part of improving subject expertise and results. Through the Old Mutual Education Flagship Project, principals, educators and pupils of Richard Varha Secondary School have worked closely with organisations such as SEED Educational Trust, the Nelson Mandela Metropolitan University and Columba Leadership to start producing improved maths and science results. The community has noticed these changes and now want their children to attend this successful school.



NTEMOSENG HIGH SCHOOL BOTSHABELO, FREE STATE

Under the Schools Partnership Project initiated by the University of the Free State in 2013, the Old Mutual Education Flagship Project was able to extend the reach and scope of the project which focuses on mentoring for school teachers in key subjects. In Botshabelo, there are five participating schools who each have four specialist mentors in math, science, english and accounting and importantly school management for principals and their management teams. The overall aim is to enable teachers to manage their classes and curriculum content more effectively. Ntemoseng High School is now the second-best performing school in Botshabelo out of 9 schools.



The scope of the Old Mutual Education Flagship is extensive. The project operates in under-resourced, no fee-paying schools in rural and peri-urban areas (92, 6% of schools fall in the quintile 1-3 category). These schools do not charge fees and are dependent on Government funding. Their facilities are generally inadequate, with poor infrastructure, lack of teaching and learning materials. The project works in select districts in the Eastern Cape, Free State, Limpopo and KwaZulu Natal.

The 2018 National results continue its positive trajectory both in terms of the matric pass rates and the bachelor pass rates albeit at a slow rate with more than 40% of learners dropping out.

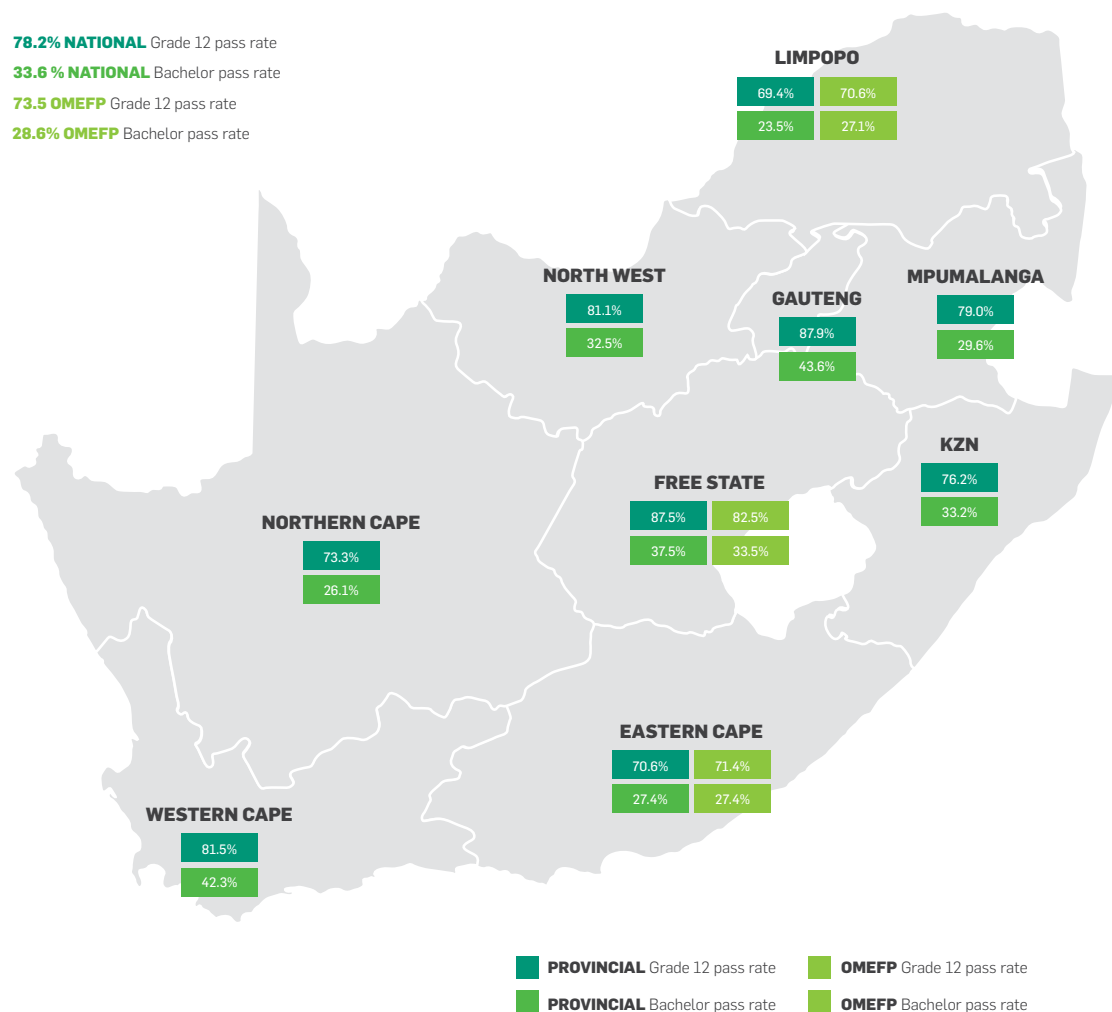
2018 NATIONAL SENIOR CERTIFICATE (NSC) RESULTS

78.2% NATIONAL Grade 12 pass rate

33.6% NATIONAL Bachelor pass rate

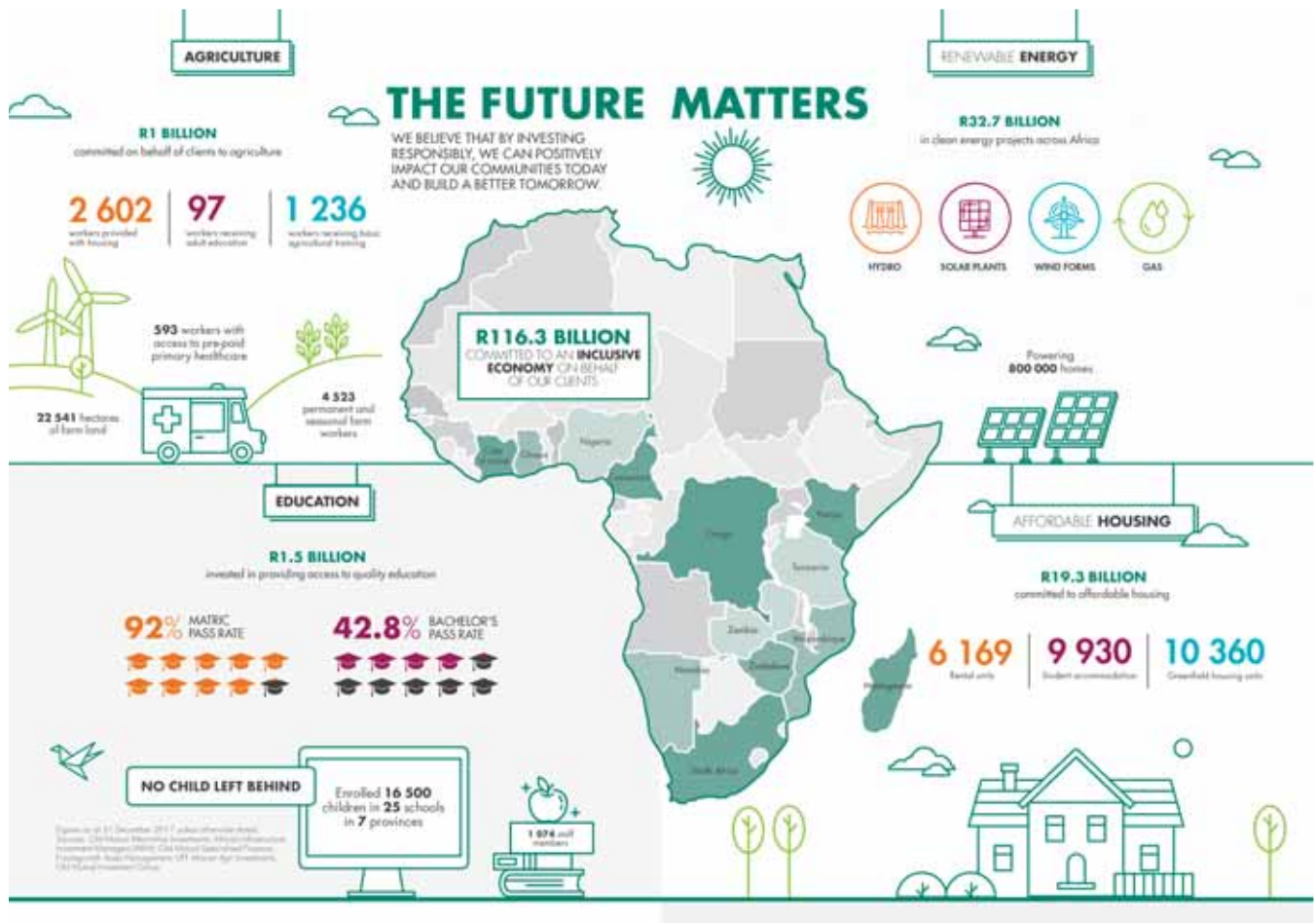
73.5 OMEFP Grade 12 pass rate

28.6% OMEFP Bachelor pass rate



OLD MUTUAL INVESTMENT GROUP INVESTING IN A FUTURE THAT MATTERS

Old Mutual believes that being invested responsibly it can positively impact communities today, and build a better tomorrow. It is building a future that matters by driving investment into agriculture, education, renewable energy and affordable housing.



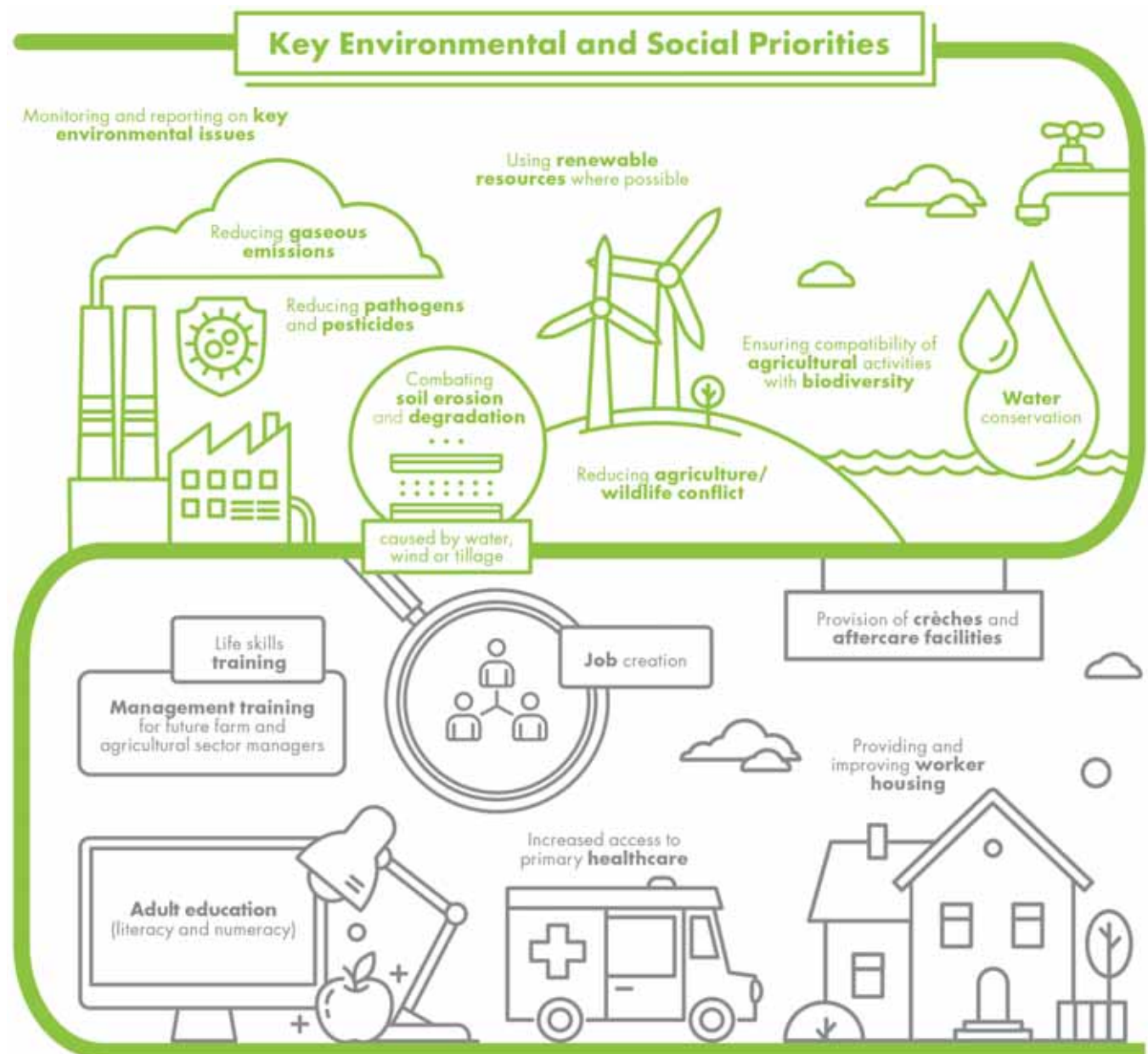
“We have committed more than R100 billion to creating an inclusive economy, while also generating wealth for our investors. The impact of this commitment cannot just be measured in Rands and cents. It is evidenced in the improved lives of South Africans; in the 16,500 children gaining a quality education, the 16,529 families with affordable housing, and the close to 800,000 homes powered with clean energy. Environmental, social and governance factors are embedded in all our processes and our investment boutiques. We consistently engage with underlying investee companies to drive favourable investment outcomes for our stakeholders. We are passionate about delivering market-beating returns AND investing for a future that matters.”

KHAYA GOBODO, Managing Director
Old Mutual

OLD MUTUAL

INVESTING FOR A POSITIVE FUTURE

Environmental and Social Responsibility is a focus throughout the Old Mutual investment process. It implements, supports, and monitors various best practice standards and guidelines. This example of a farming investment lifecycle demonstrates how environmental sustainability, labour and human rights, land and resource rights are respected and treated with a highly ethical approach. There is a consistent and strong social focus that aims to reduce poverty through worker and community development, rural development and economic empowerment.



OLD MUTUAL INVESTMENT GROUP SCHOOLS AND EDUCATION IMPACT FUND

ENABLING GIFTED STUDENTS: ACCESS TO AFFORDABLE INDEPENDENT SCHOOLS

The primary focus of the Schools and Education Investment Impact Fund of South Africa (Schools Investment Fund) is on improving the level of education by creating access to affordable independent schools. The Fund finances infrastructure and education-related requirements of schools with the dual objective of delivering quality education and a commercially acceptable return. Launched at the end of 2011 to address education infrastructure backlogs and to support the improvement of education in the country, it is the first and largest education impact fund in South Africa.

The Schools Fund is funded by Old Mutual Life Assurance Company of South Africa (OMLACSA), the Government Employees Pension Fund (which is managed by the PIC) and the Eskom Pension and Provident Fund. The Fund has fully allocated its R1.4 billion and further funds are being raised. In addition to schools, the Fund also targets Further Education Training (FET).

- By 2017 more than 16,500 learners and 2,000 boarders
- Enrolled across 24 schools
- 1,074 staff were employed, of which 560 were teachers in 2016
- The schools fund aims to reach over 50,000 learners by 2027
- 815 matric learners took the 2016 National Senior Certificate exam
- And 93.3% pass rate
- 44.3% received a university exemption rate
- This exceeded the national average of 72.5% and 36.7% respectively



CASE STUDY

REFILWE'S STORY

Refilwe Mekwa's story is just one example of the profound impact our investments, in this case through the Schools and Education Investment Impact Fund South Africa (Schools Fund), can have on a single person's life – and, in turn, the lives of their families and communities.

The Schools Fund is managed by Old Mutual Alternative Investments' Impact Fund's team and the aim is to improve the level of education in South Africa by creating access to affordable independent schools, like Royal Schools, for those who would otherwise not afford it.

The Schools Fund is funded by Old Mutual Life Assurance Company of South Africa (OMLACSA) and the Government Employees Pension Fund (managed by the Public Investment Corporation).

Refilwe is a vibrant and an extremely committed young lady. The last born in a family of three girls, she was raised in a small village in Limpopo by her single mother, a teacher at a government school. The Schools Fund gave Refilwe the opportunity to enrol at Royal Schools' Princess Park College in Pretoria for grade 8.

In her first year at the school she says her greatest challenge was communicating in English: preferring to speak in her mother tongue, Sepedi. However, this language barrier did not stand in Refilwe's way. Refilwe scooped six distinctions when she matriculated and was the school's top performing student in that academic year.

She went on to enrol at the University of Witwatersrand for a Bachelor of Accounting Sciences, which she completed in record time. She is currently studying towards her Certificate of Theory in Accounting (CTA). Being a parent who wanted the best for her child, Refilwe's mother was confident a low-fee private school was the best option for Refilwe and is happy about the opportunities it has opened up for her.

“Princess Park College gave Refilwe a firm foundation to be where she is today,” she says.



OLD MUTUAL

'ON THE MONEY' PROGRAMME

CREATING FINANCIAL WELL-BEING AND INCLUSION THROUGH MONEY MANAGEMENT EDUCATION

The 'On the Money' Programme is a financial education initiative created to teach South Africans how to best manage their finances. The programme is based on the behaviours of South Africa's Big Five animals. The unique characteristics of the Lion, Leopard, Elephant, Rhino and Buffalo, as found in nature, have been distilled to teach us how to manage our personal and family finances.



SECRET OF THE LION

Eat first, Ahead of the Pack is focused on savings. It covers the benefits of committing to automated savings plans, effective savings habits, savings vehicles. It covers the principle of saving for compound interest and describes the key types of financial institution and their services.

- The savings process



SECRET OF THE LEOPARD

Have a clear idea of your Goals encourages planning, visioning and setting practical goals. It covers the different types of life event that need to be financially planned for, from marriages to funerals, and encourages consistent financial discipline.

- Financial goals and vision
- Life stages
- Marriage regimes



SECRET OF THE ELEPHANT

Knowledge is Power, is about budgeting and expense management, covering how to plan and track the spend of money, keeping records and using them to learn about our spending habits. The elephant then unlocks the power to change.

- Budgeting



SECRET OF THE RHINO

Charge! is about managing a pathway out of debt. It covers the risks, pitfalls, limitations, and unforeseen events that can affect a budget, the consequences of a poor credit rating. This secret is about avoiding debt and credit, avoiding the pitfall of interest repayments.

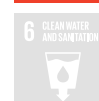
- Getting out of debt
- Credit bureau information and retention periods
- Things to consider before signing any credit contracts
- Factors that affect your credit score
- Steps to improve your credit score



SECRET OF THE BUFFALO

Be Deliberate and Steady is about learning the power of compound interest and understanding how to invest to increase assets. It covers the four financial options for saving money and customer rights when dealing with investment brokers and products.

- Wealth creation and protection planning
- Estate planning
- Finding and buying a property





TREND 5.

SDG STRATEGIES FOCUSED ON POSITIVE TRANSFORMATION FOR LOCAL COMMUNITIES

There is a strong, collective focus on Goal 11: Sustainable Cities and Communities by participating companies, who are consistently taking a highly consulted approach to action. Participants are clear that investments in community sustainability are only successful if community stakeholders are consulted throughout the full lifecycle of investment, to build full ownership and accountability.

CASE STUDY SCATEC SOLAR



INTRODUCING THE SCATEC SOLAR CASE STUDY

In this case study, we look at Scatec Solar, an Independent Power Producer (IPP) and explore South Africa's Renewable Energy Independent Power Producer Procurement (REIPPP) programme in line with the Integrated Resource Plan (IRP), the policy document guiding how the country should address its energy needs up to 2030. This progressive and ambitious REIPPP programme was developed to encourage private investment to further develop the renewable energy sector within South Africa. So far, four rounds have mobilised 95 projects including onshore wind, solar photovoltaic (PV), concentrated solar power (CSP) and others such as biomass, landfill gas, small hydropower and biogas.

Scatec Solar is a leading integrated independent solar power producer, delivering affordable, rapidly deployable and sustainable clean energy worldwide. A long-term player, Scatec Solar develops, builds, owns, and operates solar power plants and has an installation track record of more than 1 GW. The company has a total of 1.9 GW in operation and under construction in Argentina, Brazil, the Czech Republic, Egypt, Honduras, Jordan, Malaysia, Mozambique, Rwanda, South Africa and Ukraine.

Scatec Solar is delivering sustainability plans that have a 20-year implementation horizon in South Africa, as per the REIPPP programme. Their approach is strongly focused on partnership and collaboration with local communities and public, private and development sector agencies to maximise positive transformational impact.

The SDGs have global relevance for us as a company operating in emerging economies across the world. However, since our core operations are very localised, we cannot be oblivious to the local development challenges and objectives, which in South Africa are captured in the National Development Plan (NDP). After all, since we are providing power into the national grid, the South African Government, as custodian of the NDP, is our key customer. We, therefore, see our role of delivering on the NDP (integrated with the SDGs) as part of the delivery of a comprehensive service to South Africa.

YUMNAA FIRFIREY, Sustainability Manager
Scatec Solar

NORWEGIAN INVESTMENT INTO SOUTH AFRICA'S FIRST SOLAR PLANT

Scatec Solar entered the South African market in 2010. The Kalkbult plant, situated in the Northern Cape region, is one of the largest solar plants in Africa. It is the first project commissioned under Round 1 Renewable Energy Independent Power Producers Procurement Programme (REIPPP) in March 2014, and was the first REIPPP project to be grid connected and operational in the country. Situated in the arid, Karoo region of the Northern Cape, our second solar plant, commissioned under Round 2, Linde, benefits from extremely high levels of irradiation. Linde was commissioned in July 2014, three months before scheduled deadline. As an early generator, electricity was sold to the utility and provided to households earlier than anticipated. Dreunberg, our third solar plant, is situated in the Eastern Cape and was commissioned in December 2014 (also won under Round 2).

The three Round 4 projects are situated on adjacent plots, 25km outside of Upington in the Northern Cape. Scatec Solar was awarded preferred bidder status for the Upington project in the fourth bidding round. Commercial operation is expected by the end of 2019. This will total six solar plants in South Africa, which makes Scatec Solar the largest solar IPP in Africa.

Scatec Solar is a relatively new corporate in South Africa and certainly one of the youngest companies in South Africa as part of this publication. However, it is taking its role in the positive transformation of South Africa very seriously. The company is growing rapidly. Currently, 130 people are employed in South Africa. By 2020, this number is set to stand at the 150 mark. This diverse Scatec Solar team is almost completely South African, with only four foreign staff.

By funding a research chair at Stellenbosch University, Scatec Solar has facilitated four PhD theses and more than twenty Masters students.

The Supply Chain, Operation and Maintenance (O&M), Engineering and Control Monitoring Centres are departments that service the entire global operation, and are currently housed at the Cape Town Offices. In addition to this, the Business Development Team services Sub Saharan Africa. The Engineering Team, in particular, develops and constructs solar plants across the globe, demonstrating advanced skills and competencies available in the South African labour market that Scatec is exporting across the globe.



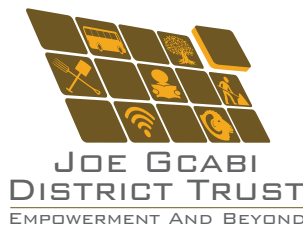
REIPPPP EMBEDS SUSTAINABILITY INTO INDEPENDENT POWER PROVIDERS

Independent Power Producers (IPPs) sign Implementation Agreements (IA) with the Department of Energy (DoE) governing their 20-year relationship. The main evaluation criterion for project bid selection process is pricing, with a 70% weighting; however, there is also a 30% weighting for economic development, constituted by the following sub-categories:

1. Ownership
2. Jobs created during construction and operation
3. Percentage Black top management control
4. Percentage Contribution of turnover to SED (socio-economic development)
5. Percentage Contribution of turnover to EnD (enterprise development)
6. Percentage Local content
7. Percentage Preferential procurement

In this way, REIPPPP programme ensures that it is not only affordable clean energy that it contributes to South Africa, but also economic development support to some of the most deserving rural communities across the country. The 20-year implementation agreement, consisting of quarterly targets, therefore ensures not only expected MW power delivered, but also secures SED and EnD spend on these communities as a percentage of revenues, along with all the other economic development requirements mentioned above. These quarterly commitments are reported on a quarterly basis as a strict requirement of DoE's IPP Office.

Furthermore, many community trusts have been established as part of the ownership requirement, also delivering dividends with which to pursue the SDGs through programmes in these communities.






Together with these community trusts, Scatec Solar has also established the Scatec Solar Broad-Based Solutions Trust, as a shareholder in the power plant construction and O&M segments of its business. These trusts facilitate the conceptualisation and implementation of a multitude of programmes that target the positive transformation of local communities.

We have a long-term investment horizon that spans over twenty years. We develop, invest in, build and operate our solar plants. These are strategic investments that operate best in a stable context. This means that we must take a long-term view of the conditions in communities and programmes that result in positive community impact, to ensure not only healthy, thriving communities, but also stable and low-risk environments in which to operate.

RAFIKH ISMAIL, VP Asset Management
Scatec Solar



CORPORATE SUSTAINABILITY FRAMEWORK

OVERALL COMPANY GOAL	DELIVERING COMPETITIVE AND SUSTAINABLE RENEWABLE ENERGY		
SUSTAINABILITY PILLARS			
KEY AMBITIONS	<ul style="list-style-type: none"> Operate all projects in line with the IFC's Performance Standards and the Equator Principles Maintain an active dialogue during the project phases with key stakeholder groups Identify risks to and impacts on employees, communities, and the environment. Avoid, minimize, and compensate for negative impacts throughout the life of projects Monitor the total climate effect from our projects during all project phases 	<ul style="list-style-type: none"> Maintain a zero-tolerance for bribery and corruption Continuously work for zero harm to personnel, assets, and the environment Define and communicate the health and safety standards to our employees and subcontractors Work with suppliers to promote sustainable business practices and monitor compliance through regular audits and interactions 	<ul style="list-style-type: none"> Employ local labour, enable knowledge transfer, and create jobs in local communities Maintain open and transparent dialogue with project neighbours and other relevant stakeholders Identify needs in the local communities for our community development programmes
TARGETS	<ul style="list-style-type: none"> Environmental and social compliance Human rights Climate action 	<ul style="list-style-type: none"> Anti-corruption HSSE Responsible procurement Our people 	<ul style="list-style-type: none"> Community engagement Local job creation Local development

SCATEC SOLAR SOUTH AFRICA'S SUSTAINABILITY PRIORITIES

In order to successfully implement the Scatec Solar Sustainability programme in South Africa, it was vital to understand what the local needs were and how to respond. Scatec Solar, with the assistance of development specialists, conducted Community Needs Assessments in each of the communities that Scatec was operating in. These assessments highlighted the problem statements in these communities, obstacles impeding thriving successful communities. In response to these problem statements, the first instalment of programmes were implemented aimed at youth development, early childhood development and steps to address the scourge of foetal alcohol spectrum disorder (FASD).

After the initial three to four years of implementing these programmes and operating in these communities, and once a deeper understanding of these obstacles were grasped, Scatec Solar embarked on a visioning exercise together with our community liaison officers (CLO) in these communities. The individual vision statements were clustered into five themes which seemed to be standard across the Karoo communities that the company operates in.

These themes are now the five pillars of the 20-year Integrated Community Development Approach, illustrated on the next page. While the five pillars are common across the communities, the problem statements within these themes have nuanced differences and need to be addressed with different, objectives and programmes.

The communities also differ in terms of the constellation of role players at local level. Existing organisations' programmes, either government, corporate or not-for-profit, determines the role that Scatec Solar should play. The company attempts to work in a partnership and supportive approach with as many of the local role players as possible, with a clear understand that they do not need to champion all of the local development programmes themselves.

Often, Scatec Solar needs to take the lead, but there are also instances, where their ideal contribution is to follow and support.



INTEGRATED COMMUNITY DEVELOPMENT

A TWENTY-YEAR DEVELOPMENT HORIZON



FIVE DIFFERENT THEMES



Theme-based Problem statements	Objective Setting to Address Problem Statement	YEARS 0-5	YEARS 6-10	YEARS 11-15	YEARS 16-20
		Activities per 5-year time period with identified outcomes to achieve objective that addresses problem statement and moves community forward to achieve 20-year vision.			

MONITORING & EVALUATION ARE WE ACHIEVING IMPACT?

While the REIPPP programme ensures that investments are being made into socio-economic development, it cannot be assumed that these investments are impactful.

With a specific emphasis on Scatec Solar, the 20-year Integrated Community Development Approach might have been carefully conceptualised, but that is no guarantee that the resultant programmes are making a difference, let alone a sustained difference to these regions that will continue at the end of the 20-year power production providing this stream of SED funding.

It is for this reason that Scatec Solar places a very strong emphasis on assessing the impact of these programmes. Scatec Solar has partnered with African Infrastructure Investment Managers (AIIM) and a group of other IPPs to find a collective assessment mechanism for the SED programmes of IPPs.

To drive impact, Scatec Solar has, therefore, built its monitoring and evaluation framework into the integrated 20-year strategy, and linked the vision to themes, themes to objectives, and objectives to programme outcomes over four five-year intervals.

LINKING THE 20-YEAR VISION TO IMPACTFUL PROGRAMMES TODAY

Each of the five themes of the 20-year Strategy comprise of vision statements to be realised by the end of the 20-year period, if not earlier. Behind each of these vision statements lie the harsh reality of problem statements that act as blockages to these visions being realised. The 20-year strategy converts these problem statements into objectives that are addressed through a variety of programmes over the 20-year period.

These objectives are then broken down into programmes with expected outcomes over four five-year periods. This process serves to focus the Sustainability efforts. Programmes cannot simply be implemented: in order to achieve the aims by Year 20, some successes should be evident by Year 15, which means that robust programmes should be running strongly by Year 10 with the necessary processes on track and foundations in place by Year 5, where Scatec Solar is at now with the existing plants.

This translates into a focused determination to ensure that the company is on a trajectory towards the Year 20 outcomes. If not, the battle for positive transformation of these local communities will be lost.

PURSuing THE SDGS THROUGH PARTNERSHIP



“Our key innovation is that we never have an isolated approach. We never approach one project in a vacuum. The challenge we always pose to ourselves is how we form as many links from one project to other existing initiatives, in order to knit them together into a network or web of mutual support and interdependency. This is integral to how we ensure the sustainability of these interventions since the success of one project is not only enjoyed by that singular project, but rather a web of co-ordinated activities. This is “Partnership for the Goals” relating not only to partnership amongst people or organisations, but amongst the projects as well.”

YUMNAA FIRFIREY, Sustainability Manager
Scatec Solar



Global Compact
Network South Africa

Global Compact Network South Africa

PARTNERING WITH OUR COMMUNITIES

After an initial operations period of five years with several social and economic development programmes in implementation, Scatec Solar has found local leadership capacity a significant challenge. There is a dearth of local champions and potential programme managers. Hence the fifth theme and pillar of the strategy – community visioning – to fill this gap.

In response to this need, a new approach has been taken to stakeholder engagement and the work done in the communities. Stakeholder engagement forums (SEFs) have been started in the communities, which comprises of various stakeholders who meet on a monthly and quarterly basis, working together to plan, build local leadership and arrive at solutions together.

STARTER PROJECT 1 MOBILE CLINIC

The first project is focused on SDG Goal 3: Good Health and Wellbeing, where a mobile bus clinic was mobilised for 6 months. It attends to the schools in the community close to the power plant. The mobile bus deals with worms, vaccinations, and other basic healthcare services. It has a nurse, an oral hygienist, and an optometrist.



Many children have been given glasses immediately, ensuring that they are able to see better in class, enabling effective learning. This is a major benefit as many of these communities have never had any access to eyecare before this. In the afternoon, the bus services adults. This is only a six-month programme, during which data will be collected on local health requirements, which will be shared with the Department of Health. This will enable Scatec Solar and fellow IPPs involved in healthcare to plan what the long-term interventions should be.

These SEFs are theme-based, as per the themes of the 20-year strategy, with project identification and selection ideally informed by the participants of these SEFs.

This process has been piloted in Uptington, where the construction of the three Round Four plants are taking place. Three stakeholder engagements took place with the focus on education, youth development and health. From these engagements, immediate decisions were made for starter project implementation, based on the stakeholder input. These have been discussed below.

STARTER PROJECT 2 SPONSORING SPORTS FOR YOUTHS

Local dialogue at the Youth Development SEF resulted in a proposal for an Easter Soccer Tournament. Support was in the form of entrance fees for the teams, soccer kit and nutritional food for the tournament. This was provided to both girls' and boys' teams. Scatec Solar is now working on sustaining the energy with coaching and this has created excitement and strengthened participation.



Based on the excitement with which this was received and preliminary conversations with local schools revealing that there weren't enough sporting opportunities for young people, this might mean a conversion of this initiative to the next round of medium-term projects.

PARTNERING WITHIN SCATEC SOLAR

FOR LOCAL SKILLS, JOBS & ENTREPRENEURSHIP

PREFERENTIAL PROCUREMENT PARTNERSHIP WITH SUPPLY CHAIN AND O&M

The South African Government's economic development (ED) policies have resulted in the DoE requiring IPP's to leverage procurement to achieve Supplier Development (SD) objectives aimed at reducing unemployment, ensuring industrialisation and developing local suppliers in host communities.

Scatec Solar's goal is to transform its supplier base (over time) through a partnership between the Sustainability and Supply Chain Departments by identifying short, medium and long-term services that could be supplied by entrepreneurs in the Scatec operating communities.

This will be achieved through targeted supplier development initiatives to promote local capability and capacity building whilst providing meaningful opportunities for these host communities.

Leveraging procurement to influence the development of the local supplier industry is key to realising Scatec Solar's ED objectives relating to host community growth, employment creation and community upliftment.

SOLAR PV POWER PLANT INTERNSHIP PARTNERSHIP WITH HR AND O&M

The conceptualisation of the Solar/PV Power Plant Internship Programme (SPPPIP) aims to serve as a potential job creation and employability promotion avenue. The essence of this programme is that additional peripheral work will be created at the plants, providing an opportunity for community members to become familiar with the plants and its processes through training and work experience, so that should employment opportunities open up, there would be local community members that are eligible for recruitment as opposed to Scatec Solar having to look elsewhere for suitable staff.

Aside from employment, the intended outcome is that the participants on this programme become more eligible and employable by other potential employers in the area through exposure to general expectations and requirements in a formal work setting.

The level of unemployability as a result of lack of exposure to employed role models because of South Africa's high unemployment rate is severely underestimated. This initiative is an attempt to counter this phenomenon.

The objectives of the internship are to:

- Improve the employability of local community members, from the perspective of Scatec Solar (and other IPP's) power plants as well as other prospective employers.
- Provide training to the community members who are part of this programme – both technical training as well as personal development skills.
- Employ these individuals for a period of 12 months, during which time it is hoped that they will learn all the foundational skills required of them to be eligible for (short term or permanent) employment at a power plant, should the opportunity arise.
- Make these individuals available to engage in community development projects during their participation on this programme.
- Select from these participants, suitable candidates who might form part of the permanent work force of the plants and any participating partners.
- Introduce these participants to prospective employers and increase the participants marketability, including businesses participating in the Construction Industry Development Programme (CIDP) as prospective employers.

GRADUATE INTERNSHIP PROGRAMME PARTNERSHIP WITH HR AND O&M

Scatec Solar has just announced the launch of its Graduate Programme. The graduate programme aims to attract fresh talent into the company by providing recent graduates with an opportunity to grow their careers in their chosen areas. These individuals will be offered a 12-month fixed term contract in their areas of study which include Human Resources, Finance, IT, Supply Chain Management Communications. Sustainability has piloted this programme by taking in interns over the past nine-month period and will continue by guiding the work of the Communications Intern together with the Communication Department based in Norway.

The roles will be based in the South African office and builds on the already diverse and strong team that services Scatec Solar's operations globally.



PARTNERSHIP FOR EDUCATION

RESEARCH CHAIR STELLENBOSCH UNIVERSITY

The research chairs hosted by Stellenbosch University is positioned strategically around specific research areas where Stellenbosch University is seen as a leader in the field and where resources and capacity exist for a focused knowledge and human resource intervention. One of these is renewable energy, funded by Scatec Solar.

As a result of this partnership, four PhD theses have been facilitated and more than twenty Masters Theses. Scatec Solar and South Africa benefits from this intervention as the effects are realised when they come full circle in the company's global competence in the Engineering Department, where this Cape Town-based department, capacitated by local South Africa engineers and technicians designing, developing and constructing power plants globally for the Norwegian parent company.

KHULULEKA ECD FORUM

The Khululeka early childhood development (ECD) Forum, a partnership on ECD made up by local ECD practitioners and stakeholders in Burgersdorp, the Eastern Cape, was supported by Scatec Solar with seed funding in 2016 and has progressed steadily since then. The integrated programme covers several ongoing projects, that have progressed well according to a set plan up to this point:

- Capacity building training in ECD is offered to stakeholders (members of the ECD Forum from each community), with a view to developing a structured ECD Forum capacitated to oversee all ECD programmes and services and function as a community resource working at grassroots levels in the interests of vulnerable young children and their families;
- The HighScope Orientation Workshop Programme is an introductory training programme to equip all ECD practitioners with the knowledge and practical implementation skills to offer a quality ECD programme. It provides basic training opportunities for both untrained and experienced practitioners who have had limited access to ECD training, as a basis upon which to not only further their professional development, but also improve the quality of the ECD learning programme for the young children in their care;

- The SmartStart Playgroup programme equips caregivers with enhanced parenting skills and knowledge of ECD. SmartStart is a social franchise model through which franchisees are trained and equipped to offer an early learning programme through playgroups. Seven groups so far have achieved Green Status, which means that they have achieved and maintained SmartStart standards and received a SmartStart practice license);
- FETC in ECD Level 4 training is accredited training for ECD practitioners to acquire the knowledge and skills required to provide quality ECD services to young children. It contributes to the professionalisation of ECD practitioners;
- The Household Food Garden Project provides support to vulnerable families through the establishment of household gardens; and
- The Infant and Toddler Parent Support Programme provides support to parents of infants and young children.

The key purpose of the programme is to:

- Increase access to quality developmental opportunities for children under the age of 6 years;
- Address the holistic developmental needs of young children;
- Promote seamless transitions between the home, ECD settings and the primary school; and
- Establish partnerships with community/state structures and work in line with government policies.

The programme has impacted as follows:

- Improved the overall quality of education in the communities of Burgersdorp;
- Improved the health and wellbeing of young children;
- Improved nutrition among children;
- Improve the economic situation of the practitioners' communities;
- To ignite action and ownership in the community to address children's needs; and
- To develop the agency of children and adults.

PARTNERING WITH OTHER IPPS & CORPORATES

CONSTRUCTION INDUSTRY DEVELOPMENT PROGRAMME (CIDP)

As a means to creating more employment opportunities within Scatec Solar's host communities, the construction industry has been focused on as a potential avenue through which to attract public works contracts, by developing local SMME capability. The Programme consists of four phases. The aim of Phase I was to establish a database of the kinds of skills, experiences and other adjacent metrics within the local construction industry, with the hope of better understanding the current SMME capabilities and capacity.

Phase II will be implemented within the next few months and will centre around a demand analysis for local procurement. That is, which potential opportunities exist within government departments, agencies, private sector operators that could be earmarked and directed towards local procurement.

Phase III will utilise the resultant gap analysis for targeted development of local construction companies in order to capacitate them and their staff to be able to pursue these potential procurement opportunities successfully with the support of this programme.

The optimal success of this programme can be achieved only if the support of organisations can be secured who could potentially procure these local services. These could be fellow corporates; government departments especially those dealing with public works, transport and human settlements, government agencies such as SANRAL, construction companies looking for local, black-owned or women-owned sub-contractors, and other IPPs. This is a core support programme to the Preferential Procurement Framework of Scatec Solar.

DESERT 4 PARTNERSHIP WITH OTHER IPPS

With the understanding that the CIDP could also support fellow IPPs, and because so many challenges could be tackled more successfully if shared, Scatec Solar started to engage with other IPPs in close proximity to the existing Northern Cape solar plants. Initial explorative discussions were held at the end of 2018 and the beginning of 2019 and now regular meetings are held on a monthly basis as part of an initial knowledge sharing process.

Since budgets for 2019 programmes had already been set, there are no projects that are co-funded for the current financial year, but there is a keen interest for co-funding in subsequent years.

In the interim, there is mutual support to programmes. For example, with regards to CIDP, a partner IPP is supporting participants on this programme to access mobile small, medium and micro enterprises (SMME) registration and compliance services as part of the partner IPP offering. This support has been welcomed by Scatec Solar.

The knowledge sharing on projects has assisted Scatec Solar in discovering valuable projects on literacy and numeracy that has been considered and approved for implementation. Scatec Solar has also shared knowledge on the support given to Foundation for Alcohol Related Research (FARR) in all of the company's host communities, with successful take up by partner IPPs in their host communities.

SEWING COOPERATIVES

Support has been provided to local sewing cooperatives which initially has provided limited seasonal work to community members. Scatec Solar supported these cooperatives by professionalising their production capacity with industrial machines and providing them with business skills support for them to manage all aspects of their businesses more effectively.

Besides support to their capacity, Scatec Solar has also provided these cooperatives with manufacturing contracts, initially for simple thermal vests for Grade R to three learners as a profitable cash injection into the business. Subsequently, based on their improved skill and professionalism, they were assisted through bridging finance to manufacture local school uniforms in collaboration with the local schools. The partnership with the local school leadership was critical in this project and the pilot uniform project at the end of 2018 is planned for expansion at the end of 2019. The school uniform project was a pilot in one of the communities but could easily be replicated in the other community where a sewing cooperative is being supported.

The production of school uniforms and thermal vests currently provides employment for about four to five months of the year. The vision is to link these businesses to opportunities, possibly with South African retailers and government departments (for municipal protective clothing) that could provide sustainable livelihoods for all twelve months of the year.



“The SDG, decent work and economic growth, is an area where significant innovation has taken place within Scatec Solar, particularly through the lens of the value chain, in that all projects are assessed on the basis of which self-sustaining demand or opportunity they could eventually fulfil.

This is the approach taken to any enterprise development we embark on. It also impacts on community infrastructure development, by looking at what particular skills of what specific value chain(s) can be developed as an outcome. By virtue of this approach, enterprise development interventions can be fully realised only in partnership with other IPPs, other corporates and government departments that procure goods and services as links in these value chains.

We are therefore very keen to be part of broader programmes and initiatives to facilitate this. “

JAN FOURIE, General Manager
Scatec Solar South Africa & VP Business
Development Sub Saharan Africa



TREND 6.

SDGS ALIGNED TO TAKE ACTION THROUGHOUT THE EXTENDED VALUE CHAIN

Many companies are aligning to the goals by building a supply chain perspective that shows how the goals are prioritised along their value chain. One example of this is Distell who have an overall framework that is underpinned by Goal 17: Partnerships for the Goals, with four key facets, one of which focuses on a supply chain alignment.



CASE STUDY DISTELL

INTRODUCING THE DISTELL CASE STUDY

The Distell case study is an excellent example of a 2030 Agenda and SDG prioritisation framework that has a value chain orientated perspective. There are many supplier organisations upstream that are actively motivated to deliver decent work and resource efficiencies. Downstream there is significant work with both retailers and with customers to promote responsible drinking. Across both internal and external operations there is a heavy focus on education, awareness and enablement programmes. Distell plays a strong role extending laterally into communities where its value chain is operating. From a focus on arts, culture and empowerment, to the nurture and incubation of new enterprises. This includes supporting innovation in emerging opportunities for glass recycling enterprises that ultimately support climate action.

“Our actions and the decisions we make have the potential to impact the economy, the environment and our stakeholders. For us, success in sustainability and being a leader in responsible corporate citizenship can no longer be defined by how much we spend. Instead we are focused on innovation and building lasting partnerships that deliver a positive impact along our value chain. Distell has gone through the process of developing projects that are themed by SDGs. Once mobilised, our projects are tracked by input, activity, output and outcome with a dashboard. This ensures that we have a clear view of our impact, giving one version of the truth that we can use to hold ourselves accountable.”

RICHARD RUSHTON, Group CEO
Distell

KEY DEVELOPMENT OPPORTUNITIES

• ACHIEVING TRANSFORMATION

We focus on inclusion and economic growth along our value chain to reduce poverty and inequality (including gender inequality).

• PROMOTING RESPONSIBLE DRINKING

We combat the high burden of disease and reduce alcohol-abuse related harm.

• EMPOWERING COMMUNITIES

We harness the power of art to create positive change and promote the well-being of individuals, communities, society and the environment.

• MANAGING OUR SUPPLY CHAIN SUSTAINABLY

We preserve and protect the environment on which we depend. This includes developing reliable, sustainable and resilient infrastructure.



DISTELL TAKES AN 'EXTENDED VALUE CHAIN' PERSPECTIVE ON SUSTAINABILITY

We have identified key areas along our value chain where we believe we can make the most significant impact and contribute towards sustainable development, supported by our employees. These areas shape our contribution to the United Nation's Sustainable Development Goals (SDGs), which aim to end global poverty, protect the planet and ensure prosperity for all.



OUR CYCLE OF CARE

The following summarises the activities along our value chain and highlights the key development opportunities and SDGs per activity.

Through our employee volunteer programme, employees are able to make a significant contribution to their communities. We launched Distell For Good, an online platform that enables our employees to sign up and make a contribution to any of the more than 200 non-profit organisations (NPOs) on the platform. Employees can then reach out by volunteering either time or goods, or by choosing another way to make a lasting difference.



Our brands are our heritage. They are also our future. We pursue sustainable and constructive participation in our communities, contribute to responsible drinking, drive transformation, support local procurement, create and sustain employment, and manage our supply chain sustainably.

OUR VISION

We are a proud African alcoholic beverage company with heritage, global reach, world-class people and the ability to do extraordinary things!

OUR MISSION

We craft distinctive alcoholic beverage brands, enhance memorable moments and inspire responsible enjoyment. The value we create enriches the lives of our people, shareholders and the communities within which we live and work.

OUR PURPOSE

We exist to provide unique moments of social enjoyment through the responsible marketing of well-crafted ciders, wines and spirits.

OUR VALUES

CUSTOMER AND CONSUMER FOCUS

We are passionate about our customers and consumers.

RESPECT

We respect people's views, attitudes and opinions.

COURAGE

We are enterprising and courageous in the way we tackle challenges and opportunities.

INTEGRITY

We act with integrity at all times.

RESPONSIBILITY

We take ownership of our words, actions and commitments.

COLLABORATION

We are one Distell team.



We market our brands in accordance with market specifications and encourage consumers to use our products responsibly.



We distribute and sell our products in more than 80 countries across the world.



We encourage consumers to enjoy our products responsibly and to participate in recycling our packaging material.



THE DISTELL SUSTAINABILITY FRAMEWORK, ALIGNED TO THE GLOBAL GOALS IT IS DRIVING

THERE ARE VARIOUS SDGS WE ACTIVELY AND DIRECTLY SUPPORT THROUGH OUR STRATEGIC CAPABILITIES, OUR SUSTAINABILITY THEMES AND THROUGHOUT OUR VALUE CHAIN.





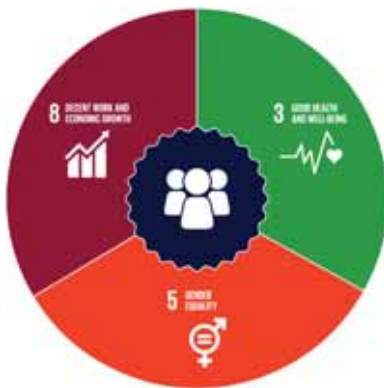
We have a responsibility to reduce alcohol-abuse-related harm. Through the programmes and partnerships discussed in this chapter, we aim to contribute to various goals aligned with SDGs 3, 5, 8, 9 and 12. This includes, for example:

- **Reducing** one third of premature mortality from non-communicable diseases through prevention and treatment, and promoting mental health and well-being by 2030
- **Strengthening** the prevention and treatment of substance abuse, including harmful use of alcohol
- **By 2020, halving** the number of global deaths and injuries from road traffic accidents



We focus on inclusion and economic growth along our value chain to reduce poverty and inequality (including gender inequality). Through the programmes and partnerships discussed in this chapter we aim to contribute to various goals aligned with SDGs 5, 8, 9 and 12. This includes, for example:

- **Contributing** to full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- **Protecting** labour rights and promoting safe and secure working environments
- **Increasing** the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets



We create positive change and promote the well-being of individuals, communities, society and the environment. Through the programmes and partnerships discussed in this chapter we aim to contribute to various goals aligned with SDGs 3, 5 and 8. This includes, for example:

- **Promoting** development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services
- **Devising** and implementing policies to promote sustainable tourism that creates jobs and promotes local culture and products by 2030



We preserve and protect the environment on which we depend, this includes developing reliable, sustainable and resilient infrastructure. Through the programmes and partnerships discussed in this chapter we aim to contribute to various goals aligned with SDGs 6, 9 and 12. This includes, for example:

- **Substantially reducing** waste generation through prevention, reduction, recycling and reuse
- **Upgrading infrastructure** and retrofitting industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes
- **By 2030, improving water quality** by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated waste water and substantially increasing recycling and safe reuse globally

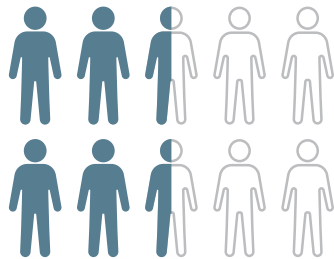


AWARE.ORG.ZA IS FOCUSED ON FOUR MAIN AREAS THAT WILL HELP PUT AN END TO ALCOHOL MISUSE AND ABUSE IN SOUTH AFRICA.

UNDERAGE DRINKING

Underage drinking (drinking when under the age of 18 years) is significantly common in South Africa and can put children at increased risk of physical and social harm. To address this concern, Aware.org.za has developed a multi-pronged programme that includes the distribution of specially developed material to schools. This is allied with workshops and online support for teachers.

50%
of South African teens drink alcohol



FETAL ALCOHOL SPECTRUM DISORDER

Fetal alcohol spectrum disorder (FASD) is a condition that occurs when a mother consumes alcohol during pregnancy. Alcohol use during pregnancy is a leading cause worldwide of preventable birth defects and developmental disabilities in children. Aware.org.za is committed to creating awareness of FASD through a variety of programmes and campaigns that target at-risk vulnerable youth and adults.

DRINKING ALCOHOL AND DRIVING INCREASES THE RISK OF A ROAD TRAFFIC CRASH

Above a blood-alcohol concentration (BAC) of 0,05 g/dl, the risk of a road traffic crash increases dramatically.



PROMOTING RESPONSIBLE DRINKING

Aware.org.za encourages responsible consumption – this includes creating awareness about the dangers of drinking and walking in the road and understanding the rules for legal alcohol consumption in South Africa when driving (a blood alcohol limit of 0,05g per 100ml).

BINGE DRINKING

Aware.org.za is focused on enabling a culture of moderation and responsible alcohol consumption. This includes making people aware of the dangers of binge drinking – a term used to describe when an excessive amount of alcohol is consumed by an individual in a short period of time. This is typically defined as four drinks for women and five drinks for men in about two hours.



WINE: 175ml
1/2 of a glass



BEER: 340ml
2/3 of a bottle



SPIRITS: 25ml
1 tot

WE HAVE ALSO TAKEN AN ACTIVE ROLE IN RAISING AWARENESS AROUND THE CONSEQUENCES OF DRINKING WHILE PREGNANT THROUGH STRATEGIC PARTNERSHIPS WITH FASFACTS AND THE FOUNDATION FOR ALCOHOL RELATED RESEARCH (FARR).

Our partnerships with FASfacts and FARR are crucial to create awareness of the dangers of drinking while pregnant and provide prevention and treatment programmes for women across South Africa who are addicted to alcohol.





CASE STUDY

FARR

FARR IS ONE OF SOUTH AFRICA'S LEADING ORGANISATIONS DRIVING RESEARCH ON FASD AND HAS IMPLEMENTED NATIONALLY ACCLAIMED PREVENTION, SUPPORT AND MANAGEMENT PROGRAMMES ACROSS SOUTH AFRICA.



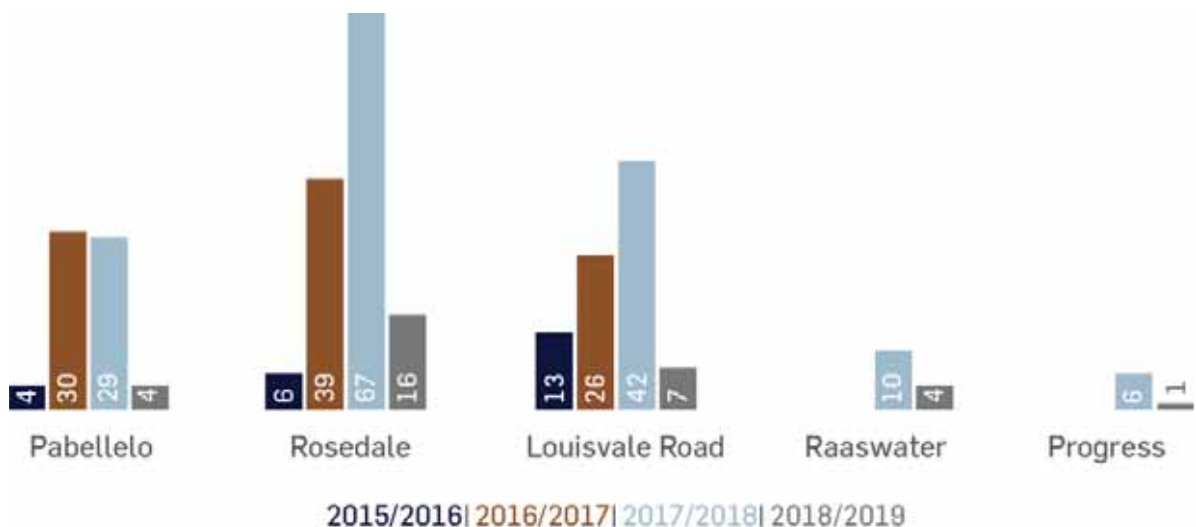
We fund FARR's Healthy Mother, Healthy Baby (HMHB) programme, which supports pregnant women in vulnerable communities around Upington, Northern Cape, irrespective of whether or not they use alcohol.

The programme provides motivational group support, home visits and a buddy system to entrench harm-reduction thinking and avoid prenatal alcohol abuse for healthy pregnancies and happy babies. To scale up the reach and impact of the HMHB programme, we increased

our funding in 2018. This enabled FARR to improve service delivery by appointing two new employees, both of who are local residents from Upington.

The HMHB programme is bolstered by the FARR Training Academy, which targets health professionals, social workers, community leaders and educators, and provides them with the knowledge and tools to spread awareness around prevention. This strengthens the capacity of communities to build positive futures for their children.

NUMBER OF MOTHERS PARTICIPATING IN THE HMHB PROGRAMME





CASE STUDY

FASFACTS

ESTABLISHED IN 2002, FASFACTS IS AN NPO THAT WORKS WITH AT-RISK COMMUNITIES IN WORCESTER, WESTERN CAPE, AND MDANTSANE, EASTERN CAPE, TO CREATE AWARENESS ABOUT THE DANGERS OF DRINKING ALCOHOL DURING PREGNANCY.



FASfacts' Pregnant Women Mentoring Programme (PWMP) is managed by a social worker and run in partnership with community members who are trained to offer support, counselling and mentorship to pregnant women. Importantly, the PWMP gives women the knowledge to look after their own health and make positive choices during pregnancy. Expectant fathers are also included, encouraging both parents to take responsibility for the future of their unborn child. We have supported the PWMP since 2012.

FASfacts expands into the Eastern Cape In 2015, we were approached by the Eastern Cape Liquor Board for input on how to manage and reduce the socio-economic effects of excessive alcohol consumption in the province.

Owing to the success of the PWMP in the Western Cape, we chose to collaborate with FASfacts, the Eastern Cape Liquor Board and Rhodes University to roll out the programme in the Mdantsane area in East London in 2016. Rhodes University was selected as a research partner to ensure the PWMP is implemented effectively and targets pregnant women most at risk. The PWMP was launched in Mdantsane in January 2018 and 20 mentors have been recruited into the programme. Once their training is complete, these mentors will provide support to 60 pregnant women over 12 months.

THIS SUPPORTS OUR GOAL TO INCREASE THE NUMBER AND SCALE OF PROJECTS FOCUSED ON COMBATING FASD ACROSS SOUTH AFRICA.





DEVELOPMENT TRUST

DURING THE YEAR, THE TRUST DISBURSED R7,5 MILLION TO 12 PROGRAMMES.

The Trust focuses on three strategic imperatives when deciding what initiatives to invest in. The following are the programmes supported by the Trust during the year:

EMPOWERMENT OF BLACK WOMEN IN RURAL COMMUNITIES

- **Avian Park Feeding Scheme:**
an in-school feeding scheme
- **Rapport Onderwysfonds:**
providing bursaries to students who want to become teachers
- **Rural Education Access Programme:**
a mentoring programme
- **Usiko Stellenbosch:**
providing support and mentoring to school students
- **School Turnaround Foundation:**
predominantly working with children affected by FASD in four schools
- **SA College for Tourism:**
supporting college students entering the job market

THE HANDWORK HUB

The Handwork Hub is a black-women-owned enterprise developed in partnership with the E+Scalator programme in 2017. The Handwork Hub supplies around 70% of our Amarula bottle tassels. Through this initiative informal handwork was converted into formal employment. In the past year it has achieved the following successes:

- 42 women now employed
- Working conditions are world class and employee turnover has been negligible
- All loan repayments have been met
- More than 11 million hand-made tassels have been produced and sold (these unique tassels are attached to each bottle of Amarula)
- 100% on-time, in-full delivery to Distell achieved
- Sales of more than R7 million achieved

In addition to The Handwork Hub, other projects supported by the E+Scalator programme continue to be successful. This includes, among others, 33 Degree Energy Systems – a majority black-owned enterprise that was established by the E+Scalator programme to deliver sustainable power solutions to Distell.

EDUCATION AND WORK-READINESS

- **Inspire Children and Youth:**
a needlework empowerment project for rural women
- **Thanda:**
a farming project
- **Ubunye Foundation:**
a farming project

YOUTH EMPLOYMENT AND ENTREPRENEURSHIP

- **Ray Mhlaba Skills Training Centre:**
providing support and mentoring to unemployed youth
- **Amy Foundation:**
providing support and mentoring to unemployed youth
- **The Small Business Academy Growth Initiative:**
providing support and mentoring to young entrepreneurs



CASE STUDY

ARTSCAPE THEATRE CENTRE

THE ARTSCAPE THEATRE CENTRE HAS EVOLVED INTO ONE OF THE LEADING CULTURAL INSTITUTIONS IN SOUTH AFRICA.



It showcases local culture and indigenous South African art genres, while exploring diverse and rich forms of artistic expression across the continent. It also provides opportunities for youth and emerging artists through education and audience development programmes, and takes the experience of art and theatre into rural and peri-urban communities across the Western Cape through its Outreach Programme.

Importantly, the Artscape Theatre Centre provides developing artists with infrastructure support, professional networking opportunities and skills development that positions them for future growth and employment.

The vision of the Resource Centre is to be the heart of the artistic network in the Western Cape and improve the industry's art administration skills through its training programme. In this way, the Resource Centre aims to:

- Facilitate effective and efficient communication with members on opportunities within the sector
- Host networking events to provide a platform for the artistic community to engage with other artists
- Contribute towards a much-needed pool of skilled arts administrators in South Africa
- Keep members informed about developments in local networks and support industries locally and abroad

WE HAVE BEEN A PROUD PARTNER TO THE ARTSCAPE THEATRE CENTRE FOR THREE DECADES, AND HAVE SPONSORED THE RESOURCE CENTRE SINCE 2017.

“While its current focus is on the Resource Centre, Distell has a long-standing history of supporting the Artscape Theatre Centre. Through the years, Distell has supported emerging artists by funding our highly successful Youth Jazz and Youth Classical Festival programmes. As a result of their funding, a number of the young people involved with these programmes are now professional artists based around the world. Distell's funding contributed to education, job creation and to the overall viability of the art industry in South Africa. Our partnership also helped us build a new audience base who see the value of theatre as an industry and career opportunity.”

DR MARLENE LE ROUX, Chief Executive Officer
Distell



Global Compact
Network South Africa



CASE STUDY

UNIVERSITY OF STELLENBOSCH BUSINESS SCHOOL'S SMALL BUSINESS ACADEMY

WE BELIEVE THAT SUCCESSFUL SMALL BUSINESSES CAN STIMULATE BROADER JOB CREATION AND ECONOMIC GROWTH.

Through its Development Programme, the Small Business Academy hopes to transform the lives and enterprises of small-business owners from low-income areas by building business skills and promoting a stronger culture of entrepreneurship and ownership.

We have been a proud sponsor of the Small Business Academy's Development Programme since its start in 2013. In 2018, we recommitted our support to 2020 as the headline sponsor of this important programme.

Participants in the Development Programme must have owned a micro or small business for at least two years prior to enrolling, and all participants are from disadvantaged black communities in the Western and Eastern Cape.

This means they often face extraordinary challenges. They often run their businesses from home, are working on their own, have families, or may be single women or women with children. This requires a remarkable balancing act and difficult challenge when it comes to supporting and encouraging participants.

IN RESPONSE THE PROGRAMME HAS DEVELOPED AN INNOVATIVE AND PEOPLE-CENTRIC MENTORING APPROACH. MENTORS MEET PARTICIPANTS AT THEIR PLACE OF BUSINESS TO UNDERSTAND THEIR BUSINESS SITUATION AND WHAT THEIR UNIQUE CHALLENGES ARE.

Mentorship and coaching is offered voluntarily by alumni and other business people. Mentors are matched with participants and they provide academic and practical business support throughout the duration of the programme – this includes on-site mentoring and networking opportunities.

In addition, the programme offers modules in computer skills, business essentials, marketing, financial management, and business plan development and presentation. Academic assignments are then based on using the small business owner's own business to test ways to grow it and develop sustainable business practices. Through this blended learning approach, participants are guided to understand the unique issues facing their businesses and find solutions to grow and expand.



OVER THE COURSE OF SIX YEARS THE PROGRAMME HAS GROWN FROM STRENGTH TO STRENGTH.

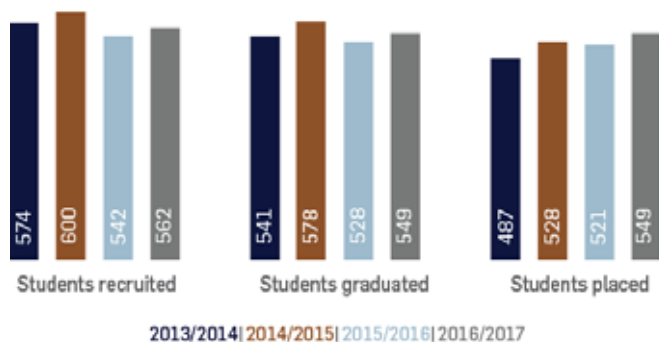


CASE STUDY

CHRYSLIS ACADEMY

THE NAME 'CHRYSLIS' DESCRIBES THE TRANSFORMATION OF A LARVA INTO A BUTTERFLY IN A PROTECTIVE COCOON (THE ACADEMY) –THIS SYMBOLISES THE ACADEMY'S GOAL TO TRANSFORM VULNERABLE YOUTH INTO COMMUNITY LEADERS.

REACH OF THE CHRYSLIS ACADEMY IN RECENT YEARS



The programme has been cultivated over the last 18 years and exposes youth between the ages of 18 and 25 to a challenging but exciting learning environment. More than 500 students benefit annually, and the programme touches on physical, mental, emotional and spiritual dimensions, and includes four phases:

- **Orientation phase:**
Introduce youth to personal mastery, emotional intelligence, diversity and inclusivity and leadership skills.
- **Outdoor phase:**
Build leadership capability and use the healing power of nature to overcome challenges, while creating environmental awareness.
- **Skills phase:**
Learn basic skills such as electrical circuitry, firefighting, welding, cookery, youth development and a range of other skills. The focus on technical and entrepreneurial skills training has increased to help youth become independent and economically self-sufficient.
- **Community phase:**
Students engage in various career discussions, volunteer at community projects and prepare for their exit back into their communities.

THE CHRYSLIS ACADEMY AIMS TO UNLEASH THE POTENTIAL AND DEEPEN THE RESILIENCE OF YOUTH ACROSS THE WESTERN CAPE THROUGH AN EMPOWERING AND HOLISTIC THREE-MONTH RESIDENTIAL PROGRAMME.

In 2018 we sponsored various skills courses as part of the skills phase, benefiting 371 students. 60% of these courses are accredited. All youth who complete the programme are provided with a one-year placement opportunity to gain work experience. Youth are also provided with 5 years of aftercare support. Going forward, the Chrysalis Academy can offer high-quality training and certification to youth practitioners and other young people, making its programme more accessible and enriching youth development in South Africa.

We have been a funder and partner to the Chrysalis Academy since 2012. We are the largest corporate partner to the Chrysalis Academy and are proud to join forces with others from the public sector (such as government) to support this powerful programme.





CASE STUDY

THE STELLENBOSCH RIVER COLLABORATIVE

FOR CENTURIES, THE FRESHWATER RIVERS OF THE WESTERN CAPE HAVE NOURISHED AN ECOSYSTEM THAT SUPPORTS OVER 8 000 SPECIES OF ENDEMIC FYNBOS PLANTS.



The Stellenbosch region in particular is known for its wine industry, with many producers growing grapes and fresh produce irrigated by rivers in the Eerste River Catchment. There are also communities who live around and rely on these rivers.

However, over time, pollution and decline in the water quality of the rivers in the Eerste River Catchment has led to increasing risks to the region's environment and economy. This required urgent action and the willingness of multiple relevant stakeholders to collaborate and restore health to the rivers.

Launched in 2013, we are one of the founding members of the Stellenbosch River Collaborative (SRC) – a collaborative of like-minded organisations and people concerned about the deteriorating water quality of the rivers in the Eerste River Catchment. The SRC's aim is to develop a collaborative governance response to the water quality issues and the environment in the catchment.

This collaboration brings together various stakeholders that include non-profit organisations (NPOs) and NGOs, government agencies, conservation and community-based agencies, industry and academic institutions to address the problems around degraded ecosystems and unsustainable livelihoods. This requires engaging in change processes and initiating on-the-ground stakeholder engagement, as well as piloting projects in the communities of Kayamandi and Enkanini in Stellenbosch.

SINCE ITS LAUNCH, THE COLLABORATIVE HAS GONE FROM STRENGTH TO STRENGTH AND HAS INCREASED ITS EFFORTS TO DRIVE RIVER REHABILITATION AND CLEAN-UP ACTIVITIES ALONG THE PLANKENBRUG AND EERSTE RIVERS.

As we operate in a water-stressed region, we are committed to responsible water stewardship that takes into consideration our communities, consumers and the environment within which we operate. We are therefore working to take this initiative a step further.

In the upcoming year, we will collaborate with various like-minded stakeholders and partners to mobilise effective interventions. This includes collaboration with the University of Stellenbosch Water Institute, the Stellenbosch Municipality and others to spearhead innovative projects and achieve sustainable outcomes for preserving freshwater life in the rivers within the Stellenbosch region.

HUMAN RIGHTS TO ENSURE WE PROTECT THE HUMAN RIGHTS OF ALL WORKERS, ESPECIALLY ON OUR FARMS, WE ADHERE TO AND EXCEED REQUIREMENTS SET OUT IN SOUTH AFRICA'S BASIC CONDITIONS OF EMPLOYMENT ACT.

- Employees from our wholly owned farms can participate in the Distell Provident Fund
- Farmworkers can join subsidised medical funds and mobile clinics provide additional health support
- Functional literacy programmes are available to workers across all of our farms
- Employment-linked housing is made available and, in some instances, is available rent-free. This includes water and electricity. Some farms provide free transport to assist farmworkers with their weekend shopping and attending sports, school, religious and cultural events
- Our farmworkers earn between 20% and 74% more than the minimum amount prescribed by law, depending on their employment grade

In addition, we offer the following benefits beyond what the Basic Conditions of Employment Act prescribes:

- Annual leave (five days more per annum)
- Family responsibility leave (three to six days more per annum)
- Annual bonus (13th cheque)
- Maternity leave (33% to 50% more than prescribed)

We have stringent measures in place to ensure compliance with all laws pertaining to employment in South Africa. At all operations the relevant labour legislation is visibly displayed on notice boards, is accessible to all employees and each employee has a contract of employment. All prospective employees must submit proof of identification to ensure that they are of legal working age before we will consider employing them.

We also adhere to recommendations set out in the Code of Good Practice for the agricultural sector and abide by the South African Bill of Rights as enshrined in our Constitution. All employees have the right to join or form a trade union.



GREENHOUSE GAS EMISSIONS

↓ 3,3%

year on year

11,0% lower than the 2014 base year

WATER USAGE

↓ 14,3%

per litre of production year on year

21,2% lower than the 2014 base year



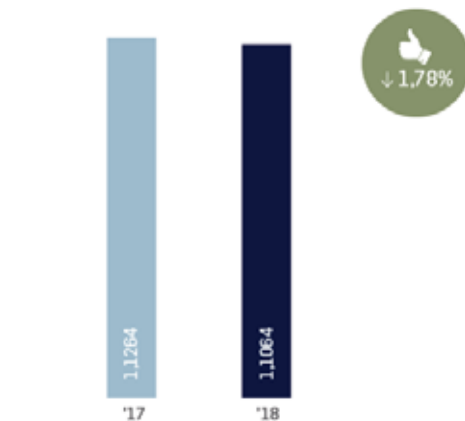
ELECTRICITY USAGE

↓ 12,2%

per litre of production year on year

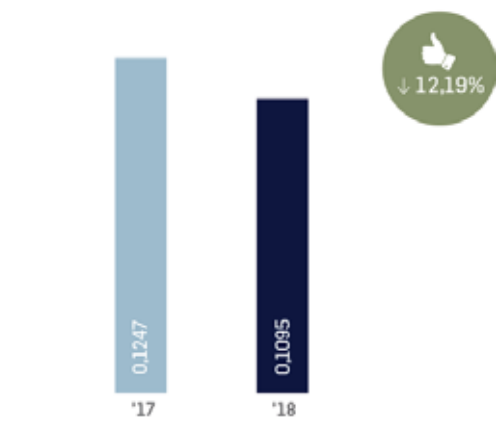
17,9% lower than the 2014 base year

FOSSIL FUEL-BASED ENERGY USAGE (MJ/ℓ)



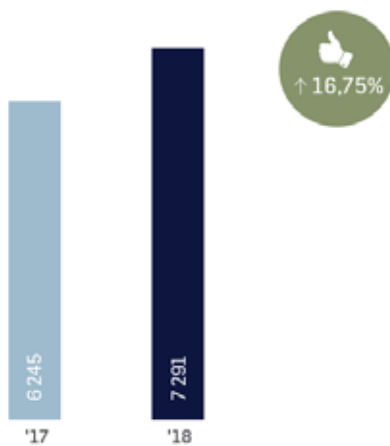
Energy usage per litre of packaged product

ELECTRICITY USAGE (kWh/ℓ)



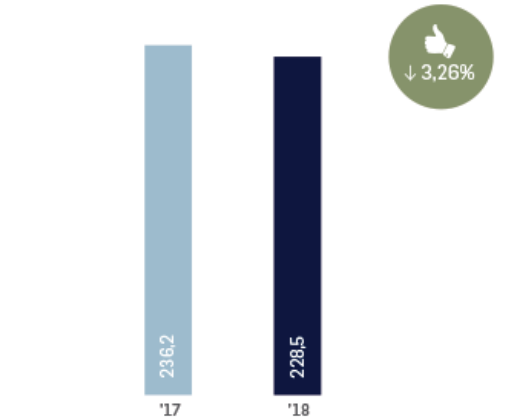
Energy usage per litre of packaged product

tCO₂ CAPTURED



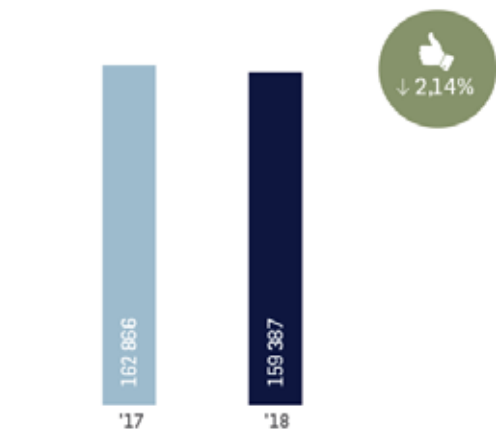
CO₂ captured from fermentation process

GHG EMISSIONS (kgCO₂e/ℓ)



Direct GHG emissions per litre of packaged product

CARBON FOOTPRINT



GHG emissions – scope 1 and 2 (tCO₂e)



TREND 7.

GLOBAL PRIORITIES ENHANCED WITH ACTION TO ADDRESS COUNTRY SPECIFIC NEEDS

Companies regularly have overarching SDG priorities that are prioritised around world wide core operations, particularly decent work and economic growth, efficient resource consumption, and innovation. These goals are then enhanced and enriched at local level, attending to the communities where they operate. South African priorities are often related to action on education, good health and well-being, mitigation of inequality, addressing poverty, water, life on land and other activities that promote inclusion for the most poor.

CASE STUDY MONDI

INTRODUCING THE MONDI CASE STUDY

“The Growing Responsibly model guides Mondi to continuously improve its sustainability performance while making the most of its opportunities to address societal challenges, especially through contributing to the UN SDGs.”

DOMINIQUE REINICHE

Chair of the Mondi DLC sustainable development committee.

Mondi's Growing Responsibly model is the framework through which the company responds to its sustainability challenges and opportunities. With its 10 Action Areas and 16 public commitments to 2020, the model demonstrates Mondi's contribution to achieving the UN Sustainable Development Goals. As an innovative packaging and paper solutions company with over 100 operations across more than 30 countries, Mondi is placing strategic focus on those SDGs where it is uniquely positioned to drive positive change - namely SDGs 7, 8, 9, 12, 13 and 15. However, Mondi takes a local perspective in the specific areas where it operates. Within South African operations it has demonstrated leadership in sustainable forestry, water stewardship and land restitution and is taking action to drive enterprise development for land claimants. This is combined with community investments in education, good health and well-being, sustainable livelihoods, poverty alleviation, and local development.

Mondi believes that the primary contribution of any business to the SDGs is through job opportunities, taxes and social and economic development. Beyond these however, real and lasting positive change can only be achieved by considering its impacts, targeting its response, collaborating with key players and stakeholders and scaling its efforts.

“We believe in the value of being part of the solution to global and local sustainability challenges and I am proud of the work we are doing in partnership with our communities, government and other key stakeholders. Our partnership initiatives such as the WWF-Mondi Water Stewardship Partnership and Mondi Ecological Networks Programme with the University of Stellenbosch all contribute to the objectives of the SDGs.”

VIV MCMENAMIN, CEO

Mondi South Africa

PURPOSE, IMPACT AND SCALE: MAKING A REAL CONTRIBUTION TO THE SDGS

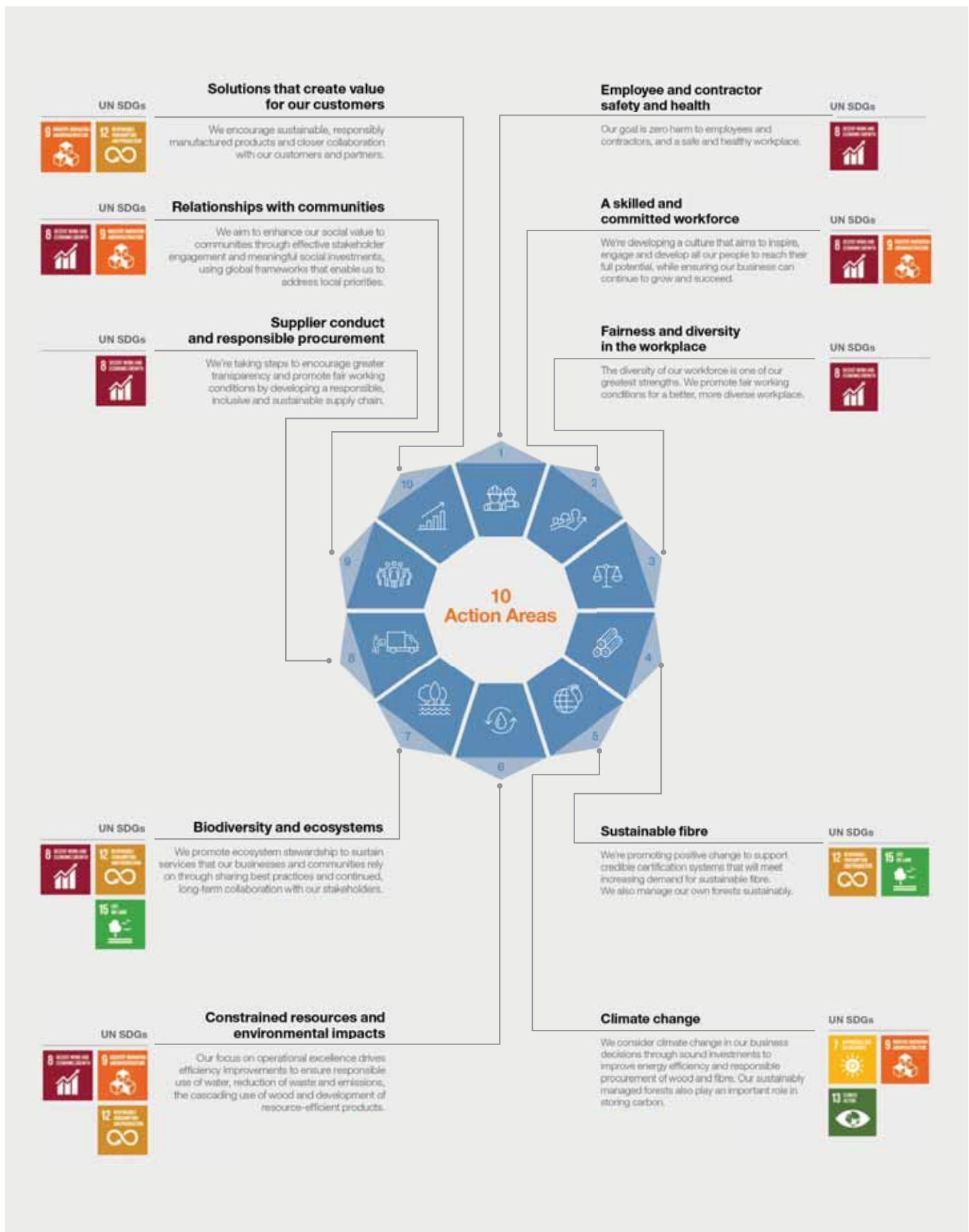
Each year Mondi reports on the SDGs that have the strongest links with its Growing Responsibly activities all over the world.

In its Sustainable Development report 2018, Mondi has gone a step further to look at where it has the biggest potential to make a difference, at scale. These strategically important SDGs are shown on the right. Strategic importance is based on where it can have negative impacts and also where it is uniquely positioned to drive positive change together with its stakeholders.

It also includes factors such as the relevance of the goal and target to its value chain, alignment with its ambitions of growing responsibly, its ability to use its skills, competencies and resources to drive change and the importance of the issues to its stakeholders.

MONDI'S GROWING RESPONSIBLE MODEL

The top-level responsibility model identifies SDGs that are strongly aligned to its value proposition as a leading global packaging and paper company with extensive forestry operations. Mondi has a focus on SDGs that drive for innovative solutions that create value for customers, whilst being a responsible consumer of resources, and, offering decent work to employees. As expected, at a top-level Mondi is also focused on climate action and life on land. Mondi is an example where a top level global prioritisation is then linked to localised action.



Goal 7

Ensure access to affordable, reliable, sustainable and modern energy for all



7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 By 2030, double the global rate of improvement in energy efficiency

7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human wellbeing, with a focus on affordable and equitable access for all

9.2 Promote inclusive and sustainable industrialisation and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets

9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per one million people and public and private research and development spending

Goal 12

Ensure sustainable consumption and production patterns



12.2 By 2030, achieve the sustainable management and efficient use of natural resources

12.3 By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses

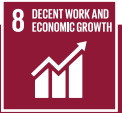
12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers and by 2025 end child labour in all its forms

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Goal 13

Take urgent action to combat climate change and its impacts



13.2 Integrate climate change measures into national policies, strategies and planning

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

Goal 15

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

15.8 By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species

15.9 By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts

DELIVERY OF GOALS

MODERNISING OF FORESTRY OPERATIONS

Mondi South Africa's forestry operations supply its pulp and paper mills with fibre sourced from its own and leased plantations, as well as timber sourced from small scale growers. Modernising operations and improving efficiencies is achieved through a focus on three main phases.



The first phase which is virtually completed involved the introduction of machines and technology in the forestry operations to replace the unergonomic and unsafe physical jobs. For example, mechanical harvesters, skidders and loaders have transformed Mondi's harvesting operations, replacing handheld chainsaw operators, bark strippers and other manual field workers.

Silviculture operations have also been transformed, utilizing mechanical pitters, planters and sprayers, as well as augurs and planting tubes, which eliminate the need for workers to carry heavy loads and stoop and bend.

HEALTH AND SAFETY

One of the key motivations behind Mondi's modernisation programme was to improve health and safety of forestry field workers, by eliminating the need to carry heavy loads, and to stoop and bend. The field staff now work standing upright – even on steep areas. All equipment used in forestry operations has been selected and designed to enhance productivity as well as improve ergonomics and safety. Productivity improvements as a result of modernization have been significant.

CONTRACTOR DEVELOPMENT

One of the challenges of modernising operations is that the primary implementing agents are the forestry contractors. Thus the Mondi team has had to work very closely with their contractors through this process which has transformed the way they operate.

“We've seen major improvements in working conditions and skilled labour by up to 50% in silviculture.

THEMBA VILANE, Director of Forestry
Mondi South Africa

The contractors were apprehensive when we started. They have transformed into much more capital intensive businesses and they have increased their workforce through employment of people with new skills sets, like mechanics for instance.

THEMBA VILANE, Director of Forestry
Mondi South Africa

Mondi Zimele

Mondi Zimele, our South African enterprise development arm, delivers a range of initiatives that provide financial support and skills transfer to emerging forestry growers.

Mondi Zimele is another important component in Mondi's strategy for the Forests division. Since 2012, Mondi Zimele has provided approximately €10.2 million in loan funding to assist over 200 local businesses in the creation of more than 2,800 jobs.

"The Mondi Zimele programme complements the Mondi Forest operations. In those rural areas the biggest issue is high unemployment linked to a lack of job opportunities. Our business model under Mondi Zimele looks at setting up small businesses in our footprint areas. It largely focuses on funding, business development support and assisting entrepreneurs to access markets.

"The businesses that we support have a combined turnover greater than R480 million per annum. Our programme assists 2 170 small growers who are delivering about 100 000 tonnes of timber to Mondi mills per annum. In addition to that we also assist approximately 24 of our own contractors."

The word Zimele is derived from the African languages, Xhosa and Zulu and is translated to be independent and "to stand on your own feet."

NELLY NDLOVU, CEO
Mondi Zimele



DELIVERY ON GOAL 8: DECENT WORK AND ECONOMIC GROWTH



ENGAGING WITH OUR PARTNERS IN THE SUPPLY CHAIN

SUPPORTING ENTERPRISE DEVELOPMENT

Working with our partners in the supply chain also means enabling local businesses through financial or management support, for example by providing practical training or developing contracts with local businesses.

Many success stories have started in Zimele, a Mondi-owned subsidiary, which aims to accelerate small business development in the forestry value chain in South Africa.

The greatest reward in this job is knowing we are providing jobs and impacting the lives of our employees and their families, contributing to a better economy.

Dudu Gumede
Amahlathi Ethu



MONDI ZIMELE SUPPORTS BUSINESSES TO BECOME HIGH-PERFORMANCE SUPPLIERS

Amahlathi Ethu is a silviculture contractor operating in KwaZulu Natal, South Africa. The company was formed in 2014 when two emerging contractors (Siyathuthuka and Dubumthuzi) joined forces to pool resources and modernise operations, purchase equipment and improve productivity. Mondi Zimele started providing business support and development to Amahlathi Ethu in 2014. This included coaching and mentoring with a Mondi Zimele Forestry Development Manager and offering training across diverse operational, business and human resources functions. Mondi Zimele also provided the company with a low interest loan for the purchase of three tractors, a planter trailer and a 35-seater personnel carrier, which has been repaid in full. Amahlathi Ethu has created employment for 197 people from neighbouring communities and won numerous awards for its commitment. Testament to its success, Mondi recently awarded Amahlathi Ethu a new five-year contract, which will increase its scope of work from January 2019.



AM AHLATHI ETHU IS A SILVICULTURE
CONTRACTOR OPERATING IN KWAZULU
NATAL, SOUTH AFRICA.

DELIVERY ON GOAL 4: QUALITY EDUCATION



A SPRINGBOARD FOR EARLY CHILDHOOD LEARNING

The first 1,000 days of a child's life are the most crucial in terms of development. These are the foundation years for literacy, maths and emotional development. But early childhood development is lacking in many communities.

The Mkhondo municipality in South Africa is a predominantly rural area with a population of approximately 172,000. Studies show that there are 21,686 children under the age of four in the area, 18,000 of whom do not have access to early learning and stimulation.

Mondi has been involved in providing access to health care for the Mkhondo community for a number of years through the highly successful Mobile Clinic Programme in partnership with the Mpumalanga Department of Health and Tholulwazi Thol'impilo. In 2018, we launched an exciting new project with government and NGO partners to bring early childhood development services to 35 remote villages using the mobile clinics as an entry point.

A toy library is packed into a trailer which is hitched to the mobile clinic, enabling the librarian and the nurse to visit the same service points together. While the nurse provides health services, the librarian provides play-based learning sessions for children under the age of five.

This new service is reaching around 400 children at 35 villages every month. Parents and caregivers are invited to learn about the resources and why early childhood development is so important.

Reaching about

400

children in

35

villages every month



FROM SEED TO SUCCESS AT MONDI FORESTS, SOUTH AFRICA

The DST-NYS Volunteering Programme is a partnership between Mondi, the Department of Science and Technology (DST) and the National Youth Service (NYS). It enables unemployed Science, Engineering and Technology graduates and postgraduates to acquire practical work experience through mentoring and exposure. Mondi has been part of the programme since 2014, providing opportunities for qualified youth to get work experience, while identifying promising individuals who can benefit the business.

Bandile Maduna is seed production supervisor at Mt Home Nursery. He was originally placed in the Land Department, working under the supervision of Thokozile Maphula, Mondi community development facilitator.

"My education involved a mixture of community development and agricultural science, so the position was perfect. Thokozile mentored me very well and I learned how Mondi relates to communities in its operational areas. I even got the opportunity to establish an agricultural project, thus contributing to food security in the area. My life and my family's lives have changed. I'd like to thank NYS and DST for the support and Mondi for giving me the opportunity."

"I love my work. It's a unique job. I study the chemical and physical components of wood-making improvements to ensure that the mills get the best quality and pulp yield. Students must work hard and learn everything they can; if you prove yourself, it will open up opportunities and lead to success."



Mapule Mohlamme, Mondi South Africa

Mapule Mohlamme is wood quality supervisor at Mt Home Nursery. She applied for the DST-NYS Volunteering Programme and received an opportunity to volunteer at Mondi Forests, before moving to the Mt Home Nursery to work in the Wood Quality Department at the Trahar Technology Centre.

Mapule flourished and grew in confidence under the guidance of research scientist Nicci Edwards, and she was offered a permanent job as wood quality supervisor. Mapule is now doing her Bachelor of Technology in Biotechnology at Durban University of Technology.

DELIVERY ON GOAL 6: CLEAN WATER AND SANITATION



Managing our water-related risks

Mondi's Group water risk management approach involves conducting water impact assessments of our forest operations and pulp and paper mills. These assessments help to mitigate water risks, understand shared challenges in the catchment, and identify measures to manage future risks. Based on the findings of the water impact assessments we have conducted so far, we are not significantly affecting any water bodies and related habitats.

As part of our global partnership with WWF, we supported the development of the pulp and paper questionnaire for the Water Risk Filter to make it more useful for the sector. We tested a high-resolution Water Risk Filter for South Africa and now we're testing the newly revised Water Risk Filter tool 5.0, at our pulp and paper mills to categorise our operations according to their water risk. Through discussing our conclusions and suggested measures with WWF, we have increased our understanding of our current and potential future water impacts, as well as potential risks to our business relating to water availability, allocation and costs.

We are exploring the links between potential water basin and production-related water risks with the need to undertake further water stewardship assessments. In prior years, we have also conducted water stewardship assessments against the International Alliance for Water Stewardship Standard in some catchments and for our Richards Bay mill in South Africa.

This included discussions with other water users in the assessed area. Outcomes are being used to inform meaningful, cost-effective improvements to our management systems and interactions with other water users to improve water security in the catchment. By way of an example, we recently reviewed our policy on controlled burning to protect soil quality through improved planning and implementation of burning plans.

Reducing water consumption

Withdrawals from the water system can affect the environment by lowering the water table, reducing the volume of water available to other stakeholders and altering the ability of an ecosystem to perform its natural functions.

Such changes have wide implications for quality of life in the area, including economic and social consequences for the local communities for whom the water source is important.

From a business perspective, the cost of the water we use and treat as effluent can be significant. Uncertainties over water availability in some of the areas where we operate can also be a risk factor. We expect water regulation to become stricter in coming years due to the impacts of climate change on rainfall patterns and related regulatory changes. For these reasons, reducing freshwater consumption in every location and especially in water-stressed regions is a priority.

25 million m³ of our water input was in water scarce areas in South Africa (2017: 26 million m³). We saw a 2.2% reduction in our water withdrawal in water-stressed regions in 2018 - mainly due to the closing of our newsprint production capacity at our Merebank mill.

Our Richards Bay mill has also reduced water consumption sustainably over the past few years, with an increase this past year compared to 2017 related to the impacts of an extended shut in February.

MANAGING WATER RISKS IN SOUTH AFRICA

In South Africa, we manage approximately 254,000 hectares of eucalyptus and pine plantations which supply timber to our Richards Bay mill. Our plantations are vulnerable to reduced water supply and climate change may reduce rainfall and increase temperatures in coming decades, potentially affecting timber yield. Extended water shortages in South Africa also remain a concern for the operation of our mills. To manage the risks, we have reduced our total freshwater consumption in our South African mills by 8% and our specific water consumption in our Richards Bay mill by 4% from 2015 to 2018. This has been achieved mainly by implementing closed loops and increased recycling of water used in our processes.

We also work hard to reduce the water consumption in our nurseries, which provide us with seedlings for replanting after harvesting trees in our plantations. We upgraded the greenhouse irrigation systems from the traditional misting system to a more efficient fogging system and installed a precision fertiliser dosing machine with drip irrigation in the sand beds. We also introduced rainwater harvesting, with an overall capacity to store two million litres of rain water, to reduce our dependence on boreholes and potable water sources. These measures have helped us improve water efficiency in the greenhouses.



4%

Water consumption reduction in Richards Bay Mill

DELIVERY ON GOAL 15: LIFE ON LAND



ECOSYSTEMS AND BIODIVERSITY

Ecosystem degradation and the resulting loss of habitats and species have a significant negative effect on the ecosystem services that sustain communities and businesses. Mondi Group is committed to managing key natural ecosystems in its forestry operations in a way that allows ongoing representation of biodiversity and delivery of key ecosystem services. We do this by maintaining an effective network of conservation areas, representing priority ecosystems and imitating natural dynamics wherever possible. The management of our conservation areas is guided by our environmental management system and site-specific requirements are reflected in a series of map-based Environmental Management Plans (EMPs).

We set aside around 24% of our owned and leased land for conservation purposes; the rest of our managed land is used for production purposes. In South Africa, these are predominantly grassland and wetland ecosystems, with a smaller proportion set aside for woodland and natural forest ecosystems. Our conservation area networks include HCV areas, corridors, and other patches of natural ecosystems, and habitats of various species, including rare and endangered species. We maintain a geographic information system (GIS) with maps that show all conservation areas across our entire managed landscape.

This allows us to support spatial planning at a landscape level by defining areas to be excluded from production; these areas are instead managed for biodiversity conservation and the maintenance of ecosystem services. The important aspects to be considered in the design of a conservation area network are the key types of ecosystems, natural landscape and terrain boundaries and how to ensure connectivity between conservation areas. In our South African operations, we have defined and are updating lists of rare, threatened and endangered species. These include IUCN Red List species and national conservation list species. We do not have our own species-specific monitoring programmes, but we follow



provincial and/or national monitoring of certain species. We recognise the dependence of certain species on habitats and ecosystems present within our operational landscapes and we aim to ensure that these are maintained.

We are primarily focused on ensuring functionality and health of our conservation network. In South Africa, we implement more intensive and regular management treatments to maintain our conservation area networks. This includes controlling the extent and spread of invasive alien species, controlling risks from fire, and assessing the health of rivers and wetlands.

We continue to develop best practices across our main forest types through the Ecosystems Stewardship work stream of our global partnership with WWF in South Africa, Russia and Bulgaria and the WWF-Mondi Water Stewardship Partnership (WWF-Mondi WSP) and MENP in South Africa. In addition to our landscape-level approach to biodiversity conservation on our owned and leased landholdings, we also extend the scope into our manufacturing operations, covering protected and HCV areas in the surroundings.



CERTIFICATION AND COMPLIANCE

Credible third-party certification of our forests is an important part of our management approach. It assures compliance with globally recognised standards for sustainable forest management. We apply a complementary combination of recognised certification schemes to our forestry operations.

Our managed forests are not associated with any form of deforestation or illegal logging. We do not undertake forestry in the tropics and we do not use tropical species or those listed by the CITES.

We also do not use wood from genetically modified (GM) trees or grow GM crops.

In 2018, our forest management system in South Africa successfully passed the FSC surveillance audit. Work of our certification body in South Africa was also assessed by ASI and compliance to FSC procedures was confirmed.

CONSERVING BIODIVERSITY IN SOUTH AFRICA

One of the biggest threats to biodiversity on our landholdings in South Africa is from invasive alien plants (IAP). Mondi has an intensive programme to monitor and control the spread of IAPs within the conservation network of our landholdings. As of April 2018, approximately 67% of our conservation area network was in a 'maintained' state. Our freshwater ecosystems are also rich in biodiversity.

In South Africa, we have a systematic wetlands monitoring programme, which Mondi and a wetlands specialist developed by building on the 'state of the wetlands' assessment, originally carried out by the WWF-Mondi Wetlands Programme (WWF-MWP).

This improved monitoring programme assesses the state of our wetlands at a finer scale (operational units) so that we can use the results to better direct future management activities.

24%

of our owned and leased land is set aside for conservation purposes in South Africa



DELIVERY ON GOAL 3: GOOD HEALTH AND WELL-BEING



We promote awareness of diseases such as HIV/AIDS, diabetes and tuberculosis among the people who work for us. We do this by encouraging testing, counselling and treatment for employees and contractors, and by offering advice to avoid onward infection.

In our South African forestry operations, mobile clinics provide medical services for all contractor employees. Our operations have on-site health and wellbeing facilities, offering a variety of health monitoring services and wellness programmes.

Our occupational health programmes are designed to eliminate risks to health in the workplace, prevent occupational illness and diseases, and provide a healthy working environment. This includes optimising ergonomics, regular health screening, reducing noise impact and occupational health hygiene surveys. Action plans are developed using the hierarchy of controls approach, i.e. reducing the noise before issuing of hearing protection.

Within South African operations, we run communication initiatives to raise awareness and prevent diseases such as HIV and AIDS. We facilitate access to free voluntary counselling and testing (VCT) and anti-retroviral treatment (ART) and our peer support programme trains employee and contractor representatives to engage with and train the workforce on health issues.

In 2018, 3,465 employees and contractors (2017: 3,530) participated in the HIV/AIDS voluntary programme in our South African operations, with 1,156 opting for testing (2017: 3,307). In addition, 12 employees (2017: 40) and 1,087 contractors (2017: 485) benefited from the ART treatment programme. The higher participation and testing in 2018 was due to Mondi's support of national efforts to increase HIV/AIDS testing in South Africa.

1,099

people benefited from the ART programme in 2018.



“Delivering on the SDGs supports our long term business success and sustainability.”

SANDILE NGCOBO, Director Transformation & Public Affairs
Mondi South Africa



TREND 8.

ALIGNMENT OF THE SDGS TO THE CORE BUSINESS VALUE PROPOSITION

Many companies are aligning the 2030 Agenda to their core business value proposition for the biggest and most consolidated impact. By infusing an alignment to the global goals into the customer value proposition the overall force of the operating model of the organisation is brought to bear. Many South African companies have evolved top level vision statements from a pure focus on the shareholder, the customer and profit, to vision statements that refer to wider stakeholders, with a deliberate focus on a sustainable growth and better future for all.

CASE STUDY STANDARD BANK



INTRODUCING THE STANDARD BANK CASE STUDY

Standard Bank has defined six 'SEE Impact Areas' using their bespoke methodology for identifying how to maximise positive social, economic and environmental impact in the economies and countries that it operates in. These six areas are aligned to the Sustainable Development Goals and to the Standard Bank core operating model. The approach is aligned to the organisational purpose: 'Africa is our home, we drive her growth.'

Standard Bank sees it as its core job as being to develop commercially sound ways to address challenges and accelerate economic growth and human development that makes life better for fellow South Africans. The SEE Impact Areas are financial inclusion, job creation and enterprise development, infrastructure, Africa trade and investment, education and skills development, and climate change and environmental sustainability.

“Standard Bank is driven by our purpose: 'Africa is our home, we drive her growth.' We are an African financial services organisation with a clear understanding of the challenges and opportunities in our countries of operation. We see it as our core job to develop commercially sound ways to address these challenges, thereby accelerating economic growth and human development and making a better life for our fellow Africans.”

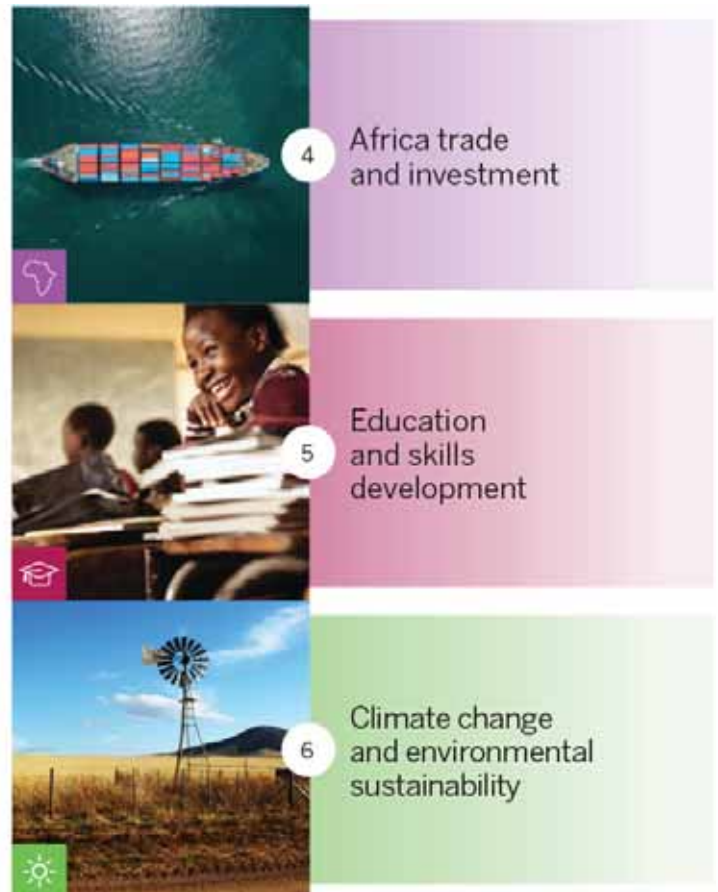
SIM TSHABALALA, Chief Executive
Standard Bank Group

STANDARD BANK

APPROACH TO SDG PRIORITISATION

Our objective is to create shared value, benefiting society while achieving financial returns for the group.

The company publishes its work related to SDGs impact in its annual Report to Society. A comprehensive measurement framework is currently in development.



STANDARD BANK

IMPACT ACTION AREAS ALIGNED TO THE SDGS

	SEE IMPACT AREAS	STANDARD BANK'S MATERIAL ISSUES	ALIGNMENT TO SUSTAINABLE DEVELOPMENT GOALS
1	 FINANCIAL INCLUSION <ul style="list-style-type: none"> Improving access and affordability – convenient digital products and services, accessible even without a bank account Rethinking security/collateral requirements for loans Providing consumer education to enable people to manage their finances more effectively Helping our customers save, invest and plan for the future, according to their individual needs 	<p>Deepen financial inclusion across Africa with appropriate digital offerings</p> <p>Work with our customers to mitigate overindebtedness (including sales-in-execution)</p>	 <p>SDG 8.10 – Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all</p>
2	 JOB CREATION AND ENTERPRISE DEVELOPMENT <ul style="list-style-type: none"> Helping Africa's small businesses access the tools and resources they need to become viable and sustainable Providing financial products designed to meet the needs of SMEs and entrepreneurs 	<p>Contribute to job creation and enterprise development in countries of operation</p> <p>Deepen financial inclusion across Africa with appropriate digital offerings</p>	 <p>SDG 9.3 – Increase the access of small enterprises to financial services, including affordable credit, and their integration into value chains and markets</p>
3	 INFRASTRUCTURE <p>Working with African governments and development institutions to structure appropriate funding instruments and mobilise funding for crucial developmental infrastructure:</p> <ul style="list-style-type: none"> Energy Water Transport (roads and railways, ports and harbours) Telecoms 	<p>Balancing Africa's power and energy needs with the negative impact of climate change</p> <p>Adaptation to, and mitigation of, climate change, especially in relation to water in key sectors and markets</p>	 <p>SDG 7 – Access to affordable, reliable, sustainable and modern energy for all</p>  <p>SDG 9 – Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>
4	 AFRICA TRADE AND INVESTMENT <ul style="list-style-type: none"> Enabling businesses to grow and expand into new markets, invest in innovation and improve productivity and create jobs Facilitating African trade and investment, particularly in the Africa-China corridor in conjunction with ICBC 	<p>Contribute to job creation and enterprise development in countries of operation</p>	 <p>SDG 8 – Promotion of sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all</p>
5	 EDUCATION AND SKILLS DEVELOPMENT <ul style="list-style-type: none"> Supporting early childhood development Supporting improved access to education and improved educational outcomes Improving access to student finance (including Feenix) Supporting access to work opportunities and skills development 	<p>Contribute to job creation and enterprise development in countries of operation</p>	 <p>SDG 4 – Inclusive and equitable quality education and the promotion of lifelong learning opportunities for all</p>
6	 CLIMATE CHANGE AND ENVIRONMENTAL SUSTAINABILITY <p>Africa is particularly vulnerable to the negative impacts of climate change – for instance, access to clean water, drought and flooding, and the impact of changing weather patterns on harvests. SBG has a responsibility to work with our clients to develop appropriate solutions for mitigating and adapting to the effects of climate change. There is also a significant commercial opportunity in the green economy that can be exploited with innovative financial products and services. Opportunities to impact this theme include the following:</p> <ul style="list-style-type: none"> SBG's direct environmental impacts Green bonds and similar products Climate resilient infrastructure projects Drought (and similar) insurance products Real Estate – energy efficiency and green buildings 	<p>Balancing Africa's power and energy needs with the negative impact of climate change</p> <p>Adaptation and mitigation of climate change, especially in relation to water in key sectors and markets</p>	 <p>SDG 7 – Ensure access to affordable, reliable, sustainable and modern energy for all</p>  <p>SDG 13 – Take urgent action to combat climate change and its impacts</p>

STANDARD BANK

INNOVATIVE SEE IMPACT APPROACH

WHAT IS OUR 'SEE IMPACT' ALL ABOUT?

Standard Bank's business activities have social, economic and environmental (SEE) impacts in the economies and communities in which we operate.

We are committed to understanding these impacts, which are direct and indirect, and using this understanding to inform our decision-making at every level.

This enables us to maximise the positive impacts of our business, and minimise and mitigate the negative impacts, while simultaneously generating new business opportunities and financial returns for the group. We've adopted SEE impacts as one of the five value drivers which inform our strategy, and against which we measure our performance.

SEE PROVIDES US WITH A LENS TO ASSESS HOW WE CREATE VALUE FOR OUR STAKEHOLDERS AND STANDARD BANK:



SEE IMPACT AREA ONE FINANCIAL INCLUSION



IN 2018, WE HELPED 4 958 SOUTH AFRICAN AFFORDABLE HOUSING CUSTOMERS PURCHASE A HOME. WE WORK CLOSELY WITH THE DEPARTMENT OF HUMAN SETTLEMENTS TO ENABLE ACCESS TO FINANCE, AND ACCESS TO INFORMATION TO SUPPORT RESPONSIBLE DEBT MANAGEMENT.

We're committed to partnering with our customers during difficult times, and endeavour to work with our customers to develop workable solutions when they find themselves struggling to repay their debt. Options include a debt moratorium, extended loan terms or reduced repayment. Currently 7% of our affordable housing customers are making use of such facilities.

Accessible and convenient digital channels are essential to broaden and deepen financial inclusion across the continent. Standard Bank products such as Instant Money, which issued more than two million vouchers in South Africa, and Slydepay, SnapScan and Shyft offer users greater convenience and cheaper transaction rates than branch or ATM options and are safe and secure.

Cardless cash deposits, available in most of our countries of operation, allow customers to deposit cash at an ATM, without using an ATM card. We've also developed targeted remittance products which enable affordable transfers across national borders.

We're keenly aware of our responsibility to ensure that our customers have a clear understanding of our products and services, and how to use them cost-effectively. We run consumer education programmes in several of our countries of operation, including South Africa, Nigeria and Ghana.



SDG 8.10

Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all

MATERIAL ISSUE

Deepen financial inclusion across Africa with appropriate digital offerings

Work with our customers to mitigate over-indebtedness (including sales-in-execution)





PLUGGED

POWERED BY 

Standard Bank South Africa launched Plugged: Beyond the Conversation in 2018. It's a platform led by 16 to 25-year-olds who are prominent on social media. It enables discussion, capacity building, networking and action around issues that matter to the youth. During 2018, we engaged with students at 6 South African universities, running 60-minute "Plugged: Beyond the Conversation" sessions.

The sessions were facilitated by individuals identified as youth influencers, recruited via a radio-based Plug Search campaign, and included participation by Standard Bank representatives. Discussions covered entrepreneurship, financial literacy, financial management and work readiness. Sessions were live-streamed and tweeted to enable broad participation. We also provided booklets providing information on entrepreneurship, starting a business and building wealth.



WalletWise YOUR NEXT

In South Africa, Standard Bank's WalletWise aims to help people use financial services effectively and affordably, by providing clear and accessible information about financial products and services, and raising awareness of digital platforms and how to use them. The programme targets those with a household income of less than R15 000 per month, and includes content tailored for young people, small enterprises and people without formal bank accounts, with a focus on rural and non-metro areas.

We also provide training for aspirant small businesses on basic business skills, and help struggling businesses to identify pitfalls and find ways around them through coaching. WalletWise raises awareness through edutainment, using print and digital media, social media, radio and television, community outreach, and in-branch training in selected communities. Content is provided in nine of South Africa's official languages. In 2018, we spent R50.9 million on the programme, and reached approximately 490 000 people.



SEE IMPACT AREA TWO

JOB CREATION AND ENTERPRISE DEVELOPMENT



MICRO, SMALL AND MEDIUM ENTERPRISES ARE KEY DRIVERS OF ECONOMIC GROWTH AND JOB CREATION ACROSS AFRICA. BUT MANY STRUGGLE TO MOVE FROM START-UP BUSINESSES TO SUSTAINABLE FIRMS WITH THE POTENTIAL TO EXPAND AND EMPLOY OTHERS.

In 2018, we worked with more than 12 000 SMEs across Africa and invested more than R30 million to grow and develop start-up small enterprises, providing them with help to access finance, tap into new markets and value chains, and access business development support. We've established dedicated SME Incubators in Ghana and Mozambique, both of which include a strong focus on supporting women entrepreneurs.

We work with SMEs to develop financial solutions tailored for their needs, including solutions to deal with cash flow and working capital challenges. In South Africa, we've partnered with provincial government to provide working capital to SMEs that have secured government contracts. In Ghana, we've designed invoice discounting loans against SME invoices, and Enterprise Smart Loans which serve the formal and informal sector.



SDG 8.10

Increase the access of small enterprises to financial services, including affordable credit, and their integration into value chains and markets

MATERIAL ISSUE

Contribute to job creation and enterprise development in countries of operation

Deepen financial inclusion across Africa with appropriate digital offerings

In Nigeria, we've partnered with the Kaduna State Government to establish an Entrepreneurship Centre, hosting workshops that benefited over 8 000 business owners in 2018. In South Africa, our 2018 My Fearless Next campaign saw us helping to facilitate the leap from part-time to full-time entrepreneurship. We also invested in more than 150 technology start-ups across Africa in 2018, through our Moonshots Programme, our partnership with Founders Factory, and our Innovation Challenge in Nigeria.

We work with SMEs to develop financial solutions tailored for their needs, including solutions to deal with cash flow and working capital challenges. In South Africa, we've partnered with provincial government to provide working capital to SMEs that have secured government contracts. In Ghana, we've designed invoice discounting loans against SME invoices, and Enterprise Smart Loans which serve the formal and informal sector.

SEE IMPACT AREA THREE

INFRASTRUCTURE



STANDARD BANK WORKS WITH GOVERNMENTS, DEVELOPMENT FINANCE INSTITUTIONS AND OTHER COMMERCIAL BANKS TO STRUCTURE AND PROVIDE APPROPRIATE FINANCIAL SOLUTIONS TO ADDRESS AFRICA'S INFRASTRUCTURE GAPS, WITH APPROPRIATE RISK SHARING ARRANGEMENTS.

Inadequate power, water, transport and telecommunications infrastructure inhibits Africa's economic growth and potential for job creation and human development. The African Development Bank has estimated that Africa needs USD170 billion per year in infrastructure investment. This is essential to cater for a rapidly growing, rapidly urbanising population. It's also necessary to support the regional integration needed to enable efficient trade of goods and services and create economies of scale.

While several African governments have invested heavily in large-scale infrastructure investment in recent years, the continent

still faces major gaps in terms of energy, water, transport and telecommunications infrastructure. The challenge is exacerbated by the lack of capacity in most African capital markets to finance large-scale infrastructure projects. Africa's commercial banks play a key role in structuring appropriate funding instruments, and in partnering with governments and development finance institutions to mobilise funding. We have used our access to international capital markets to help governments in Africa secure the funding needed.

Our energy finance portfolio is increasingly focused on renewable energy projects. In 2018, we financed 135 MWs of wind power projects and 300 MWs of solar PV projects in South Africa.

We also financed a 37 MW solar PV project in Namibia. It is the country's first large-scale independent power producer project, and has increased Namibia's energy capacity by 7%.



SDG 7

Access to affordable, reliable, sustainable and modern energy for all



SDG 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

MATERIAL ISSUE

Balancing Africa's power and energy needs with the negative impact of climate change

Adaptation and mitigation of climate change, especially in relation to water in key sectors and markets



Global Compact
Network South Africa

Reliable, regionally integrated transport networks, together with efficient port facilities, are crucial to enable African economies to access regional and international markets and grow their export capacity. Standard Bank financed a number of transport infrastructure projects during 2018.

In Ghana, we financed the development of the first phase of the Tema Port development, which will establish Ghana as a leading maritime hub in West Africa.

Water shortages and irregular rainfall patterns have placed significant water stresses across Africa. In the Western Cape in South Africa, we financed portable desalination plants, producing seven million litres of potable water per day, improving water security for businesses and homes in the area. In the telecommunications sector, we provided a USD100 million loan facility to grow Ghana's telecom sector through the merger of Bharti Airtel and Millicom to launch Airtel-Tigo.

FUNDING WATER INFRASTRUCTURE, AN INCREASINGLY SCARCE RESOURCE

During 2016 and 2017, much of east and southern Africa suffered from severe drought.

South Africa's Western Cape was particularly hard hit, resulting in the looming threat of Day Zero, the day the taps would run dry in the city of Cape Town, in early 2018. While strict water management, concerted efforts by residents, and long-awaited rains have delayed Day Zero, however, Cape Town remains a severely water stressed city.

The municipality of Cape Town required an alternative feedstock for the production of potable water and given the city's proximity to the Atlantic and Indian oceans, seawater desalination technology was selected.

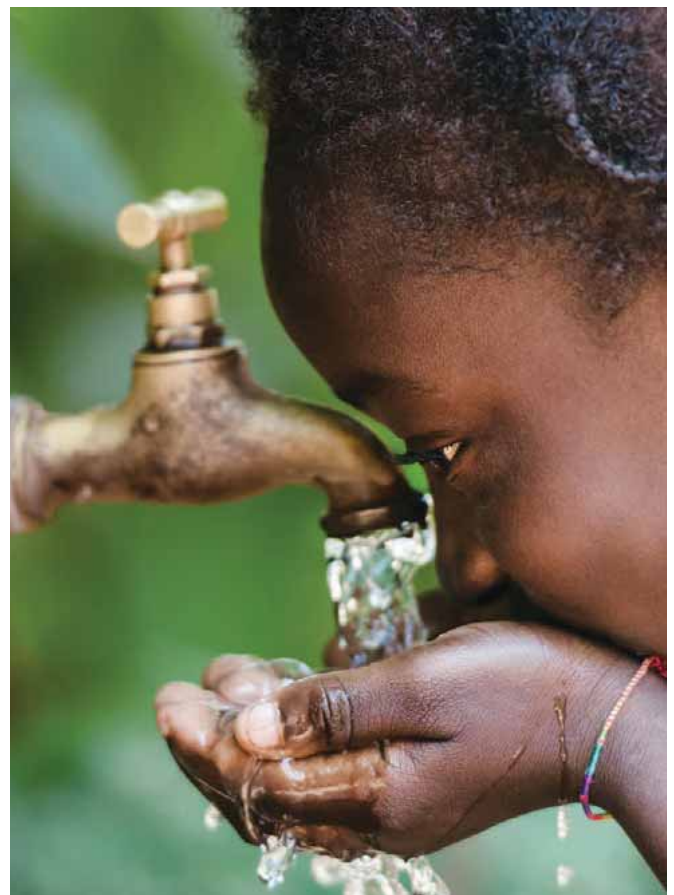
Standard Bank provided finance for the installation of two desalination plants in Monwabisi and Strandfontein. This included a marine intake, onshore process plant, product injection and brine return pipeline. The plant was built in a modular format to enable future expansion. Both plants are currently running at capacity and each produce about 7 million litres of potable water per day. The plants will operate as a temporary solution to the city's urgent water requirements. Proxa and Water Solutions SA, together with the city, collaborated with the local communities to promote job creation during the project construction phase. At the time of plant decommissioning, the area will be rehabilitated, and the buildings used to house the plants could be converted to community halls or other facilities which will benefit the local communities.

This provision of financing for the desalination plants with revenue collected from the supply of water into the city's existing reticulation system, assisted the city in meeting its emergency needs. In addition to the above, Standard Bank also assisted Proxa with financing for the expansion of a desalination plant at the Seriti Colliery. Seriti Colliery (previously New Vaal colliery) supplies coal to the adjacent Lethabo Power Station in the Free State of South Africa.

Due to an excess of water in the mining operations, Seriti Colliery desalinates contaminated water arising from its mining operations for re-use within the mine and power station.

In 2018, Proxa undertook the expansion of one of the desalination plants at Seriti Colliery as well as the addition of a salt recovery facility for the brine from the desalination plant. The upgraded and expanded plant, using state-of-the-art technologies such as evaporation, crystallisation and cooling crystallisation, treats a total of 10 million litres of mine water daily and produces high purity sodium sulphate that will be recycled in various industries, as well as calcium salts for use as soil ameliorants in agriculture.

The plant reduces the risk of contaminated water being released from the colliery and the overall intake of clean water from natural sources by the mine and power station.



SEE IMPACT AREA FOUR

AFRICA TRADE AND INVESTMENT



OUR PURPOSE IS TO DRIVE AFRICA'S GROWTH. A CORE PART OF OUR BUSINESS IS TO FACILITATE TRADE AND INVESTMENT FLOWS BETWEEN AFRICAN COUNTRIES, AND BETWEEN AFRICAN COUNTRIES AND GLOBAL MARKETS

We partner with international investors to connect them to opportunities in Africa, and with African governments, SOEs and businesses to facilitate their access to global capital markets. We helped raise over USD15 billion of finance for our African clients in 2018. We're also working with African firms, and small enterprises in particular, to improve their access to trade finance.

We've identified the development of digital solutions that simplify and broaden access to trade finance among Africa's SME segments in key markets as a strategic focus, and we're working with businesses and regional organisations toward implementing digital platforms to reduce the costs of intra-African trade.

In 2018, we celebrated the 10-year anniversary of our strategic partnership with ICBC. This partnership enables us to provide seamless solutions for individuals and businesses travelling and operating across national and international borders. Working together, we're helping companies in Africa and China to maximise the potential of China-Africa trade, further driving sustainable economic growth and job creation in Africa.



SDG 8

Promotion of sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

MATERIAL ISSUE

Contribute to job creation, enterprise development in countries of operation

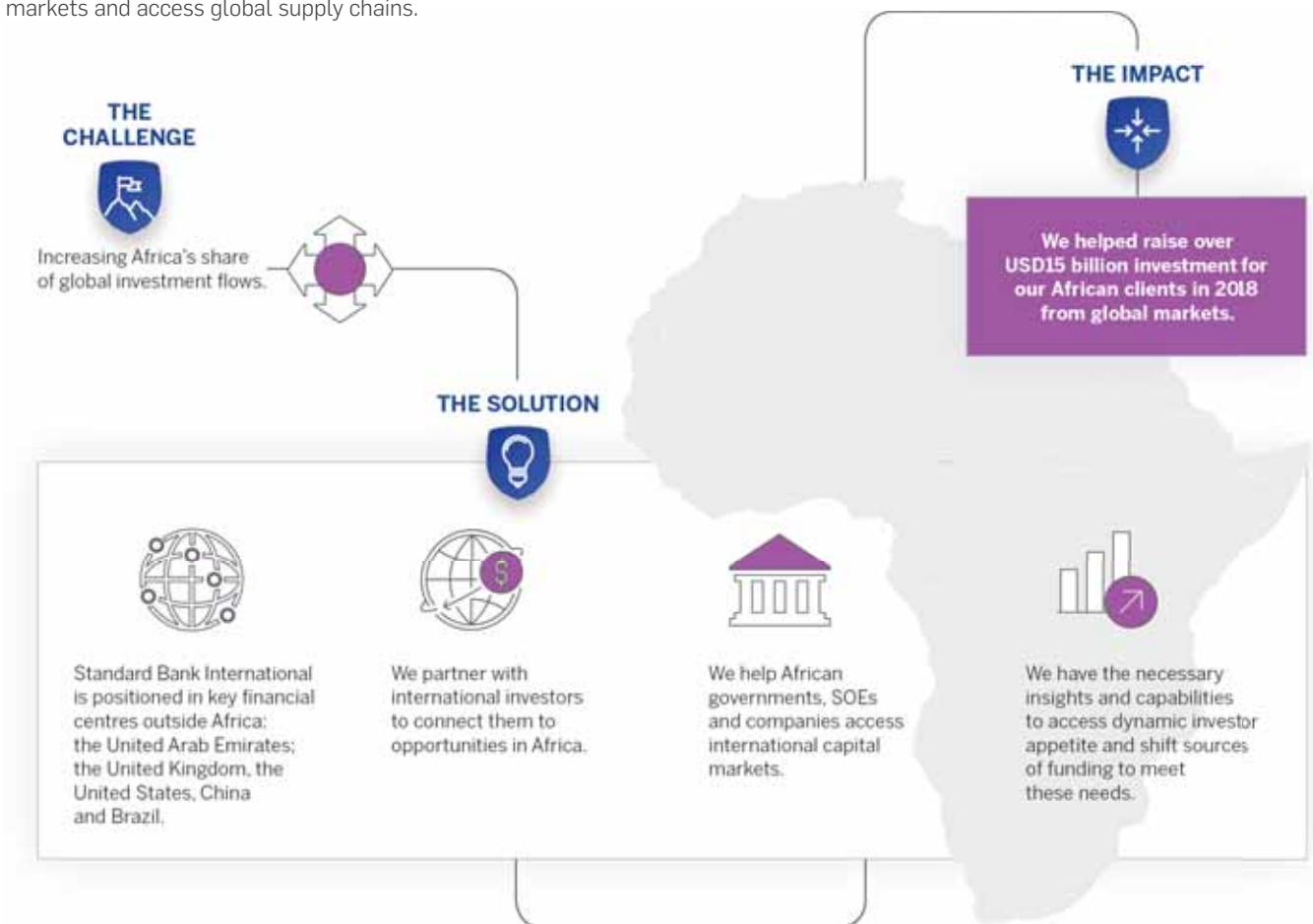


EXPANDING AFRICAN TRADE TO DRIVE AFRICA'S GROWTH

The African Union's Agenda 2063 highlights the importance of trade and investment infrastructure to connect Africa.

The deepening of trade and investment flows between African countries and global markets such as China provides opportunities for African economies to develop and expand manufacturing and services industries, and for African businesses to tap into new markets and access global supply chains.

A core part of our business is to facilitate trade and investment flows between African countries, and between African countries and global markets.



SEE IMPACT AREA FIVE

EDUCATION AND SKILLS DEVELOPMENT



AFRICA'S GROWTH DEPENDS ON HER PEOPLE HAVING ACCESS TO QUALITY EDUCATION, AND THE PROMOTION OF SKILLS TRAINING AND LIFELONG LEARNING OPPORTUNITIES IN THE CONTEXT OF THE FOURTH INDUSTRIAL REVOLUTION.

Africa's growth depends on her people having access to quality education, and the promotion of skills training and lifelong learning opportunities in the context of the fourth industrial revolution.

Our corporate social investment programmes focus primarily, but not exclusively, on education, from early childhood development to tertiary education.

In South Africa, Standard Bank's Tutuwa Community Foundation, established following the conclusion of Standard Bank's Tutuwa black economic empowerment deal, supports a range of child development, educational initiatives, and youth work-readiness schemes.



SDG 4

Inclusive and equitable quality education and the promotion of lifelong learning opportunities for all

MATERIAL ISSUE

Inclusive and equitable quality education and the promotion of lifelong learning opportunities for all



Global Compact
Network South Africa

Global Compact Network South Africa

FUNDING HIGHER EDUCATION FOR AFRICA'S YOUTH

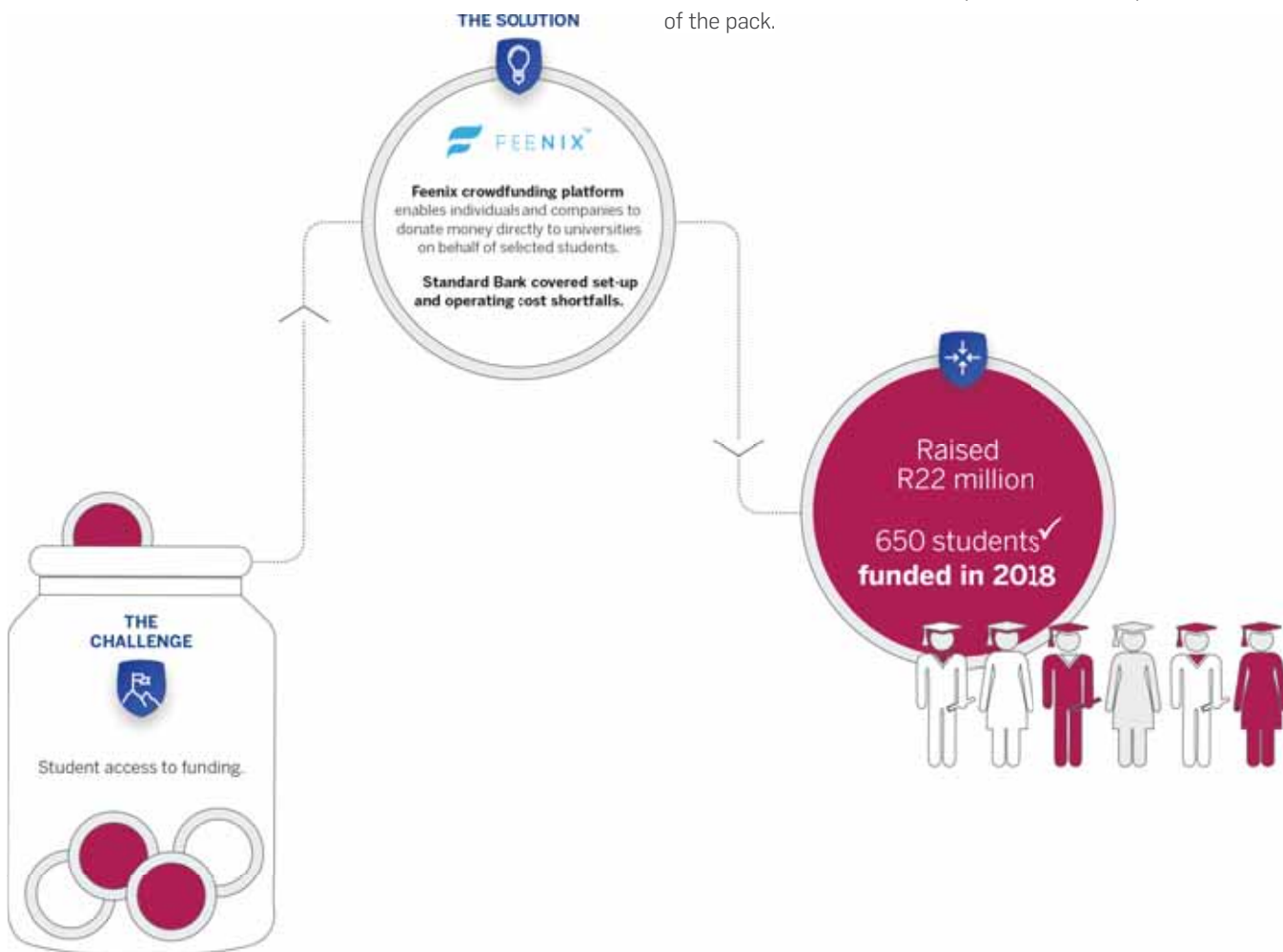
Standard Bank funds higher education, developing the skills needed for the future world of work. This includes facilitating access to finance such as the crowdfunding Feenix platform, and more direct funding such as our Standard Bank bursaries and scholarships.

We launched the Feenix Trust, a public benefit organisation (PBO), in June 2017. It is an initiative that allows individuals and enterprises to donate money directly to students to help them complete their studies. Crowdfunding platforms like Feenix allow ordinary citizens to take meaningful action to solve social problems. At least 75% of the Trust is allocated to black recipients, and 50% to women.

Standard Bank is the funder, enabler and partner of the Trust, which retains and manages funds from donors. The Trust allows individuals and enterprises to donate money to universities on behalf of selected students.

We covered the set-up costs and will cover any shortfall between the total operating costs and the income received from the admin fee charged to funders. We have a three year commitment to the project, which we expect to become self-sustaining. Feenix has raised R22 million and funded 800 tertiary students, since inception. 650 students were funded in 2018. Standard Bank employees have contributed R850 000 of this amount.

The Feenix Trust owns the Feenix.org domain, ensuring professional and accountable handling of all funds raised and disbursed. Feenix won the Public Intellectual Influencer Brand Award at the 2018 Brand Summit South Africa and was recognised by Next Generation in their 2018 Innovation and Impact Research Report as a leader of the pack.



SEE IMPACT AREA SIX

CLIMATE CHANGE AND ENVIRONMENTAL SUSTAINABILITY



The greatest impact we have as a financial institution is through our financial activities. We have developed a comprehensive framework which will ensure that the group proactively identifies, manages, monitors and embeds environmental and social (E&S) risk management into its lending processes. Standard Bank aims to drive Africa's growth with minimal negative reputational, social, economic and environmental impact.

As a bank with operations across Africa, we are aware of Africa's vulnerability to the negative impacts of climate change.

We are committed to balancing the need to meet Africa's energy and infrastructure demands with the challenges posed by climate change and the need for a just transition to a lower carbon economy over time. We work with our clients to advise on structure and arrange socially and environmentally responsible financial products.

These include investments relating into environmental goods and services, positive social outcome investments such as education, health care, and housing and employment creation, as well as financial instruments such as green credit and green bonds.



SDG 7

Access to affordable, reliable, sustainable and modern energy for all



SDG 13

Take urgent action to combat climate change and its impacts

MATERIAL ISSUE

Balancing Africa's power and energy needs with the negative impact of climate change

Adaptation and mitigation of climate change, especially in relation to water in key sectors and markets



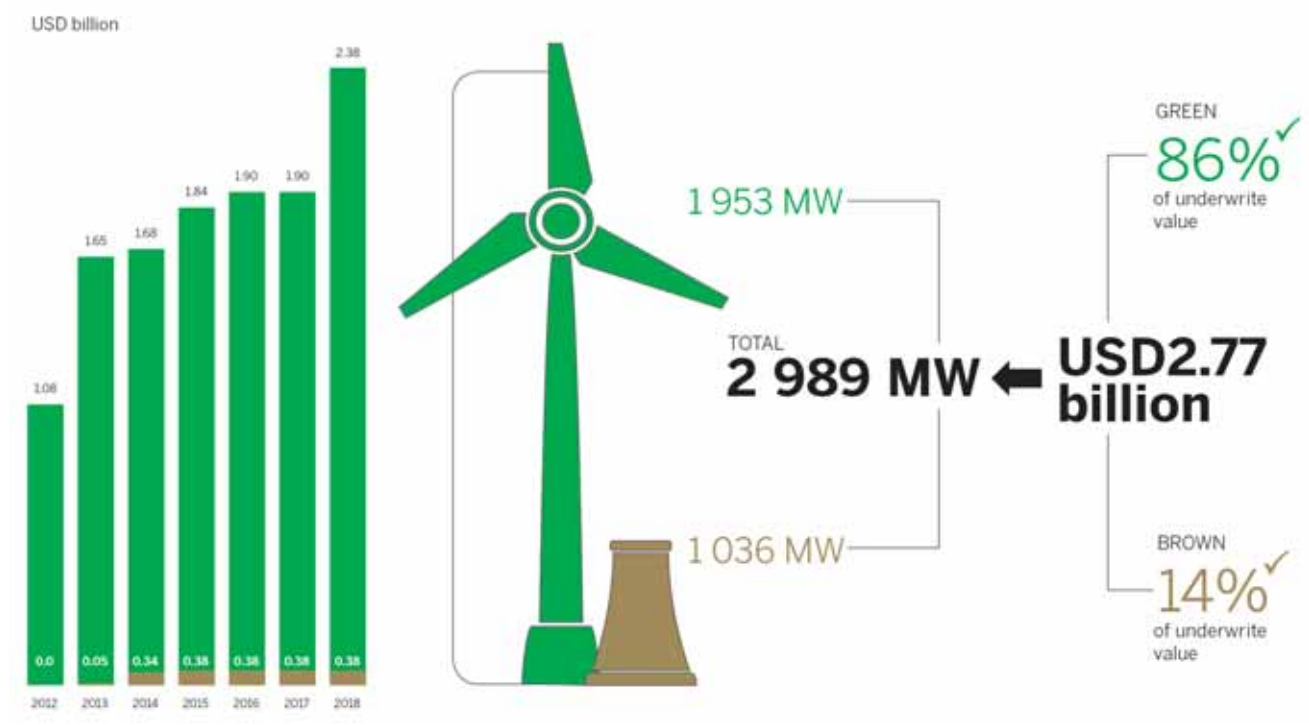
INVESTMENT IN RENEWABLE ENERGY

Standard bank supports the expansion of affordable renewable energy solutions across africa.

Standard Bank supports the expansion of affordable renewable energy solutions across Africa. This includes working with governments, renewable energy companies and development finance institutions to facilitate large-scale infrastructural development. Over the past several years we have significantly increased the proportion of our energy loan book committed to green energy

and decreased the proportion of finance committed to fossil fuels. Since 2012, we have financed the construction of new power projects to the value of USD2.77 billion in Africa. 86% of this funding was for renewable energy, while lending to fossil fuel power projects represented 14% of our investments (12% natural gas and 2% heavy fuel oil/thermal, 0% coal).

CUMULATIVE GREEN VS BROWN UNDERWRITE VALUE OF ENERGY INVESTMENTS FROM 2012 - 2018



GREEN – Annual cumulative underwrite (USD Bn) from 2012 – 2018 of project finance power generation transactions directed towards green energy. This includes clean, non-polluting and renewable energy sources that are naturally replenished over time, e.g. solar or wind.

BROWN – Annual cumulative underwrite (USD Bn) from 2012 – 2018 of project finance power generation transactions directed towards brown energy; derived from conventional fossil-fuel based energy sources that release pollutants during processing and are finite/not replenished over time, e.g. coal, oil or natural gas.



TREND 9.

COLLABORATION BETWEEN COMPANIES AND WITH GOVERNMENTS IS ACCELERATING ACTION ON THE 2030 AGENDA

South African companies are collaborating with each other, global organisations, and with governments, to accelerate access to customers in Africa that have previously been unreachable.

This is driving access to connectivity, information, and FinTech solutions that are enabling financial inclusion, creation of new marketplaces and access to educational tools.

The ICT sector in particular is reducing inequality by collaborating to extend access to people that have historically been most poor and disadvantaged.

CASE STUDY MTN



INTRODUCING THE MTN CASE STUDY

We see how MTN has aligned business activities to both sustainable development goals and also the Ten Principles of the United Nations Global Compact. We then look at the myriad of partnerships and collaborations with other organisations and governments that are enabling accelerated access to ICT products including handsets, networks, products and services. We look in particular at a collaboration with a next generation solar energy company, where the MTN mobile money platform, combined with access to its bricks and mortar distribution network, has enabled people in Uganda to move away from non-renewable kerosene to the use of sustainable solar power.

This ground breaking initiative has caused a butterfly effect of positive impact, enabling access to financial services enabling driving entrepreneurial opportunity and access to technology that is directing improving well-being and quality of life.

“As innovations such as artificial intelligence, the use of big data and automation continue to be showcased in real-world applications daily, we are excited by the ability for humanity to realise breakthrough solutions to improving our lives and resolving real world challenges. Some of these challenges include fighting poverty and inequality, creating opportunities for income-generation and self-employment, and improving access to quality education and healthy food, among others.”

ROB SHUTER, Group President and CEO
MTN










THE MTN PRIORITISATION FRAMEWORK

The MTN prioritisation of the SDGs includes an alignment to the Ten Principles of the United Nations Global Compact. This demonstrates the intention of the business to operate in a principles based way that attends to human and labour rights, the environment and anti-corruption. The prioritisation is also linked to the SDG targets that MTN is aligning to and the specific solutions, operations and initiatives that will drive action to deliver the 2030 Agenda.








THE MTN CONTRIBUTION TO UN SDG INDICATORS

MTN is working to ensure that everyone enjoys the benefits of a modern connected life. Their core capabilities, products, social investments and cooperative partnerships are focused on enabling connectivity, inclusivity and socio-economic transformation enabled by digital technologies in markets across Africa and the Middle East.

UN SDG indicators		MTN's contribution
	1.4 All men and women, particularly the poor and the vulnerable, have equal rights to economic resources, access to basic services, appropriate new technology and financial services including microfinance, etc.	<ul style="list-style-type: none"> Digital access and inclusion Mobile financial services
	3.2 End preventable deaths of newborns and children under five 3.8 Universal health coverage including access to quality essential healthcare services	<ul style="list-style-type: none"> Corporate social investment
	4.4 Substantially increase number of youth and adults with relevant skills including technical and vocational for employment, decent jobs and entrepreneurship 4a Build/upgrade education facilities for inclusive, effective learning environments 4b Scholarships in developing countries	<ul style="list-style-type: none"> Corporate social investment
	7.1 Access to affordable, reliable modern energy services	<ul style="list-style-type: none"> Mobile financial services
	8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<ul style="list-style-type: none"> Mobile financial services
	9c Affordable, universal access to information and communication technology (ICT)	<ul style="list-style-type: none"> Digital access and inclusion Mobile financial services
	17.8 Enhance use of information and communication technologies	<ul style="list-style-type: none"> Digital access and inclusion Mobile financial services

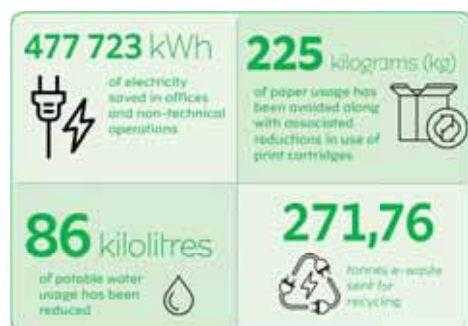
ENVIRONMENTAL RESPONSIBILITY

MTN applies the precautionary principle toward managing environmental impact across its extended value chain.

UN SDG Indicators		UN Global Compact Principles	MTN's contribution
	6.4 Water-use efficiency across all sectors	<ul style="list-style-type: none"> 8: Initiatives to promote greater environmental responsibility 9: Development and diffusion of environmentally friendly technologies 	<ul style="list-style-type: none"> Green office operations IoT solutions
	7.1 Affordable, reliable modern energy services	<ul style="list-style-type: none"> 8: Initiatives to promote greater environmental responsibility 9: Development and diffusion of environmentally friendly technologies 	<ul style="list-style-type: none"> Risk and climate change response IoT solutions Solar energy for digital and financial inclusion
	12.2 Sustainable management and use of natural resources	<ul style="list-style-type: none"> 7: Support for a precautionary approach to environmental challenges 8: Initiatives to promote greater environmental responsibility 	<ul style="list-style-type: none"> IoT solutions Green office operations EMF management
	13.1 Resilience and adaptive capacity to climate-related hazards and natural disasters	<ul style="list-style-type: none"> 8: Initiatives to promote greater environmental responsibility 9: Development and diffusion of environmentally friendly technologies 	<ul style="list-style-type: none"> Risk and climate change response IoT solutions
	15.7 Action to end poaching and trafficking	<ul style="list-style-type: none"> 9: Development and diffusion of environmentally friendly technologies 	<ul style="list-style-type: none"> Risk and climate change response IoT solutions
	17.7 Environmentally sound technologies in developing countries	<ul style="list-style-type: none"> 8: Initiatives to promote greater environmental responsibility 	<ul style="list-style-type: none"> Risk and climate change response IoT solutions

MTN operates in 23 countries across Africa and the Middle East. It is a young, diverse company of 18,835 people, of whom 43% are millennials. It has needed to ensure that it operates with an inclusive workplace that reflects its support for global ethical imperatives. This has been critical to ensuring that services and the solutions it offers meet the needs of a very diverse customer base. MTN's inclusive workplace standards and expectations include being a signatory to the UN Global Compact, which promotes equality and prevention of unfair discrimination.

MTN has also committed to the Convention on the Elimination of all forms of Discrimination against Women. As part of their contract of employment, employees pledge to respect colleagues, suppliers, and customers, regardless of gender, race, religion, culture, mental and physical abilities, and to treat them with dignity, respect and compassion.



UN SDG indicators	UN Global Compact Principles	MTN's contributions
5 Gender Equality 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making	6: Elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"> The inclusive workplace
8 Decent Work and Economic Growth 8.7 Effective measures to eradicate forced labour, modern slavery and worst forms of child labour	<ul style="list-style-type: none"> 3: Upholding freedom of expression and recognition of right to collective bargaining 4: Elimination of all forms of forced and compulsory labour 5: Abolition of child labour 	<ul style="list-style-type: none"> Our strategy
8 Decent Work and Economic Growth 8.8 Protect labour rights and promote safe and secure working environments	<ul style="list-style-type: none"> Not directly defined 	<ul style="list-style-type: none"> Health and wellness

COLLABORATION ON THE 2030 AGENDA BETWEEN COMPANIES

The communications and information technology sector is progressive, creative, evolving fast and demonstrates extremely high levels of innovation. One area where it is performing exceptionally well is through the formation of new relationships and collaborations with other organisations to create new and dynamic solutions. In the case study below MTN identifies its priority SDGs and becomes a collaborator to deliver positive impact in Uganda.

THE MTN 'ECOSYSTEM OF PARTNERS' APPROACH TO ACCELERATING IMPACT



The president and CEO of MTN Group, CEO of KaiOS Technologies Inc., executive vice-president of China Mobile Communications Group Co. Ltd, and executive vice-president of UNISOC announced a partnership to launch the world's first 3G smart feature phone in Africa, powered by KaiOS

In mobile financial services... MTN is closing the fintech divide. It wants to reduce the number of people that are still unable to access banking and other financial services in sub-Saharan Africa and our other markets.

To achieve this, it is leveraging the natural relationship between financial services and mobile telecommunications. MTN is exploring and building a powerful ecosystem of services through partnerships with regulatory authorities, financial service organisations, merchants and other stakeholders.



THE MTN CHASE STRATEGY

FOR ENABLING INCLUSION IN CONNECTIVITY AND COMMUNICATION

In increasing connectivity... Co-operative partnerships with vendors and other organisations that share our vision of digital inclusion as a means of driving social and economic transformation in our markets are fundamental to the realisation of our CHASE objectives.

MTN developed the CHASE framework to address the needs of lower-income segments and customers based in rural areas.

These customers generally face five key barriers to internet access, namely coverage, handsets, affordability, service bundling and education. Programmes are being designed to improve network coverage in rural and low income markets and has identified ways to increase the affordability of mobile handsets and data services. MTN has simplified how services are bundled to enable customers to manage their costs and access their desired data services more easily.



Nasonko and her family, including her six children, live in Kanyanya, Uganda. She has been an MTN Uganda customer for 10 years. When her husband told her that he had lost his job, and they no longer had money for school fees, she felt tremendous pressure for two weeks.

She then decided to manage the situation by opening a small business. She now makes 50 000 shillings per day (about US\$382 per month). Nasonko uses MTN airtime to place orders with her suppliers, and MTN Mobile Money to pay them. She says that MTN Mobile Money saves her time and is easier than other payment methods. Her business has been so successful that she now dreams of transforming her small retail shop into a wholesale business.



For coverage we partnered with Facebook on the Telecom Infra (TIP) OpenCellular Project and Rural Africa programme to explore the application of cost-effective network technologies from start-up vendors working to meet the connectivity and data coverage requirements of people in sparsely populated and low income areas. Laboratory trials with partners on 2G and low capacity infrastructure are also set to address constraints.

In affordable handsets... the development of a 3G smart feature phone through a partnership with China Mobile, UNISOC and KaiOS technology, for launch in 2019. For the majority of MTN's customers, the cost of traditional smartphones is out of reach.

At US\$20 (or approximately R265) the MTN Smart 3G feature phone offers several smartphone-type services and functions enabling internet connectivity, is more affordable than other smart feature phones and has a long battery life.

In regulatory evolution... To effectively respond to regulatory and licencing changes, MTN has constructively engaged with entities such as the Bill and Melinda Gates Foundation, African Development Bank (AfDB) and regional bodies such as ECOWAS, EAC and SADC to define appropriate approaches for MTN, evolving the sector.

In sustainable, renewable, accessible electricity... MTN has partnered with lease-to-own solar product manufacturers to offer affordable, environmentally responsible and safe solutions that enable people to keep their phones and other electronic devices charged and connected to digital services.



THE MTN IMPACT

INCREASE IN CONNECTIVITY

The MTN objective is to bring the most relevant content to the communities served in the most affordable manner.

This includes simplification of how data and services are bundled. MTN has introduced app-specific bundles and time-based bundles that are easier to understand and use in several markets.

Digital literacy and understanding how to use computers, tablets and cellular phones effectively, to improve connection with other people and enhance life is a challenge. MTN has focused on 'education included marketing campaigns', educational events and upskilling on the ground sales force. Whilst there is more work to do the impact to date is impressive.



FINTECH

Innovative digital technology is replacing traditional financial services, enhancing financial inclusion.



“We have spent 10 years building the issuing part of the business, and now we have to round out the ecosystem by building the merchant network on the other side and adding other money-in and money-out options: money coming in via salaries, casual wages, social grants and so on, and money going out for payments and remittances.”

ROB SHUTER, MTN Group president and CEO
MTN

What we did

In total, 27 087 000 active customers now enjoy the benefits of easy, cost-effective mobile financial services in 14 countries of operation.

27^m



Active mobile money subscribers

376 000

active agents



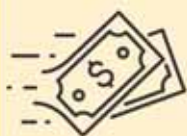
570

million
airtime sales through mobile financial services



50 000

loans issued daily on average



\$250 million

inbound mobile money remittances



\$400 million

outbound mobile money remittances

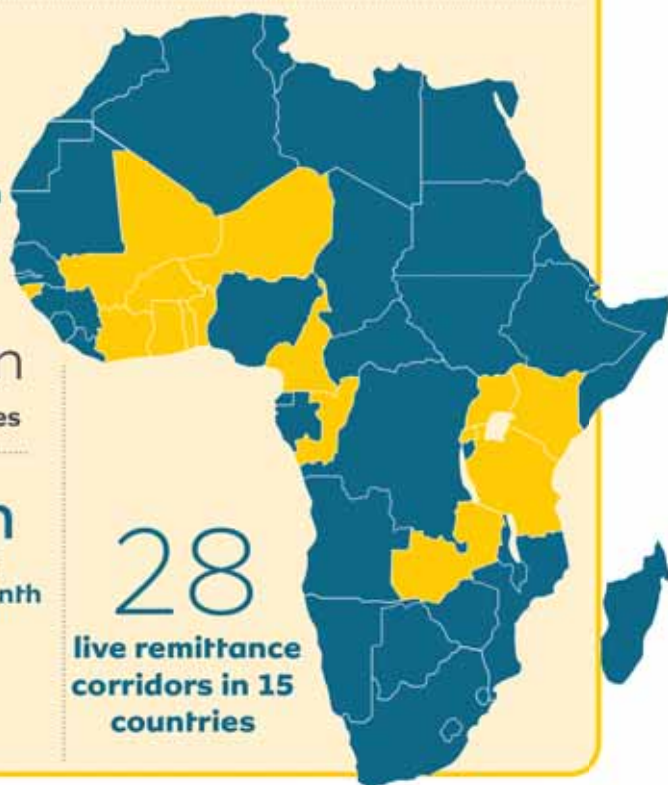
3 million

customers saving average of US\$3 a month



28

live remittance corridors in 15 countries



ACCESS TO SUSTAINABLE, RENEWABLE ELECTRICITY



Solar energy for digital and financial inclusion

Against the backdrop of energy poverty and the cost of accessing digital services in many of our operating countries, MTN has partnered with lease-to-own solar product manufacturers to offer affordable, environmentally responsible and safe solutions that enable people to keep their phones and other electronic devices charged and connected to digital services.

We first launched this solution in Uganda in 2014, and it is now available in five markets, with plans to launch in Benin in 2019. We estimate that we have positively impacted around 2.3 million lives, from children who are able to study for longer hours at night to small businesses able to extend their trading hours and offer MTN Mobile Money services. Families are now able to generate income from charging phones, LED lightbulbs and other devices, and can live safer, healthier lives by reducing their use of kerosene, diesel generators, and other sources of fossil fuel-based energy. Over 1.9 million kilowatt hours of energy was produced in 2018 (assuming 1.5 charge cycles per day). We estimate savings of between US\$0.15 and US\$0.48 per day in energy costs for users, depending on the country in which they live. We replaced more than 10 million litres of kerosene with safe, clean and renewable energy.

Prepaid solar systems have increased MTN Mobile Money usage, enabling entrepreneurial revenue and financial inclusion. Test results in 2018 on a sample base of 20 000 customers showed an increase of 104% in MTN Mobile Money flows through bill payment in the three months after the acquisition of the solar system. In addition, funds sent and received in mobile money transactions increased by 18.4%. Prepaid solar energy solutions increase affordability and access to digital communications, enhances financial literacy and provides a revenue stream for entrepreneurs. It does so in a way that addresses energy and environmental challenges responsibly. This is one of the ways in which MTN is creating shared value in the countries in which we operate.

In 2014 MTN partnered with Fenix to deliver the ReadyPay solar home systems a new solar technology in Uganda. ReadyPay Solar is ready-made for Africa. Customers are able to access clean power, paying via their cell phones.

The collaboration has overcome one of the biggest constraints to renewable energy – managing the up-front cost. With its simple and easy payment system, MTN is making clean, affordable electricity more widely available. Customers repay ReadyPay loans with micro-installments processed through MTN's Mobile Money platform, furthering mobile money penetration in hard-to-reach rural markets.

The starter unit is able to power lights, radios and to recharge phones. Upgraded units can power efficient TVs, hair clippers and more, with a range of new models coming to market in 2020 which will be able to power stoves. Over 300,000 solar devices have now been sold.

**“Everyone deserves the benefit
of a modern connected world.
We serve close to 233 million
people in emerging markets.**

We are confident that our products and services are breaking down social and economic barriers, furthering action to deliver the 2030 Agenda.

At MTN we intend to leverage the sustainability agenda to drive innovative solutions across Africa and the Middle East where we operate. We want to close digital and financial divides.

We are focused on extending communications to ensure basic coverage, connectivity, and affordability for people that were previously excluded.”

FELLENG SEKHA, Group Chief Regulatory & Corporate Affairs
MTN





TREND 10.

A FOCUS ON LEADERSHIP, ACCOUNTABILITY AND OWNERSHIP

A strong theme voiced by participants, was the importance of leadership accountability and ownership. A key trend that is emerging from progressive participants is that South African companies are starting to align prioritised SDGs to the senior executive leaders within the organisation that are best positioned to lead impact. This is building accountability for delivery of the global goals within the organisation, and making the leadership commitment personal.

CASE STUDY NEDBANK



INTRODUCING THE NEDBANK CASE STUDY

Nedbank has a top-level framework, which differentiates between SDGs that are delivered by operations, by its financial services customer value proposition and by the outcome it wants to see through corporate and social investment. This is a useful approach for companies. The Nedbank approach clarifies the different channels through which it is possible to deliver positive impact, as an employer, an investor in the future world, and a business delivering customers solutions. Nedbank is best practice in the way that it has aligned specific executives to prioritised SDGs, building accountability for who is responsible for leading maximised action to deliver. This approach drives action through the core business value proposition.

OUR PURPOSE, VISION, BRAND AND VALUES

Our purpose To use our financial expertise to do good for individuals, families, businesses and society.

Our vision To be the most admired financial services provider in Africa by our staff, clients, shareholders, regulators and society.

Our brand promise – see money differently

NEDBANK SUSTAINABLE DEVELOPMENT FRAMEWORK



'For Nedbank to be sustainable over the long term we need to have a clear reason for our existence – a "North Star" that demonstrates what we do to help society to develop and grow, thereby helping enable better lives for all. This is our purpose – it is why we have been building and growing Nedbank since its origins in 1834.'

'Doing good is easy to say but harder to measure, and what gets measured gets done. The SDGs represent a single common set of measurement criteria for "doing good" or improving the state of our economy and society. This power of common measurement and aggregation is why we chose the SDGs to measure the delivery of "doing good" as set out in our purpose statement.'

Mike Brown
Chief Executive



OUR VALUES

Our purpose

Being honest, trustworthy, consistent and transparent in all our actions and decisions.

Respect

Recognising the inherent worth of every individual and treating everyone with dignity.

Accountability

Being prepared to take ownership of and be held accountable for our commitments and actions.

People-centred

Investing in our people and creating an environment that empowers our people to perform distinctively and to excel.

Client-driven

Creating value and delightful experiences for our clients that exceed their expectations.

CREATING VALUE THROUGH THE BUSINESS OF BANKING

NEDBANKS PURPOSE IS TO “USE ITS FINANCIAL EXPERTISE TO DO GOOD FOR INDIVIDUALS, FAMILIES, BUSINESSES AND SOCIETY”.

Nedbank is using the United Nations Sustainable Development Goals (SDG's) as a road map for business innovation and to identify sustainable development and growth opportunities. Using this approach, the bank will deliver on clients' needs and contribute to a thriving society.

DELIVERING VALUE BY DELIVERING ON OUR PURPOSE

Nedbank believes that the greatest contribution that a bank can make is in delivering value by delivering on its purpose. It has done this by directly linking key business leaders, who are now positioned to contribute to national development priorities through delivery against the goals.

Nedbank has prioritised 9 goals that represent opportunities to deliver innovative banking solutions and services that will deliver on unmet client needs. The group executives are then responsible for owning and driving Nedbank's groupwide response to their respective SDG.

This elevates sustainability to a senior level of the organisation, building accountability.

Nedbank's intention is to improve the alignment of purpose with culture, strategy and brand, as well as drive the innovation effort that will be required to capture winning positions in new markets highlighted by the SDG's. This approach places sustainability at the heart of the organisations commercial strategy, demonstrating that the SDG's are seen by Nedbank as a mechanism for driving the business forward in a way that makes business sense.



GROUP EXECUTIVE OWNERS OF THE SUSTAINABLE DEVELOPMENT FINANCE SDGs

SDG CONTRIBUTIONS INCLUDE :



Anna Isaac

GOAL 4:

The availability of student accommodation close to respective tertiary institutions is key to improving South Africa's educational outcomes. Nedbank is delivering innovative solutions in partnership with property developers, which include a unique set of lending criteria designed specifically for this property development asset class. Funding in 2018 facilitated the provision of an additional 3 750 student beds.



Raisibe Morathi

GOAL 6:

The bank contributes primarily through funding solutions but also through its operational usage, through partnerships and through playing a strong advocacy role in water governance and policymaking. Its 67,2% shareholding in SBS Water Systems, a leading supplier of water storage tanks, through water investment platform company Wellspring Group, represents a key investment in water and liquid storage, which forms an integral part of the water value chain.



Mike Davis

GOAL 7:

As a market leader in renewable-energy financing, Nedbank is committed to building an integrated modern energy sector, funding both utility-scale renewable-energy and embedded-energy projects. Nedbank closed a further 12 deals under round 4 of government's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP), which included the country's first ever biomass REIPPPP project and contributed a further 1 145 MW to the grid.



Priya Naidoo

GOAL 8:

Nedbank's inclusive banking solutions include MobiMoney, a digital wallet-based product that addresses basic consumer banking needs; the Stokvel Account, which allows individuals to pool savings and grow money collectively; and Unlocked.Me, an exclusive e-commerce marketplace for millennials that promotes financial literacy.

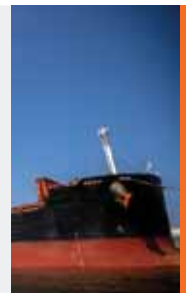




Brian Kennedy

GOAL 9:

In support of infrastructure development in Africa, Nedbank is involved in project advisory services and has provided debt funding for the construction and rehabilitation of a 900 km railway between Mozambique and Malawi, as well as a new export terminal located on Mozambique's east coast.



Iolanda Ruggiero

GOAL 10:

Its focus on delivering better self-service and improved engagement through digital channels allowed Nedbank to drive down costs and pass on savings to its clients. The bank's consumer financial education programme empowers people to make better financial decisions.



Ciko Thomas

GOAL 11:

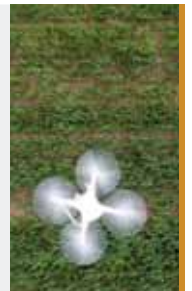
Nedbank's focus on providing funding and support for affordable-housing developments that incorporate energy and water-efficient technology continued. At Belhar Gardens, a social-housing development, water savings ranged from 15% to 25%, with the monthly usage of each unit averaging below 6 kl in compliance with Cape Town's extreme water restrictions. This has meant that lower-income residents have been shielded from steep tariff hikes associated with the drought.



Khensani Nobanda

GOAL 12:

Agricultural sector investments focus on innovations that transform the way farmers work, enabling them to protect natural resources and improve food security, and capacitating emerging farmers as they become significant and successful commercial food producers. The bank invested in Aerobotics Proprietary Limited, a disruptive technology company that builds advanced analytics on top of aerial drone and satellite imagery to deliver bird's-eye-view, multispectral images of orchards to help farmers optimise yields and manage costs.



Mfundo Nkuhlu

GOAL 15:

The long standing relationship between Nedbank and WWF-SA has entered its next phase, with the establishment of a new R25m conservation partnership to promote water security, reduced land degradation and improved local economic opportunities for rural communities in the Eastern Cape over the next five years. Over the past eight years Nedbank's work with WWF has created more than 47 000 workdays for people living in these communities as well as, allowed approximately one billion litres of water to remain in vital water catchment areas annually.



SOUTH AFRICAN BUSINESS LEADERSHIP AN EVOLVING PROFILE

A consistent note that is raised by companies is that the leadership profile of our biggest organisations has significantly evolved since 1996. Leaders today often come from backgrounds where they directly experienced inequality, poverty, hunger and other issues that the 2030 Agenda was created to address. This real transformation that has taken place means that a new generation of leaders is motivated in a more direct way than ever before to manifest positive transformation. As South Africans, it may be time for us to re-evaluate the traditional stereotype that business is inherently selfish and capitalist.

ETHICAL LEADERSHIP

Companies see leadership as a critical success factor for delivering the 2030 Agenda. This is about courage in overcoming corruption and extortion, it is about creating direction in complex situations with difficult trade-offs. It is about reaching out between sectors and entities to form relationships and partnerships that are based on mutual trust.



BUILDING ACCOUNTABILITY

Companies that are taking successful action are regularly creating frameworks that do more than embed measures into performance management. Best practice frameworks place leadership directly on the hook for the delivery of transformational outcomes.

We are seeing a pattern where key senior executives are nominated an SDG to champion, ensuring strong leadership and a focus on accountability and ownership.

“The United Nation's 2030 Agenda for Sustainable Development has a pledge to leave no one behind. As Anglo American we need to begin to internalise and bring to life what this actually means. The SDGs are very personal to me as I grew up in the rural areas of the Eastern Cape - it was a difficult time having no role models, being poor with no electricity and having to go fetch water from the rivers. Upon returning to the rural areas, I see many children are faced with similar circumstances and conditions, which makes me wonder what needs to be done to actualize their own dreams and aspirations? Therefore, how do we ensure we leave no one behind – people like me, the dreams of people that can shape our future for a brighter society and a better tomorrow? I am deeply committed to this cause and heartened by our organisation's role. This is our reason for engaging with the SDGs - to find ways to move beyond the lucky few.”

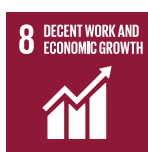
Andile Sangqu, Executive Head
Anglo American South Africa

PRIVATE SECTOR SDG PRIORITIES

	OVERALL PRIVATE SECTOR PRIORITIES	FINANCIAL SERVICES	MINING	COMMUNICATIONS AND INFORMATION TECHNOLOGY
1	 Decent Work and Economic Growth	 Quality Education	 Good Health and Well Being	 Industry, Innovation and Infrastructure
2	 Quality Education	 Decent Work and Economic Growth	 Decent Work and Economic Growth	 Quality Education
3	 Responsible Consumption and Production	 Industry, Innovation and Infrastructure	 Responsible Consumption and Production	 Partnerships for the Goals
4	 Industry, Innovation and Infrastructure	 Reduced Inequalities	 Quality Education	 No Poverty
5	 Good Health and Well Being	 Affordable and Clean Energy	 Partnerships for the Goals	 Climate Action
6	 Clean Water and Sanitation	 Clean Water and Sanitation	 Sustainable Cities and Communities	 Peace, Justice, Strong Institutions
7	 Affordable and Clean Energy	 Sustainable Cities and Communities	 Gender Equality	 Decent Work and Economic Growth
8	 Sustainable Cities and Communities	 Responsible Consumption and Production	 Climate Action	 Reduced Inequalities
9	 Reduced Inequalities	 Partnerships for the Goals	 Clean Water and Sanitation	 Affordable and Clean Energy
10	 Climate Action	 Peace, Justice, Strong Institutions	 Peace, Justice, Strong Institutions	 Sustainable Cities and Communities
11	 Partnerships for the Goals	 Climate Action	 No Poverty	 Responsible Consumption and Production
12	 Gender Equality	 Gender Equality	 Reduced Inequalities	 Good Health and Well Being
13	 Peace, Justice, Strong Institutions	 Climate Action	 Life on Land	 Zero Hunger
14	 No Poverty	 Life on Land	 Affordable and Clean Energy	 Clean Water and Sanitation
15	 Life on Land	 No Poverty	 Industry, Innovation and Infrastructure	 Gender Equality
16	 Zero Hunger	 Zero Hunger	 Zero Hunger	 Life on Land
17	 Life Below Water	 Life Below Water	 Life Below Water	 Life Below Water

The Global Compact Network South Africa analysis has yielded the following prioritisation of the Sustainable Development Goals by participating companies.

ELECTRICITY, GAS AND WATER	MANUFACTURING AND CONSUMER GOODS	AGRICULTURE FOOD PRODUCTION AND RETAIL	NGO AND DEVELOPMENT
 Affordable and Clean Energy	 Decent Work and Economic Growth	 Zero Hunger	 No Poverty
 Decent Work and Economic Growth	 Responsible Consumption and Production	 Good Health and Well Being	 Reduced Inequalities
 Climate Action	 Good Health and Well Being	 Decent Work and Economic Growth	 Good Health and Well Being
 Partnerships for the Goals	 Quality Education	 Quality Education	 Quality Education
 Responsible Consumption and Production	 Life on Land	 Clean Water and Sanitation	 Industry, Innovation and Infrastructure
 Quality Education	 Climate Action	 Responsible Consumption and Production	 Gender Equality
 Good Health and Well Being	 Gender Equality	 Sustainable Cities and Communities	 Decent Work and Economic Growth
 Clean Water and Sanitation	 Clean Water and Sanitation	 Affordable and Clean Energy	 Partnerships for the Goals
 Industry, Innovation and Infrastructure	 Industry, Innovation and Infrastructure	 Life on Land	 Zero Hunger
 Sustainable Cities and Communities	 Affordable and Clean Energy	 No Poverty	 Affordable and Clean Energy
 Peace, Justice, Strong Institutions	 Sustainable Cities and Communities	 Industry, Innovation and Infrastructure	 Responsible Consumption and Production
 No Poverty	 Reduced Inequalities	 Reduced Inequalities	 Peace, Justice, Strong Institutions
 Reduced Inequalities	 No Poverty	 Gender Equality	 Clean Water and Sanitation
 Gender Equality	 Zero Hunger	 Climate Action	 Life on Land
 Zero Hunger	 Partnerships for the Goals	 Partnerships for the Goals	 Sustainable Cities and Communities
 Life on Land	 Peace, Justice, Strong Institutions	 Peace, Justice, Strong Institutions	 Climate Action
 Life Below Water	 Life Below Water	 Life Below Water	 Life Below Water



It is no surprise that the private sector places **Goal 8: Decent Work and Economic Growth** as priority number one. This is intrinsic to the role that the private sector plays in addressing the issues that concern its stakeholders the most. By running successful businesses, jobs are created, and people are employed, this drives an ongoing multiplier effect that helps people to help themselves to a more empowered future. This goal also speaks to the role of business to enable safe workplaces that respect human and labour rights, which is also a natural business focus.



Goal 4: Quality Education is prioritised extremely highly by all sectors. Businesses critically need skilled people in order to deliver their value proposition, additionally, education is something that business is capacitated to have direct positive impact upon. South Africa has an education and skills deficit and participants are consistently delivering initiatives to lift skill levels for employees, adults living in their communities, for suppliers, customers, the youth and for school children. This goal is seen as a critical enabler for a better South Africa and a better world.



Goal 12: Responsible Consumption and Production is positioned in third place. The private sector is motivated to operate efficiently, reducing resource consumption to minimise expense, but also to be responsible about resource scarcity. Mining, manufacturing and consumer productions sectors have large scale operations and are particularly cognisant that it is by prioritising this goal that they most effectively minimise any negative impact upon Goal 13: Climate Action, which is an outcome that stakeholders are vociferously calling for action upon.



Goal 9: Industry, Innovation and Infrastructure is a high priority for many reasons. Firstly, innovation is critical to enabling better future business, overcoming challenges and evolving future success. Secondly, this goal speaks to the infrastructure that is critically needed for business to deliver its role, and to enable communities in the areas that businesses operate in. The South African private sector is making material and significant investment in infrastructure. So, this goal is of significant interest to the financial services sector, due to its interest in investment. It is also the number one goal for Communications and Information Technology which is bringing unprecedented innovation forward across all other sectors.



Goal 3: Good Health and Well-being is a very high priority for business because it is possible to have a tangible positive impact and mitigate any negative impact or risk. This goal adds direct value to business by enabling workforces that are motivated and able to perform their best.

In mining, agriculture and manufacturing sectors, where there are big physical operations that make health and safety of employees in the workplace a high priority. This goal speaks to the effort by the private sector to ensure excellent labour practices.



Goal 6: Clean Water and Sanitation is a high priority because South Africa is a semi-arid country and water is a scarce resource in many parts of it. Water is critical to communities and business operations alike, with agriculture, food production, manufacturing and mining needing sound water supplies. Many private sector organisations are involved with water projects that either source or clean water, and many are heavily vested in technology improvements that drive water efficiency. Companies in areas that have experienced water shortages prioritise this goal especially highly, as they need water continuity for their operations, and their employee communities.



Goal 7: Affordable and Clean Energy is the number one priority goal in the Electricity, Gas and Water Sector because this is the sector's core value proposition. There are difficult challenges and trade offs that need to be negotiated within this sector as the world pushes for reduced greenhouse gas emissions and a smaller carbon footprint. Exciting progress is being made in the renewables space, however, there is a material risk of stranded assets for legacy players that are also being asked to sustain stable coal and gas-based energy production in order to deliver electricity. There is also priority placed on this goal because of the high cost to business of recent load shedding.



Goal 11: Sustainable Cities and Communities is positioned at a lower priority than would be expected, given the huge focus that the private sector consistently places upon it. The reason for this is because companies are targeting goals such as education, infrastructure, good health and wellbeing as being the best mechanisms to drive positive outcomes for this goal. As such, this goal, like many others that are placed toward the bottom of the prioritisation, is seen as an outcome of positive action against other goals.



Goal 10: Reduced Inequalities is a goal that is central to South African success. Business is highly incentivised to support the reduction of inequality because this closes the poverty gap and nurtures the customer of tomorrow. This goal emerges second on the list of NGO and Development organisation priorities, because these organisations are directly involved in the delivery of programmes that reduce inequality. One reason that this goal is positioned lower in the ranking is because companies reduce inequality most effectively addressed through delivery against other goals.



Goal 13: Climate Action is another example of a goal that is best impacted through the delivery of other goals. Companies are very clear that Climate Action is the result that we need to see, however the private sector makes best impact by focusing on affordable and clean energy and responsible consumption and production, moving toward renewable and sustainable energy sources and operational efficiencies that mitigate negative impact upon the environment.



Goal 17: Partnerships for the Goals is also a goal that features surprisingly low in the prioritisation. Almost every participating company cited the importance of public-private sector collaboration, and of partnerships across sectors and through value chains. The reason that it comes up low in the ranking is because many companies see it as a core enabler. Partnerships feature particularly highly in the electricity, gas and water sector, due to the structural change the sector requires. The goal also comes up where financing and investment solutions are required, and where community ownership and consultation is needed for successful outcomes on sustainability initiatives.



Goal 5: Gender Equality is perceived as an especially important goal for businesses when prioritising objectives for internal operations. Most participants are already aligned to and delivering against the B-BBEE guided push for transformation that delivers gender equality. Programmes extend well beyond enabling gender equality for employees within operations into socio-economic and supplier development initiatives. Prioritisation is a difficult process, the lower ranking of this goal may indicate that companies believe they have bigger priorities, or that actions are already in place that will address this goal.



Goal 16: Peace, Justice and Strong Institutions is an outcome that business want and value. However most see key responsibility for the delivery of the goal as lying outside their sphere of responsibility. Companies want a corruption free South Africa, and strong institutions that enable a robust and trusted economy. They own their responsibility for strong governance, with the electricity, gas and water sector speaking strongly to the need for strong and accountable institutional leadership.



Goal 1: No Poverty is an outcome that the private sector critically wants delivered, however it is primarily seen as an outcome that is best addressed through other goals. Whilst this goal sits low in the rankings it is worth noting that most companies have socio economic imperatives that mitigate the immediate negative impact of poverty. Companies are interested in sustainable

solutions that permanently resolve the poverty gap, and these predominantly fall under other goals.



Goal 15: Life on Land is most highly prioritised by companies that have operations that co-exist within environments that are rich in biodiversity and land. In these instances, tangible action often falls under responsible consumption and production, which mitigates negative impact on the environment. Alternatively, environmentally cleaner practices are labelled as innovation. Many companies take a philanthropic interest in life on land. However, this does not achieve as high a prioritisation as goals that form part of a company's core value proposition.



Goal 2: Zero Hunger is another goal that received an overall low prioritisation because most sectors see it as a desired outcome, that is best delivered through direct impact on other goals. A notable exception is the agricultural and food production sector, which is strategically vested in the longer-term goal that is food security. The retail sector also prioritises this goal, which is aligned to their mission to sustainably source affordable food. Again, many companies deliver philanthropic action against this goal, which does not earn it a place upon the high priority listing.



Goal 14: Life Below Water whilst fisheries and maritime sectors prioritise this goal, they are outweighed in the sector and overall prioritisation because the majority of companies are based on land. There is need for increased awareness on the role of SDG 14 on livelihoods and on the economy as a whole.

It is critical to note that when the private sector prioritises the goals it does so with a view to the action that it can most effectively take to ambitiously deliver the 2030 Agenda.

A consistent note that is raised by companies is that the leadership profile of our biggest organisations has significantly evolved since 1996. Leaders today often come from backgrounds where they directly experienced inequality, poverty, hunger and other issues that the 2030 Agenda was created to address.

This real transformation that has taken place means that a new generation of leaders is motivated in a more direct way than ever before to manifest positive transformation. As South Africans it may be time for us to re-evaluate the traditional stereotype that business is inherently selfish and capitalist.

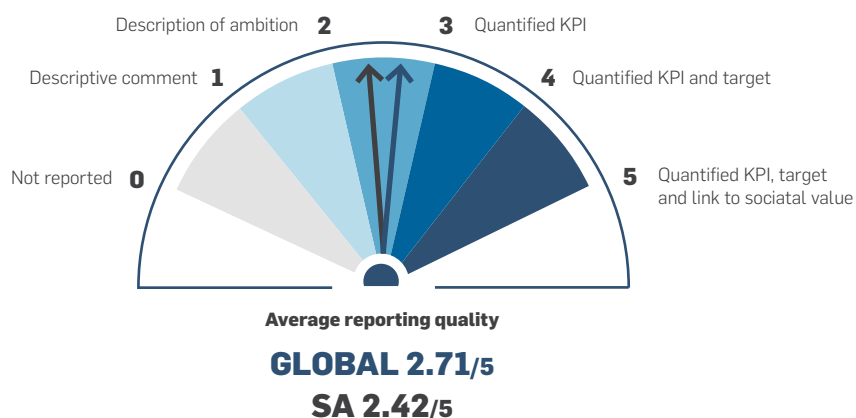
A GLOBAL COMPARISON SOUTH AFRICA AND THE WIDER WORLD

One question is how South African private sector priorities compare to the global picture. In 2018 PwC conducted an analysis with 362 companies across the world. Globally, the private sector consistently prioritised Goal 8: Decent Work and Economic Growth, and the key difference is how highly the South African private sector prioritises education.

Goal 13: Climate Action and Goal 12: Responsible Consumption and Production, are consistent with each other, being slightly varied lenses on the same issues surrounding environmental sustainability. This is coupled with a lower priority for life below water and on land, potentially because most businesses are less directly able to impact these goals.



In terms of participation, globally, 54% of the companies that have assessed the SDGS go on to include them in their business strategy, whereas in South Africa 83% percent do. The report notes that SDG reporting is still highly qualitative with global standards slightly ahead of South Africa.



BIG TOPICS EMERGING IN THE PRIVATE SECTOR

The analysis process has involved a number of conversations and dialogues with participating companies. Within this context there are topics that come up repeatedly. The GCNSA is taking on board the key points arising and will define its agenda based on the key conversations that private sector organisations are keen to pursue.

These so far include:

TOPIC 1

HOW TO INTEGRATE THE 2030 AGENDA INTO CORPORATE STRATEGY AND DAY TO DAY BUSINESS

- Supporting frameworks that help companies to embed the SDGs into their businesses
- Managing the prioritisation of SDGS to enable collaboration and big impact
- Leveraging existing SDG toolkits and methodologies

TOPIC 2

FINDING OPPORTUNITIES THAT BOTH GROW BUSINESS AND DELIVER THE GOALS

- Tackling Carbon Emissions / Accelerating Renewable Technology
- Connecting to our Communities, Job Creation and Reducing Poverty
- South African Infrastructure: Water, Electricity, Transport

TOPIC 3

BUILDING BELIEF IN THE SOUTH AFRICAN ECONOMY

- Improved Participation in South African markets
- Building trust in the South African economy with investors and for civil society
- Looking for international collaboration opportunities

TOPIC 4

DRAWING SMALL AND MEDIUM SIZED COMPANIES INTO THE DIALOGUE

- Designing a recognition framework for organisations that align and participate
- Investigating participation sponsorship / funding (JSE has ideas)
- The Champion role in driving participation

TOPIC 5

USING A PRINCIPLES-BASED APPROACH TO DRIVE ACTION ON THE GLOBAL GOALS

- How to further the use of the ten principles to build a common language for business
- How to further the use of the ten principles to provide an ethical framework for business
- How to create and share tools that enable businesses to take a principles-based approach

SECTOR INSIGHTS

This section contains the key messages, challenges and priorities emerging from South African business sectors. The views expressed in this section indicate early insights into the key interventions that sectors believe that South Africa should focus on. In particular, the report notes the areas that the private sector sees as vital for collaboration between the public and private sector.

SECTOR FINANCIAL SERVICES

OVERVIEW OF SDG PRIORITIES

The financial services sector represents more than 22% of South African GDP. This makes it one of the biggest, most powerful, and most influential parts of the private sector. Additionally, the sector is uniquely cross cutting, servicing all other business sectors. Financial services companies are early movers when it comes to the 2030 Agenda. Unsurprisingly, big banks are evaluating the SDGs from a financial perspective and with a keen eye on the economy, both in South Africa and beyond.



The interest that financial service entities takes is characterised differently depending upon their various value propositions.

Investment banks are taking an approach that seeks to nurture 2030 Agenda opportunities that can successfully yield sustainable value and growth. The approach is innovative, progressive and well positioned to drive investment, but needs wider awareness, participation, effective platforms and forums, as well as institutional support. The financial services sector is also prioritising industry innovation and infrastructure in the agricultural sector, taking on the importance of food security, with sustainable food production systems and of land reform. This links to Goal 2: Zero Hunger. Innovation and infrastructure also includes a focus on communication and information technology, especially in rural areas, where this is critical to enabling access for all South Africans to innovation and investment.



The role of business is essential in education, because low education is a key hinderance to positive impact. Whilst this is a government responsibility, business needs to tackle the issue of lifting education levels where we operate. We

need citizens that have the core skills needed to manage lives and to engage. The quality of education underpins every broken part of our economy, and every other core issue. Financial services organisations need to be ensuring that there is financial education available to help with a common language and the understanding that helps financial services play its role as a key enabler. When we look at Africa overall there are significant financial management issues. Education is needed to enable the more effective and cleaner operation of key institutions. Education needs to cater for how to manage companies and institutions in a responsible manner. Goal 4: Education is a key enabler to the achievement of other SDGs, especially those that pertain to inequality. The interest in education is wider than financial services for adults, there is also a focus on primary, secondary, and tertiary education of future generations.

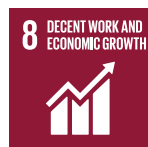
Financial services are interested in enabling the future generation and is sponsoring the academic learning (especially maths and science) that is needed to fuel the economy of tomorrow. This is about both future jobs within the financial services sector and also in the operations that financial services invest in. There is substantial effort being made to enable education institutions, teachers and educators, and to deliver bursaries, learnerships and other educational initiatives.



Retail banks, especially those with big footprints, want to enable value and inclusion for a diverse population experiencing severe inequality. Across the board, banks are realising that they can play a big role on Goal 1: No Poverty, by reducing poverty through further creation of accessible and responsible financial products. Greater access to finance across banking services and products are a priority. South African banks understand the critical role that they can play in helping the poorest citizens to escape the poverty trap. This speaks to the principle of shared value and taking a focused view of how financial services products can create opportunity and inclusion. This goal is the outcome that financial services are driving for, often by directly working other goals.



Financial services is taking a long term view, expressing interest in the cluster of goals that talk to climate change and sustainable and renewable energy. Renewable energy requires financing. Thus, key questions include how investment in innovative infrastructure can be financed, with the dialogue extending to insurance solutions and how to underwrite risk. Clean energy and carbon reduction are critical, and the financial services sector holds significant power over what gets invested in. Many investment banks have big portfolios that directly focused upon the investment in renewables and clean energy funds, whilst also considering the social dependency that exists with in the coal industry.



The financial sector is prioritising decent work within internal operations. It is essential that the financial sector leads by example and is a responsible employer properly living the ten principles of the UN Global Compact with respect to labour. It is also focused on economic growth in evaluation of its value proposition. The focus needs to move beyond pure profitability in ventures, and toward ensuring long term sustainability.



Organisations such as the Banking Association of South Africa (BASA) are working on devising KPIs that can embed priority SDGs into business models and risk models, enabling monitoring and evaluation of action and delivery. There is a deep interest in investing in youth employment and job creation for the youth that drives economic growth. One example of investment is tourism, where investment in airlines can enable a multiplier effect. There are also environmental taskforces and initiatives that drive rural employment, whilst also enabling the attainment of other goals such as Goal 15: Life on Land.



Financial services are aware of the 2030 Agenda and are applying critical thinking to the SDGs, evaluating for risk, and looking for opportunities. As such, financial services places priority on Goal 17: Partnerships for the Goals. It seeks to play a partnering role, but needs other sectors need to come to the table with coherent, well defined opportunities that will deliver long term value, and that are supported by government and the public sector. The issue of sustainability, and responsibility cannot be delivered by any single organisation, it asks for collaboration to create shared value. Almost all initiatives require financing and so the financial services sector is intrinsically collaborative, seeing partnering as an essential element to the support it provides. Additionally, this sector is progressive in the degree to which institutions come together across the sector to align on future plans.



Participating companies are pushing for further inclusion in the 2030 Agenda, seeking to drive critical mass. Key questions that are being asked include how companies can be incentivised, rewarded, and recognised for participation by public sector and government institutions. The financial services industry is hugely interested in the economic credibility of South Africa. As such it also takes a strong interest in Goal 16: Peace, Justice, and Strong Institutions with strong corporate governance and anti-corruption being a focus. This sector is leading the definition of policies, investment criteria, and frameworks that demand sustainable approaches. This can be with regard to the elimination of corruption, gender equality, fair labour practices, and environmentally sound approaches.



One of the key issues that South Africa faces is the poverty gap. The financial services sector prioritises playing a role that supports improved financial equality. The JSE also wants to leverage the power that they have to improve social and governance reporting, for example making gender equality reporting and targets a recent requirement.

Previous initiatives have included the JSE SRI Index, and currently the FTSE/JSE Responsible Investment Index Series which enables investors to receive a report back on development and sustainability. The issue of gender equality is everyone's responsibility. The financial services sector needs to respond to this challenge, taking a firm stance.

Financial services have very material property portfolios; buildings need to have spaces that cater to gender fairly. Financial services also need to consider maternity and how to accommodate the return to work, mitigating any impact on career advancement.

A wider issue is the consideration of human rights and whether it is responsible to invest in countries that are punitive or violate human rights. These agendas need to be supported by tangible measures and goals that are able to transparently monitor success.

quality is a central investment criterion from a gender perspective, especially in rural communities, financial services companies are constantly evaluating where they can make a positive impact for women and girls. Within operations many are joining organisations such as the 30% club, which requires female board representation. Financial services are leading by example because they understand the opportunity cost of gender inequality.

Financial Services is a driving sector and will be critical to the successful delivery of the 2030 Agenda. However, the sector is also clear that it cannot drive for action alone. Key players in the sector are asking for government and big investors to demand participation in the 2030 Agenda. It notes that there are key financial mechanisms such as green bonds that require innovation and institutionalisation, which put sustainability firmly on the investment agenda. It sees the 2030 Agenda as being able to provide a framework that facilitates this process. What is also worth noting is that financial services are noting that their clients have a tangible appetite for sustainability, which is a positive driving force

COLLABORATION OPPORTUNITIES

ACCESS TO FINANCE

Increasing financial inclusion for South African individuals, small and medium sized enterprises through innovative financial products and services, enabling cash flow, financial protection, and funding for innovation and growth.

INVESTMENT IN RENEWABLE ENERGY AND OTHER INFRASTRUCTURE

Bringing financial capabilities to bear to ensure de-risking, as well as analysis of the best opportunities for long term, sustainable and transformational change, in alignment with the NDP.

INFLUENCING FOR POSITIVE CHANGE

Leveraging financial institutions such as investors and the JSE to value sustainability and the adoption of transformational best practices within financial markets, including aligning compliance and regulatory frameworks such as B-BBEE.

TO VALUE SUSTAINABILITY

To bring critical risk and investment skills to bear to tangibly value the benefits of positive impact and the opportunity cost of failure to transform to ensure understanding of the importance of positive change, nurturing investor buy-in.

INNOVATIVE SUSTAINABILITY CENTRIC FINANCIAL MARKETS

To continue to invest in financial mechanisms and marketplaces that have indices and products that drive sustainability, for example, green bonds and CSR indices.

KEY QUESTIONS WITHIN THE SECTOR

Key questions that stakeholders within the financial services sector are asking include:

- How can we maximise the value the 2030 Agenda brings to the credibility of our economy?
- How can we align & amplify the role financial services plays driving the 2030 Agenda?
- How will we find and act on the financing opportunities arising from the 2030 Agenda?
- How is the financing role delivered to maximise positive impact on the 2030 Agenda?
- How do we integrate the SDGs and NDP with indices and measures that investors value?
- How do we simplify clear goals and attract companies that are not participating?
- How best to turn country level outcomes into company and sector level objectives & targets?
- How do we ensure that emerging measures are simple, universal and easy to align to?

SUCCESS STORIES AND QUOTATIONS

The GCNSA would like to thank the following Financial Services sector organisations for the contribution of their insights to this report:

- **Old Mutual**

- **Investec**

- **Standard Bank**

- **Nedbank**

- **JSE**

- **ABSA**

- **Liberty Holdings**

- **The Banking Association of South Africa**

"We do not inherit the earth from our ancestors, we borrow it from our children." – American writer and poet, Wendell Berry.

This quote is a profound piece of wisdom about generational stewardship, beautifully encapsulating the longer-term importance of investing responsibly. The ultimate aim is to deliver lasting wealth, in all its forms, to our clients and their communities. As a proudly African asset manager, our context presents us with a unique set of environmental, social and governance issues. These range from youth unemployment and infrastructure deficits through to governance challenges, all of which present both risk and opportunity. By collectively driving capital on behalf of our clients into a more inclusive economy we deliver market-beating risk-adjusted investment returns and also directly contribute to building a green, productive economy. Not only does this approach make sound business sense, it is the right thing to do."

TEBOGO NALEDI, Director of Institutional Business
Old Mutual Investment Group

"Established in 1998, The Old Mutual Investment Group Green Hands Trust is responsible for the social development investments, donations and staff initiatives within Old Mutual Investment Group. As Green Hands, we strive to identify the need in our communities and lend a hand by contributing in many different sectors such as education, community upliftment, skills development and sport. One of the key focuses for Green Hands has been investing annually in educational projects such as Rally to Read, IEDT Sponsorship and IBHAB projects for the benefit of the future of South African youth and equipping them to become self-sufficient. Our projects vary from libraries, educational tools, computer labs and sports field equipment to vegetable gardens and providing kennels for animals in less privileged areas. Each year we set higher targets and aim to do better than the last, encouraging positive attitudes and the promise of better prospects for the future."

MOBASHEER PATEL, Chairman
Green Hands Trust

"We have committed more than R100 billion to creating an inclusive economy, while also generating wealth for our investors. The impact of this commitment cannot just be measured in Rands and cents. It is evidenced in the improved lives of South Africans; in the 16,500 children gaining a quality education, the 16,529 families with affordable housing, and the close to 800,000 homes powered with clean energy. Environmental, social and governance factors are embedded in all our processes and our investment boutiques. We consistently engage with underlying investee companies to drive favourable investment outcomes for our stakeholders. We are passionate about delivering market-beating returns AND investing for a future that matters."

KHAYA GOBODO, Managing Director
Old Mutual Investment Group

"My expectation is that we move beyond talking. Within financial services, we need to lead by example, we need to evidence commitment, and we need to show the right level of appetite. We need to put our money where our mouth is. Old Mutual is a champion of the 2030 Agenda. Our stance is that responsible business is about more than climate change. When we look at Africa we see a wider picture: we are a big investor. What does this mean? It means we have a role when we see the SDGs being violated. It means that we must be prepared to take action, even if we aren't popular, or if it impacts profitability. We must move beyond talking and take action."

KHANYISILE CHABA

Old Mutual

"Although we do not have time bound targets as yet, performance on select environmental and social indicators are incorporated in the director and executive remuneration process. As a financial institution, our most significant contribution to the SDGs and the NDP will be achieved by providing financial solutions to address various socio-economic issues, thereby reducing inequalities and investing responsibly for a more sustainable and prosperous future for all. Cognisance has been given to the local context in our core geographies to ensure our global SDG priorities are aligned and relevant. By harnessing our existing business capabilities and integrating our priorities across our operations, we can leverage innovative opportunities to have a greater social and environmental impact"

INVESTEC

"For Nedbank to be sustainable over the long term we need to have a clear reason for our existence – a "North Star" that demonstrates what we do to help society to develop and grow, thereby helping enable better lives for all. This is our purpose – it is why we have been building and growing Nedbank since its origins in 1834. Doing good is easy to say but harder to measure, and what gets measured gets done. The SDGs represent a single common set of measurement criteria for "doing good" or improving the state of our economy and society. This power of common measurement and aggregation is why we chose the SDGs to measure the delivery of "doing good" as set out in our purpose statement."

MIKE BROWN, Chief Executive

Nedbank

"At the JSE we know it is essential to migrate the 2030 Agenda narrative, creating a link directly into strategy and reporting. Sustainability is about navigating a pathway and taking a journey, and it is our role to support evolution. At the JSE, we are thinking about the listed companies we can influence. However, we need defined and clear goals that we can integrate, and we need a platform we can use to clarify the link with the national goals. The presence of the 17 Sustainable Development Goals has changed the climate. They are time bound and they define what needs to shift. A lot of responsibility rests upon our country. We need to create positive impact.

What the JSE can do is use our leverage to influence for regulation that drives for sustainable business practice and behaviour. We need to define an overarching narrative that talks to enterprise performance management frameworks. We need to think about responsible report indexes, and we need to understand how these map to the SDGs. We need to give clear answers to how this works for companies. This could then drive a multiplier effect, each company has as supply chain, so companies can pass the need for participation down their value chains by shifting how they procure. To be effective, it is critical that we clarify our SDG priorities and what we want companies to do. Many companies are fatigued or confused about the action they need to take. There are lots of different indexes, reports and mechanisms. The investor universe is going to be critical to success. By aligning around the 2030 Agenda we can make participation simple for our constituencies, for those without goals and vision. We can use the SDGs to provide a guideline that simplifies what businesses need to do."

SHAMEELA EBRAHIM

JSE



"At ABSA we are deeply passionate about the 2030 Agenda. We see it as an opportunity to get more focused as a company, and as a country. ABSA wants to develop its strategy in collaboration with other participants. We want to contribute by offering our research and industry insights. We want to be a courageous role model, unafraid of making mistakes. If we are going to maximise our positive impact, it is critical that we share our industry insights and use them to collaborate, working wider than our own corporate brand, talking about change collectively. We want to champion collective identification of solutions to the big issues that are barriers to achieving the SDGs. We want to acknowledge and manage competing challenges and priorities."

NOLA RICHARDS

ABSA

"The private sector needs to understand what is being asked of business. We need to better understand how we can get involved, and how we can collaborate across entities, and with the public sector. We need to understand how we can integrate the SDGs within our broader corporate strategy. At ABSA we intend to integrate the 2030 Agenda into how we do business in general, moving beyond corporate citizenship and CSI reporting."

NTYATYI PETROS

ABSA

"In 2018 Liberty Holdings mapped our Sustainability Strategy to selected United Nations SDGs, South Africa's NDP and the African Union Agenda 2063. Liberty's 2018 Report to Society discloses our Social, Environmental and Economic (SEE) impact against our five selected SDGs. Liberty's business strategy adopted a five values model, one of which focuses on sustainable development. Liberty is a responsible corporate citizen and applies the King IV principles to our business governance, which includes giving our full support to the NDP and SDGs by creating shared value for the societies in which we operate. Creating positive societal impact through our responsible investments and promoting financial inclusion through education to contribute to the reduction of inequalities in South Africa."

JEANNE VAN HEERDEN, Liberty Head of Sustainability

Liberty Holdings

SECTOR MINING

OVERVIEW OF SDG PRIORITIES

Mining and quarrying represent 8% of South African GDP. It is a sector that is historically very important in defining South Africa's identity at home and on the international stage. This sector has strong early movers that have aligned to the 2030 Agenda. The sector has taken a particular interest in how to map SDG / NDP priorities, and how to embed these priorities into corporate strategy and operational plans, taking practical action towards creating thriving communities, maintaining healthy environments and becoming trusted corporate leaders.

Mines are responding to the SDGs for a range of reasons. For some, it is because their core purpose is to re-imagine mining to improve people's lives. In other cases, investors are putting pressure on mines to operate sustainably, with shareholders and stakeholders looking at mining to change its complex legacy. The SDGs are offering a lens through which this legacy can be evolved. Another reason for the focus on sustainability is that mining assets have a natural lifespan and the world demands a responsible approach to this. Resources are mined, and once depleted, the operation is closed. This encourages a natural focus on sustainability, especially for local communities, who would normally experience unemployment and socio-economic decline at the end of this lifecycle. Mining now asks the question: what happens once we are gone?



Considering the sustainability of host communities is central to this sector's thinking, building thriving communities with better health, education and levels of employment are crucial to sustainable mining. Mines are investing in the creation of parallel economies within mining communities, so that when a mine closes there is a sustainable and holistic micro-economy in place. This is addressing the central question of how the wealth created by the mining sector can create, advance and then strengthen livelihoods. Many mines see Goals 4, 8, 3, and 1 as being able to most directly deliver thriving communities, looking at the critical inter-connections between these SDGs that could create the biggest positive impact.



Given the need to drive for the development of communities, mines are very interested in Goal 4: Quality Education. This is because it is essential to build skills within communities that make them attractive to future industries. Skills need to be developed to enable the communities to be employed in all aspects of a vibrant socio-economic system. This includes the skills needed to employ the community in the development and maintenance of infrastructure. Education is a key ingredient in what makes a thriving host community. Some mines are positioning themselves to make significant investment into nationwide interventions to learner outcomes in host communities. If education is fixed in a community it is more likely to succeed. There is a systemic weakness within current education that does require private sector support. Particularly, early childhood support is crucial to a truly sustainable future. This is key to making a long-term positive impact, enabling the next generation to escape poverty.



The focus on thriving communities and strengthened livelihoods means that the cluster of goals around inclusion and equality are central priorities, including gender equality and opportunities for women. Whilst mining jobs tend to still be male dominated, mining communities have many women that have the potential to be first movers within parallel economies. Women in mining communities are a big investment opportunity. Good health and well-being are important to address key health issues and workplace hazards. Some mines have taken the bold step to adopt all good health and well-being targets as their host community targets in order to foster thriving host communities. There needs to be a health system in place, requiring collaboration with the public sector. Mines are very material contributors to reduced inequality through B-BBEE strategies that focus procurement on suppliers that have historically faced inequality. There is also a material focus in mining on diversity and inclusion, because this is a critical foundation for sustainability. This extends to a focus on human rights and working alongside civil society to advocate for the policy shifts required to ensure safe communities and decent work.



Mines are interested in collaborating with government on infrastructure development within communities. One example is housing, another is clean water and sanitation. Mines are donating land in mining areas, supporting the initiation and assistance of thriving economies. There are multiple

case studies of working models in communities that can contribute to social development planning. Mines and quarries are looking to the 2030 Agenda as a framework that can deliver a common language for Social and Labour Plans (SLPs), to create economic development structures. One of the key legislative prompts for mines has been the Mining Charter, which has required plans for social economic development. Mines account for and spend money on infrastructure within their communities. They are also a major supplier of potable water that is cleaned and supplied to communities. Often the community will depend upon the mine for their potable water. There is also a link between water and infrastructure because of the need for water in cleare, cleaner and greener technologies. This is a space that requires ongoing investment as technologies innovate, for example, the future idea of a waterless mine.



Internally, within operations, mines are focused on ensuring safe and responsible workplaces. Mines inherently demand the highest standards of occupational health and safety, coupled with effective training and responsible labour practices in order to proactively prevent accidents in the workplace. The sector demonstrates extremely disciplined and advanced practices in order to protect human life in the workplace. This is now an embedded priority. Externally, economic growth is a massive focus, particularly job creation. For every site job created, mines are driving a multiplier effect to create many further jobs, fostering growth within communities. Stimulating economic growth off-site is a primary focus.



Mines are acutely aware of the environment and responsible consumption and production. As a sector they face transformational change as the world turns its eye toward renewable energy. Additionally, there is huge priority placed upon minimising environmental impact, with significant sector resources focused in this regard. Mines are investing heavily in technology and innovations that will allow them to maintain a healthy environment by creating waterless, carbon neutral mines and delivering positive biodiversity outcomes. Goal 12: Responsible Consumption and Production is the starting point of a mining sustainability strategy. Mining is a production business, and so being a responsible producer is an intrinsic commitment that is not new. There is a very good track record of mines, over time, working to become ever more responsible. That said, mines are continuing to ramp up efforts to ensure that responsible consumption and production and climate action is delivered. There is a legacy of environmental impact to turn around.

Goal 12: Responsible Consumption and Production is the starting point of a mining sustainability strategy. Mining is a production business, and so being a responsible producer is an intrinsic commitment that is not new.



Given the interest in sustainable communities and that mines themselves are defining and planning responsible exit strategies, there is strong interest in Goal 17: Partnership for the Goals. Developing trust as corporate leaders, providing ethical value chains and improved accountability to the communities that mines work with requires a collaborative approach. Mines are interested in partners that want to align to the financing, planning and operationalisation of their communities. They are interested in private sector businesses that can be their successors as employers. Mines and quarries are also interested in partnership with government and the South African Development Community. There is a global perspective that is critical too. The sector is interested in fostering global level opportunity and public sector partnerships, for example in regional collaborative development planning, that facilitates sectors coming together to operate in partnerships based on spatial analysis. There is also an accountability aspect to operating sustainably that needs to be facilitated, thereby establishing multiple levels of open and accountable dialogue leading to greater mutual trust. There are existing and preliminary forums that are considering action opportunities for development that bring together local and even international players. These first moves need to be galvanised and mobilised into action.

EMERGING ISSUES

In South Africa, the question of land is a big one. Once mines are complete there is no reason to hold onto land. Mines are conscious of this and are doing internal work to understand their role as a significant landowner. The land topic is hugely complex and controversial, with many diverse stakeholders, yet there is a significant opportunity. Disused land can create employment and enable other enterprises, often leveraging foundational infrastructure that mines have implemented. At the same time, long term success requires an early start, long before mine closure. It requires people, financing, and successful models to guide collaboration on thriving sustainable communities. The progressive and innovative ideas being presented by mines represent one of the most significant opportunities identified within the VNR process. That said, true success in maximising the land opportunity requires extensive support and collaboration.

COLLABORATION OPPORTUNITIES

COLLABORATION WITH PRIVATE SECTOR ENTERPRISES TO BUILD THRIVING COMMUNITIES

Establishing forums for identifying private sector entities interested in entering mining communities to establish business operations.

COLLABORATION WITH THE PUBLIC SECTOR ON SOCIAL LABOUR PLANS

Investigating ways of leveraging social labour plans in a focused and targeted way to activate initiatives that develop mining communities to diversify skills and capabilities.

COLLABORATION WITH THE PUBLIC SECTOR ON INFRASTRUCTURE

To invest in mining community infrastructure to enable the spatial planning of infrastructure that will enable private sector entry to the market with key business infrastructure enablers. Effective investment in the SDGs requires deduplication of effort and a greater level of coherence, transparency, and integration.

COLLABORATION WITH THE SA DEVELOPMENT COMMUNITY

To clarify and articulate the mining community opportunity to the SA Development Community so that they can align and participate in targeted development initiatives.

COLLABORATION ON EDUCATION AND SKILLS DEVELOPMENT

To enable public and private sector investment in education and skills development, creating a marketplace that private sector entities can easily direct their funding and action on skills development.

KEY QUESTIONS WITHIN THE SECTOR

Key questions the sector is asking include:

- How can SDG-aligned sustainability plans be harmonised with the NDP?
- How can progress on implementation be measured adequately through meaningful metrics that ensure impact is felt by stakeholders?
- How can models and success stories be shared in a way that attracts participation?
- How can Social and Labour Plans be leveraged and targeted most effectively?
- How can platforms be established to nurture holistic investment in mining communities?
- How to improve trust and accountability within the sustainability space?

SUCCESS STORIES AND QUOTATIONS

The GCNSA would like to thank the following mining sector organisations for the contribution of their insights to this report:

- **Anglo American South Africa**

- **AngloGold Ashanti**

- **Harmony Gold**

- **Royal Bafokeng Platinum**

"The United Nations 2030 Agenda for sustainable development has a pledge to leave no one behind. As Anglo American we need to begin to internalise and bring to life what this actually means. The SDGs are very personal to me as I grew up in the rural areas of the Eastern Cape - it was a difficult time having no role models, being poor with no electricity and having to go fetch water from the rivers. Upon returning to the rural areas, I see many children are faced with similar circumstances and conditions, which makes me wonder what needs to be done be able to actualize their own dreams and aspirations? Therefore, how do we ensure we leave no one behind – people like me, the dreams of people that can shape our future for a brighter society and a better tomorrow? I am deeply committed to this cause and heartened by our organisation's role. This is the reason for engaging with the SDGs - to find ways to move beyond the lucky few."

ANDILE SANGQU, Executive Director
Anglo American South Africa

"Our purpose is to re-imagine mining to improve people's lives. Our team's philosophy is that we can make a difference. The purpose of Anglo American's Sustainable Mining Plan is to create long term value for all our stakeholders, and it is intended to be transformational. There are three pillars of the Plan: Trusted Corporate Leader, Thriving Communities and Healthy Environment. These pillars will ensure that we are well positioned to respond to change within society, being flexible and adaptable in all respects. We are not just about having a set strategy though - there is an aspiration throughout the organisation to make a difference, while embarking on practical ways to make this a reality. We look forward to working with many partners in order to achieve these goals."

CRAIG DU PLESSIS, Implementation Principal,
Anglo American South Africa

"Most claim that we don't see enough benefit from mining. The benefit from mining does not live up to the expectations of our stakeholders. It is clear that there is an expectation mismatch. We therefore need to find some language and content around how we improve, and the SDG's are a step in the right direction."

RICHARD MORGAN, Head of International Government Relations
Anglo American Plc

"At AngloGold Ashanti we partnered with the University of Cape Town on an exercise to embed the Sustainable Development Goals into our business strategy and take action. This process has been a great success that we now want to share. We wanted to change the way in which the private sector interfaced and intersects with society. We have intentionally designed efforts to shift society within our mining communities, and we are now in the process of moving beyond being purely profitable. The SDGs gave us a platform that we could use to change our dynamic. This VNR process is a vehicle we can use to start to redefine sustainability bottom up. We want to share our achievements and the lessons that we have learned. We are offering our case study for how AngloGold Ashanti partnered with the Minerals to Metals Initiative at UCT to understand what the SDGs meant for us. We need to mobilise as a country, and we need to make sure it is not just a once off event. We have developed strategies that are now effectively hardwired into our organisation. Our case study offers the process for AngloGold Ashanti to support the redefinition of our business. We are now going through a process of sustaining our direction, and of sharpening our priorities and activities. A strong process for embedding the Sustainable Development Goals gives companies a mandate to re-imagine themselves as a part of society. This is challenging work, we need to be designers, because there are no off-the-shelf solutions. Private sector leaders need change agents that can navigate barriers and overcome challenges.

DR BRIAN CHICKSEN,

AngloGold Ashanti

"When the late Professor Dee Bradshaw and Michael Solomon from the Minerals to Metals Initiative of the University of Cape Town first approached me as the Chairperson of the Social, Ethics and Sustainability Committee of AngloGold Ashanti to invite the company to participate in a partnership that would strive to operationalise the Sustainable Development Goals (SDGs) in the mining sector, I was struck by their passion and understanding of the strategic contribution that business could make towards achieving the United Nations' 2030 Agenda for Sustainable Development and the 17 goals that serve as a framework for shaping national policies over the next 15 years. For Dee, Mike and their dynamic teams, advocating and securing commitment to the SDGs was an essential step in the process. But both were driven by a sense of urgency to make an early move from thinking and talking to doing, and to turn intentions into reality.

Persuading AngloGold Ashanti to be the mining partner was effortless as the company had already developed a strategic sustainability framework that was congruent with the SDGs. And so began the collaborative partnership that was formally established in December 2016 and that has led to the production of this toolkit, with Brian Chicksen from AngloGold Ashanti facilitating its design and compilation.

The notion of working in partnerships to end poverty, hunger, inequality, and promoting safe environments and other societal aspirations for the benefit of communities, nations, and people across the globe is not new, especially for a country like South Africa, that gained its freedom from the collective efforts of governments, civil society activists, public and private companies, and a plethora of other social, economic and political institutions across the regions of the United Nations. People from all classes, ages, nationalities, colours, genders and other identities mobilised into a single force to end Apartheid in South Africa.

The SDGs, the Africa Union's Agenda 2063, as well as South Africa's National Development Programme, are inviting all companies, universities, cities and sectors across our nations to mobilise our collective imaginations to move from the "business as usual" model to a more innovative approach that is inclusive, sensitive, agile and impactful.

The time is most opportune for the age-old South African mining industry to play a leading role in transforming the way business thinks about competition and partnerships and to implement a "shared value" approach that benefits communities, young entrepreneurs, the environment, small and medium sized businesses as well as large corporates, investors and society at large.

The Shared Value Africa Initiative aptly notes that "purpose driven business can be the engine that drives Africa's rise to become an economic powerhouse in the twenty-first century". This case study is one of many more examples of what is possible when we move out of our silos and create multi-sectoral and multi-disciplinary ecosystems that will focus on truly transforming the mining and possibly other industries. Understanding the urgency of this transformative approach to mining and contributing to achieving the SDGs would be a fitting legacy for the late Professor Dee Bradshaw.

NOZIPHO JANUARY-BARDILL, Chairperson of the Social, Ethics and Sustainability Committee,

AngloGold Ashanti Limited



Global Compact
Network South Africa

SECTOR

COMMUNICATIONS & INFORMATION TECHNOLOGY

OVERVIEW OF SDG PRIORITIES

The Information and Communication Technology (ICT) sector has rapidly evolved. The communications industry, in particular, is very new. This sector is a disruptor, that has brought huge change. Even a decade ago communications infrastructure had not effectively penetrated Africa. Since then, boundaries have been brought down, and innovation has been colossal, with over 20 million South Africans using smartphones. The ICT sector is leading innovation and having a profound impact, literally changing lives.



Goal 4: Quality Education is inherently impacted by this sector. ICT solutions are changing the way that we educate, having a substantial impact on schools, which are progressively going digital, with a particular focus on improving basic literacy and mathematics. Access to information via smartphones is enabling adult self-service to knowledge that is empowering. More than 53% of the population now have access to the internet. Access to educational materials is driving a multiplier effect across all other SDGs as the people of South Africa find themselves able to educate themselves cheaply, easily and in an on-demand way. Free educational information is becoming readily available, as well as access to educators that are working within the development community. This is driving an increase in the number of youths and adults with relevant skill sets, especially in technical vocations, as well as for entrepreneurship.

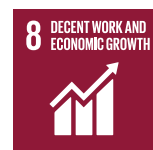


Access to information and also medical services is making significant impact upon Goal 3: Good Health and Well-being. This is especially true in remote rural areas where access has historically been an issue. There is positive impact to reduce the number of preventable deaths, as well as to ensure more universal health coverage and access to essential health services. There is also significant benefit from early access to information that can enable good health and wellbeing. There is a particular focus on maternity information and enabling the prevention of deaths in early childhood. There are apps that are emerging that provide free support.



There is also a significant impact upon Goal 1: No Poverty. Information technology and telecommunications means that South Africans are able to communicate and find opportunity. The increased ability for supply to meet demand is enabling people to find and offer employment, products and services. The digital economy is rising, and it is helping to address

poverty, and to mitigate geographical boundaries. However, data and handsets are still expensive and are not accessible to all. This sector is working on frameworks that can improve inclusion. Many cell phone providers are working to develop entry level internet enabled phones that are ever cheaper. A key focus in this space is bringing down the cost of delivery to enable cheaper data. This is enabling affordable and more universal access to information and communication technology.



One of the key changes that digital solutions are bringing is FinTech, or financial technology. This is driving economic growth and decent work, by being a significant enabler for businesses that would otherwise struggle to access financial services where currently 66% of South Africans are estimated to be unable to access financial services. A cashless economy is being driven, with innovative products from multiple players that are closing the financial divide through mobile money, micro-loans that enable cashflow, micro-savings that enable interest to be earned, and micro-insurance. Mobile services are improving access to basic services such as electricity, water, and social services disbursements. This is driving participation in the formal economy, which ensures improved ability to ensure the flow of tax, that ultimately enables government spending. Cellular technology is being adopted fast to enable payments to suppliers and from customers. Access to the internet is also enabling employment marketplaces, enabling better connections between potential employers and people that want decent work.



The pace of change is unprecedented, so the Information, Communication and Technology sector has a strong focus on innovation, as well as on the advancement of infrastructure. This sector is vibrant with focused innovative activity and ever more affordable and accessible technologies.

There is significant innovation on the software front, with many new applications, with internet of things solutions that are able to support more effective operation. In agriculture, farming, and fishing there are applications that can help to plan, time or optimise operations. There are also a wealth of emerging applications that are enabling efficiency in the use of resources. In addition, there are innovative applications that enable health and well-being, transforming the ability of people to manage their lives. Apps have transformed how people live, work and play.



There are extraordinary benefits from access to, and freedom of information. We need to focus on ensuring the basic need of human beings to be connected to each other and our freedom of expression. At the same time this sector is working hard to maintain, build and evolve its responsible stance in managing challenging new questions that arise from ongoing digital innovation. The sector requires strong partnerships that sustain the trust of mankind in digital technologies, by providing guidelines that ensure privacy and the protection of personal information.

Given the free flowing and open nature of ICT communications, critical questions are arising about what it takes to be responsible with information both now and in the future. As such this sector is hugely interested in effective collaboration with the regulators and the public sector, as well as citizens, to partner on defining a proper ethical stance on topics such as gaming addiction, human rights and the protection of children and of personal information. This places a focus on Goals 16: Peace, Justice and Strong Institutions, as well as Goal 17: Partnership for the Goals.

The Communication and Information Technology sector is creating change across multiple SDGs. It has wide ranging potential and opportunity across all sectors and is already playing a powerful role in addressing inequality, with applications from increasing food security to addressing poverty. The opportunities are often futuristic and require early understanding and critical conversations. There is extensive opportunity for partnership between the public and private sector to address solutions that can accelerate access to data and information. Participants are asking, given its fundamental importance, that access to information be a basic service, with affordable internet and handsets accessible to all. If so, then what is the path toward making this a reality?

COLLABORATION OPPORTUNITIES

AFFORDABLE INTERNET AND HANDSETS AS A BASIC SERVICE

A public / private sector dialogue on what it would take to deliver cheaper access to data and information technology, reducing inequality.

MORE INTEGRATED RESPONSES FROM REGULATORY GOVERNANCE

To integrate the responses from regulatory bodies that have responsibilities in the information technology space, for example financial products on phones, combine regulatory requirements from a financial perspective, as well as an information protection requirement. Work to create more standard and consistent responses across Africa enabling a single regulatory direction.

SUPPORTED ETHICAL DIALOGUES

Cross-sector conversations that visualise the emerging risks to create early awareness and proactive advance protection. Nurturing early insights within government, business and civil society.

KEY QUESTIONS WITHIN THE SECTOR

Key questions the sector is asking include:

- What inter-sector collaboration is possible to deliver cheaper data, networks and enabling infrastructure such as electricity and roads?
- How can the ethical conversations about future technology be brought forward?
- How can regulation be integrated for effective and holistic responses, insights and action?



SUCCESS STORIES AND QUOTATIONS

The GCNSA would like to thank the following communication and information technology sector organisations for the contribution of their insights to this report:

• MTN

"As innovations such as artificial intelligence, the use of big data and automation continue to be showcased in real-world applications daily, we are excited by the ability for humanity to realise breakthrough solutions to improving our lives and resolving real world challenges. Some of these challenges include fighting poverty and inequality, creating opportunities for income-generation and self-employment, and improving access to quality education and healthy food, among others. However, people remain concerned about their job security, how to maintain their rights, who governs and controls the consequences of some innovations, and what the state of the environment means for access to resources and for our collective futures. In 2018, there were even more ongoing movements around the world, with people demanding equity, transparency and responsible actions from governments and companies. Even young children are now actively making their voices heard. These concerns mean that ethics and values-based leadership are even more critical for organisations to operate sustainability. We need to lead in a more transparent, responsible and sustainable manner, and we must do so with greater urgency and impact."

ROB SHUTER, Group president and CEO
MTN

• Vodacom Group

"Everyone deserves the benefit of a modern connected world. At MTN we started looking at the SDGs in 2018. Whilst we were already addressing many of the goals, we are committed to making a proactive, conscious and intentional effort that lives in the hearts and minds of all MTN people, our business and our communities. Currently our leaders are engaged in understanding what the material issues are for our stakeholders, and where MTN can make the strongest contribution. We serve close to 233 million people in emerging markets. We can therefore make a meaningful difference by shifting our markets towards a more sustainable future. We are confident that our products and services are breaking down social and economic barriers, furthering action to deliver the 2030 Agenda. At MTN we intend to leverage the sustainability agenda to drive innovative solutions across Africa and the Middle East where we operate, we want to close digital and financial divides. We are focused on extending communications and ensuring basic coverage, connectivity, and affordability for people that were previously excluded."

FELLENG SEKHA, Group Chief Regulatory and Corporate Affairs Officer
MTN

"At Vodacom we have conducted a review of our SDG impact areas and prioritised action. We are now in the process of integrating the SDGs into the company's business strategy and embedding SDGs within Vodacom's purpose led organisation strategy. This process will include putting in measures to ensure that the company's contribution to the SDGs is continuously monitored, measured and reported on an annual basis. Vodacom sees a connection between creating value for our company and improving the lives and wellbeing of our communities. Our innovative technologies help to drive sustainable development in all sectors including education, health, finance, and agriculture. ICT is an enabler to achieve all 17 of the SDGs".

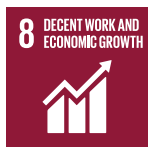
TAKI NETSHITENZHE, Chief Officer: Corporate Affairs
Vodacom Group

SECTOR

ELECTRICITY, GAS AND WATER

OVERVIEW OF SDG PRIORITIES

South Africa is a water and electricity stressed country. Water is a huge priority and opportunity. It is an essential basic service, and a critical business enabler. These two essential resources are interlinked: as water can drive electricity generation. South Africa has a wide oceanfront and extensive coastline that is heavily connected to our livelihoods and mobility. South Africa has an energy crisis, we need water, and further to this climate change must be addressed. The Renewable Energy Independent Power Producer Programme (REIPPP) is a new and significant initiative that is being championed by the public sector (Department of Energy), with innovative opportunities for public private partnership. The response of the private sector has been very strong, raising the bar and sending a signal to business at large, both in South Africa and in the wider world. Viable and economically feasible models are emerging that are encouraging business to rise to the occasion. We are changing the rules of engagement.



South African production and use of gas and coal consumes non-renewable resources, and results in greenhouse gas emissions and pollution. South Africa has some of the biggest emitters in the world, (4 of the top 10). This means that Goal 7: Clean and Affordable energy is a priority SDG in this sector. Companies in this space are

on an existing trajectory, initiated in the 1950s and 1960s, when environmental impact wasn't understood or appreciated. It is clear that transformational action is required, and the sector is critically aware that Goal 13: Climate Action sits at the centre of the strategic agenda. On the road ahead there are many hard decisions, including social issues relating to the sustainability of jobs, and the current dependency of South Africa upon gas and coal.

Big players are emphasising that a serious and well managed dialogue is needed between impacted stakeholders including government, the private sector, communities, citizens and labour representatives to define solutions. They cannot stand alone. Our energy requirements are bigger than most countries in Africa. However, there are very significant new players that are bringing renewable energy options. Growing needs can be addressed with cleaner energy options. Yet shifts toward cleaner energy need to be managed carefully to ensure minimal impact on the net number of jobs available in this sector using the opportunity of inter-sectorial movements of labour pools within the context of a renewed, top-level South African strategy for the design, implementation and maintenance of national infrastructure. The country has amazing pools of skills. These combined with the innovative thinking used to tackle other, previously seemingly insurmountable challenges are our greatest resource in transitioning the country towards cleaner energy whilst minimising the impact of technology on employment

in this sector. Companies in this sector are currently focused on providing jobs for the young in South Africa and have partnered with government to drive this goal. There are further options available, such as offsetting, negative emissions technologies and carbon capture storage which important players are open to but not yet planning for and which present the opportunity for creation of jobs.



South Africa has an energy and water supply crisis. In the private sector the impact of load shedding is severe, causing productivity issues where cost is incurred whilst equipment and workforces stand idle, and in 2018, Cape Town nearly became the

first global city to run completely out of water, with many rural areas still struggling with reliable water of a reasonable quality. Energy and water are big drivers of business production costs. This sector is a critical enabler to decent work and economic growth, with businesses, and therefore workforces, depending upon reliable and affordable services. This hard reality is driving the agenda for other sectors. Recent shortages of both electricity and water are driving the rest of the South African private sector to make aggressive plans for the delivery of Goal 12: Responsible Consumption and Production. South African businesses are taking remarkable and innovative action to invest in energy and water solutions. Given the level of challenge government, business and citizens need to come together. The nexus of water, energy and climate change critically needs innovation. This sector sees the framework the SDGs present as an opportunity to set an agenda for the co-creation of solutions. One of the more sensitive questions here is how to enable small, independent producers of clean energy that are generating more than they require to contribute energy to the grid, and how costings, regulations and incentives can work together to enable this. Large suppliers are also looking closely at how they can augment the share of renewables in their energy mix by increasing investment and through purchases from smaller providers. Some electricity providers in South Africa have started

this contribution by drafting development frameworks to support the inclusion and empowerment of SMEs and local businesses in partnership with the South African government.



Innovation and action are also major themes in the attainment of Goal 6: Clean Energy and Water. Whilst the delivery of water is a basic service responsibility for municipalities, the private sector takes regular action to enable this goal. Big organisations often have material water requirements, taking on responsibility for portable water for their local communities. Within this sector there is potential for a more integrated approach to the planning of infrastructure. The inherent risk of an unstructured approach is that water infrastructure requires long term maintenance and investment. Where the private sector invests in water infrastructure that is not viable for municipal delivery upfront, there can be greater collaboration between sectors on continuity, investment and innovation. In particular, improved incentive systems and managed opportunities to encourage more private sector organisations to get involved in water projects. As well as keeping intake low, energy suppliers have established supplies of their own such as groundwater desalination plants in particularly stricken areas and have set out drought contingency plans which are reported to have helped contribute to day-to-day water management. New infrastructure for renewable energy also paves the way for additional water infrastructure to meet both municipal and industrial needs.



Where private sector organisations in this sector operate there are immediate positive impacts for Goal 11: Sustainable Cities and Communities. One example is the accelerated emergence of the green energy sector, particularly solar. These operations are set up in remote and rural areas, creating jobs and drawing in people that

form new communities. Solar players are taking a strong interest Goal 3: Good Health and Well-being for these communities, investing and upskilling to ensure the mitigation of Goal 1: No Poverty. This new industry is not the only contributor to this goal cluster. Investment in electricity and water infrastructure is a regular private sector contribution to sustainable communities in their areas of operation. Large players also have plans built into their human resource functions to ensure effective training and up skilling of their workforce to ensure they reach their full potential, and have contributed bursaries, book loan funds and project-related programs to help promote education and training for communities and also for SMEs.



One of the biggest topics for collaboration between the South African public and private sector needs to be about how we work together. With respect to electricity production this conversation is about how to accelerate the contribution of independent power producers to the grid. This needs to be addressed by an enabling government policy that supports growth. Traditional players in this context face a phenomenon called the 'Utility Death Spiral' where having invested in long term assets, they face increased competition from renewable energy, causing a reduced customer base and decreased sales. A collaborative effort with government players, clients and interest groups is critical to ensure that the consumer and the economy are not disadvantaged by paying for stranded assets, consequences for the environment and the economy. This needs to be balanced against the very material benefit of leveraging the contribution of many independent power products who answer to shareholders and do not have a legacy of old infrastructure to overcome. New producers are being selected not just on the basis of price, but on their contribution to socio-economic initiatives. The SDGs are giving a value framework for framing this dialogue, enabling the development of scorecards. The selection of independent producers on the basis of contribution to the goals in addition to economic efficiency is a powerful and innovative move.

There is considerable scope for mutual benefit that enables business and civil society alike to thrive. Private sector organisations in this sector are aware of the importance of mapping stakeholder groups, knowing how they are connected and responding to their needs accordingly. Methods differ, however, surveys of stakeholders internally and externally are common and changes to working practices and company cultures have been made as a result. New solutions also extend from provision of electricity, energy and power to the sustainable provision of water, reducing demands on municipal infrastructure, whilst leveraging capabilities. The South African private sector is already taking action to revitalise this sector with new solutions. There is the opportunity to evolve from the traditional view of the government as the sole supplier of water and electricity.

Big organisations in this sector with facilities across significant areas of land have also partnered with local and national conservation societies to manage their land in a way that promotes wildlife populations. These projects are open to the public and allow conservation trusts to manage the lands in ways that encourage biodiversity whilst still serving a utilitarian function. Companies are also conscious of the negative effect their operations can have on local communities. This is addressed routinely through livelihood plans which include long-term monitoring plans. Lastly, organisations have partnered with government and other sectors in the development of skills for national employees, transfer of skills and capacity building for the South African workforce.

COLLABORATION OPPORTUNITIES

INDEPENDENT POWER PRODUCTION

To investigate the enabling of non-disruptive means of supporting independent power producers to push their surplus electrical energy into the grid with means that do not critically jeopardise Eskom.

COLLABORATION ON RENEWABLE ENERGY SOURCES

To enable supported and accelerated means of major energy players to transformation away from non-renewable energy and toward more sustainable means of electricity production, managing trade offs, such as the impact on jobs.

PUBLIC PRIVATE COLLABORATION ON WATER INFRASTRUCTURE

To enable a private, public sector dialogue that enables effective collaboration on the provision and maintenance of water infrastructure.

DIALOGUE ON THE SUSTAINABILITY OF GAS AND COAL PRODUCTION

To enable a dignified, respectful and responsible dialogue on the South African public and private sector approach to managing the existing economic dependency upon fossil fuels.

COLLABORATING ON TRAINING

Working with government and communities on training and education as a means of increasing the talent pool for human resource functions.

KEY QUESTIONS WITHIN THE SECTOR

Key questions the sector is asking include:

- How can a transition from gas and coal production be done in a way that protects jobs?
- How can a transition from gas and coal production be done in a way that protects business?
- How can electricity production become renewable and sustainable without disruption?
- How can the private sector best support electricity production?
- How can the private sector best support water as a reliable and sustainable basic service?
- How can costings, regulations and incentives can work together to enable small producers?

SUCCESS STORIES AND QUOTATIONS

The GCNSA would like to thank the following organisations for the contribution of their insights to this report:

- **Sasol**

- **Scatec Solar**

- **Eskom**

“Our interaction with the environment considers our utilisation of renewable and non-renewable environmental resources that support our ability to create value, by powering our generation fleet – the use of renewable energy is one way in which we try to limit our negative impact on the environment. Furthermore, it considers our impact on the environment through emissions from our power stations, as well as other impacts related to environmental contraventions and biodiversity. Environmental compliance can impact operational sustainability and is critical to maintaining our licence to operate and supporting security of supply. As such, we remain committed to our principle of Zero Harm to the environment. We aim to deliver on our commitment to environmental sustainability and reducing our carbon footprint through purchases of renewable energy from IPPs, coupled with our own investment in renewables. Renewable energy sources include wind, solar power, biomass, landfill gas and small hydro technologies.

ESKOM

“We are a solar energy company that digs into the Eskom grid and work in other countries, each product, or company has a different scorecard when we bid for plants. We put forward a competitive tariff, but also what we will contribute in terms of sustainable development. To comply with at entry level, but we work over 20 years with a plant, so we have an exciting opportunity in communities. If we don't then there is an expensive power plant that can produce income, that operates in an unstable context, so we need to strengthen and stabilise the communities around us and take a long-term view on community impact. This provides our interesting context. The VNR is an important catalyst, we need a catalyst to fast track the process, and to start realising opportunities that we have not been able to harness. We can make so many positive impacts on our country and the world. But we haven't previously been able to harness our full potential. Other countries don't have the requirements we do in SA, we have a more fortunate position, because of our scorecards. Many companies see this as compliance, which means we can't full see what South Africa has and can achieve. To re-imagine basic compliance. Within the private sector it would be valuable to learn across industries, to cross-pollinate ideas, and take our work to the next level beyond PR and compliance.”

YUMNAA FIRFIREY, Sustainability Manager

Scatec Solar

SECTOR

MANUFACTURING & CONSUMER PRODUCTS

OVERVIEW OF SDG PRIORITIES

In relation to the SDGs, manufacturing companies are most conscious of their material impact on the environment, the provision of clean energy and the development of industry and infrastructure. Companies often see their core business activities as contributing to the SDGs. For example, suppliers of equipment, technology and raw materials to industries such as electricity generation, construction and other secondary industries explain that their very way of generating revenue is a direct contribution to clean and affordable energy and to infrastructure through the fulfilment of basic societal needs. Consumer product companies are very focused on the customer and the strengthening interest in sustainability and value for all. There is a strong interest in humanity in operations as well, with an interest in ethical and sustainable practices, as well as the value that is being added to communities. This is particularly the case when it comes to looking after the area that operations are based in, with deep attention being paid to investing in women in local communities. Women are often not as equally employed in rural areas and represent a big opportunity for skills and local economic development. There is also an emerging focus on women ownership of small businesses, with the Small Enterprise Development Agency (SEDA) noting that 72% of micro-enterprises and 40% of small enterprises are currently owned by women.

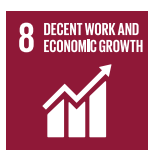


Manufacturing companies often see their core business activities as contributions to SDG 9 through the development of industry and their role in the building of infrastructure.

Within this, one of the most important areas of innovation in this sector is energy and material efficiency. Such innovation allows mutually beneficial targets of reducing internal costs and contributing to SDG12 through reduced material consumption. Companies also focus on the development of new products which enable customers further down the supply chain to minimise their environmental impact. Some companies in this sector have also carried out some of the most in-depth materiality assessments of all sectors, talking to all stakeholders, taking advice from NGOs and surveying internal members across all departments to gather opinions on company attitudes toward material sustainability. Also, in the spirit of responsible production, there are companies in this sector who take seriously any breach of ethical behaviour enacted by organisations, companies and public bodies they do business with – going as far as reassessing relationships and considering business elsewhere in such cases. There is substantial investment in upstream supply chains to ensure supplier development, from championing safe business practices to supporting ethical and effective business operations, especially the ethical treatment and remuneration of labour forces. Companies in South Africa are also acutely aware of the huge economic opportunities available in recycling of plastics.



There is also a strong focus on education, mentoring and well-being, particularly where consumer products can be used irresponsibly. Changing behaviour is a priority, for example, in the case of foetal alcohol syndrome prevention, where mentoring and coaching are the most effective techniques (South Africa has the highest prevalence of foetal alcohol spectrum disorder (FASD) in the world which is more than 14 times the global average.) Attention is also paid to health, addressing key issues such as HIV, where there are programmes focused on education and prevention. Skill development is a priority for consumers through marketing and in-store interventions, collaborating with customers about responsible retail. Investing in the education and well-being of employees is also a high priority to ensure that people are not only able to deliver their current roles, but also to ensure that employees are upskilled to follow the innovation and growth journeys that companies are undertaking. There is also a considerable investment in youth programmes in local communities (including reducing 'at risk' behaviour), ensuring further opportunity for both education and preparing the youth for internships, future employment and the formal economy. This builds resilience into the fabric of communities to ensure longer term sustainability. Manufacturers are conscious of the high poverty levels in some of the regions they operate in, reinforcing belief in the importance of providing employment in these areas. You cannot do business in an unstable society.



Companies in this sector are constantly looking for mechanisms that positively impact the lives of employees who often experience poor living standards. This starts with ensuring that there is skills development taking into account the rapid evolution of the world of work. Some have also emphasised the usefulness of the 2030 Agenda as a framework for prioritising local issues and enhancing the value the company provides to the communities they work in. Internally, companies also recognise the importance of paying attention to the well-being of their workforce as a means to contributing to this goal, as well as the health of the company. This includes the fostering of inclusive cultures, encouraging diversity and promoting fairness within their companies. Contributions to SDG 8: Decent Work and Economic Growth in this sector are also fulfilled through the ambition of developing networks of local suppliers, particularly small organisations in rural areas and by verifying transparency in the operations of upstream suppliers. International customers are increasingly stringent about transparent decent work and labour practices. South African socio-economic legislation (for example, B-BBEE) and social and ethical accreditations are world class in terms of the transparency they demand. That said, many companies in this sector go far beyond compliance requirements, with more ambitious transformation programmes. This is driven by a strong appetite for transformational change that delivers shared value for all stakeholders, not just the shareholder.



Manufacturers also pay significant attention to the start of the production process, that is, the raw materials sourced from the land which enabled them to operate.

They recognise that their businesses are reliant on healthy ecosystems, adopting certification to high levels, and paying attention to the management of biodiversity, where their operations interact with natural systems such as forests, farms, and plantations. Some of this is done through partnering with organisations further up the supply chain who hold expertise in local conservation issues. Others who rely more directly on ecosystem services provided by forest land such as timber have been encouraged by SDG15 in their efforts to manage their own forests for biodiversity conservation and to maintain the services provided. Leading companies are also interested in exploring the use of disruptive technologies such as the block chain as a means of bolstering the efficacy of environmental certification in timber and other sectors. Such use of technology is seen as a way not only of minimising the risk of environmental degradation as a result of their activities, but also a way of bringing down the internal costs of certification risk assessments and Chain of Custody audits. Companies with forests to manage also recognise the contribution they are making to SDG15 through conservation-focused management practices which help to sequester and store

carbon as part of the growing process. In South Africa there is also a focus on land ownership. Progressive companies in this space are working to find and define models that blend improved land ownership with the development of effective and sustainable business operations.



Manufacturing is a significant consumer of electricity and power, and industry has long been a significant contributor to emissions of CO₂ and other greenhouse gasses. South Africa is no different; however, manufacturing companies here have, as in other countries opted to invest in energy-efficient and low emission methods of electricity production and power generation, both as a source of cost reduction and also as a result of encouragement from global frameworks such as the 2030 Agenda. Methods used by manufacturing companies in South Africa include biomass and co-firing as well as increasing the share of renewables in energy mixes. Companies have also, as a partial direct result of SDG7 pledged to invest in the country's energy infrastructure as well as clean fossil fuels. This suggests an open attitude in this sector towards broad, nationwide approaches to low-CO₂ energy generation such as carbon, capture and storage (CCS).



Companies in this sector have also taken a serious look at their relationship with water consumption, both in terms of the type and quantity of water consumed as well as how water is discharged. Approaches vary depending on the type and area of the business from water recycling in factories to ecologically minded practices out on the land such as riparian management and minimising the use of irrigation in plantations which grow the inputs to factories. Companies in this sector point towards the importance of addressing their relationship with water both from a national perspective and for the good of their own bottom line. This includes the thermal efficiency advantages of using recycled water in factories; water which already contains heat and therefore requires a significantly lower energy input, as well as the lower cost of growing raw materials without the added cost of applying irrigation water which carries its own energy requirements. Collaborative governance is a growing trend addressing the water agenda, bringing together sectors including business, the public sector, NGOs, and communities to partner on approaches to manage this critical shared resource.

COLLABORATION OPPORTUNITIES

PARTNERING AND RESEARCH

Working with research institutions and academics on breakthrough products which help meet the 2030 agenda. Finding new product lines as a means of creating new, interesting jobs. Working with research organisations on issues of local biodiversity protection and water stewardship.

PARTNERING WITH COMPETITORS

Setting up pilot plant demonstrations to explore new efficiencies, bringing down the cost of such projects and sharing the rewards.

WORKING WITH ACADEMIES

Partnering with academic institutions both in the sphere of business leadership and sustainability. Using the bright ideas, inspiration and enthusiasm of students to explore solutions which could contribute further to the SDGs.

SYSTEMIC, INDUSTRY-WIDE INITIATIVES

Discussing inter-company and public-private cooperation on upgrading and improving energy infrastructure. Potential opening up of attitudes towards system-wide low emission energy solutions such as carbon capture and storage.

WORKING TOGETHER ON PLASTICS

Opportunities to collaborate on the development of recycling infrastructure for plastics within and between countries. Using the circular economy concept to look for synergies between companies and sectors. Economic opportunity of plastic re-use.

KEY QUESTIONS WITHIN THE SECTOR

Key questions the sector is asking include:

- How can we balance benefits of new technology such as automation with fulfilment of SDG8?
- What can be done to foster ethical leadership in private organisations and reliable governance from public bodies?
- How can more be done to ensure the safety of all our employees across our supply chains?
- How can we partner with governments and other organisations to further improve the standard of living for some of our workers located in rural areas?
- How can we affect systemic change in the use of plastics to close the loop, reduce waste and reach 'industrialisation' of plastic reuse, thus creating investible opportunities?
- How to collaborate more with the public sector on the development of thriving rural business?

SUCCESS STORIES AND QUOTATIONS

The GCNSA would like to thank the following organisations for the contribution of their insights to this report:

- **Mondi**

- **Distell**

- **ABB**

- **Sappi**

We believe in the value of being part of the solution to global and local sustainability challenges and I am proud of the work we are doing in partnership with our communities, government and other key stakeholders.

Our partnership initiatives such as the WWF-Mondi Water Stewardship Partnership and Mondi Ecological Networks Programme with the University of Stellenbosch all contribute to the objectives of the SDGs

VIV MCMENAMIN, CEO Mondi South Africa

The UN SDGs have become an important platform for business to deliver a coordinated approach to sustainable development. They transcend borders and apply across the workplace, marketplace and community, requiring multi-stakeholder collaboration.

SANDILE NGCOBO, Director Transformation & Public Affairs, Mondi South Africa

"Mondi has a strategy and a willingness to move forward in an authentic way. This is why we talk about growing responsibly. It is not an add-on, or something to look good. It runs much deeper within the organisation."

JOHN LINDAHL, Mondi Group Technical and Sustainability Director

"The Growing Responsibly model guides Mondi to continuously improve its sustainability performance while making the most of its opportunities to address societal challenges, especially through contributing to the UN SDGs."

DOMINIQUE REINICHE, Chair of the Mondi DLC sustainable development committee

"We undertook a formal process during the year to align our current business activities and programmes with the SDGs. This will enable us to demonstrate our contribution to the world's biggest sustainable development challenges through business-led solutions that are responsive to the needs of markets, communities and consumers, locally and around the world."

RICHARD RUSHTON, Group CEO

Distell

"Distell has gone through the process of developing projects that are themed by SDG. Once mobilised, our projects are tracked by input, activity, output and outcome with a dashboard. This ensures that we have a clear view of our impact, giving one version of the truth that we can use to hold ourselves accountable."

Distell

"The fundamental principles of the NDP and SDG's can be realised through reduced and responsible resource usage and positive social impact through job creation, social economic development and transformation. We believe that in this way, we can contribute to improving the lives of the communities in which we operate."

Distell

"The SDG's are an excellent tool to identify areas of risk and opportunity. For example, Distell promotes Good health & wellbeing, by investing in alcohol harm reduction projects while innovating in reduced and zero alcohol product offerings and to reduce inequalities, Distell collaborates with key stakeholders to drive empowerment and transformation within its value chain."

Distell

"These sustainability efforts represent some of our latest steps in what remains an on-going journey. We will extend this journey to those areas of our business where we see the greatest opportunity".

Distell

"The SDGs and their related targets address the most important economic, social, environmental and governance challenges of our time and stimulate transformational changes. We recognize that achieving these goals requires businesses to contribute their fair share."

ABB

"In 2018, we announced a founding partnership with The Prince of Wales Global Sustainability Fellowship Programme at the Cambridge Institute for Sustainability Leadership (CISL). Together with other partners, we are funding research on artificial intelligence and bringing carbon emissions to net zero in the paper and pulp industry. The three to five-year fellowships of which there are currently eight, will involve academics from around the world in identifying breakthrough solutions to meet the United Nations Sustainable Development Goals (SDGs). The Sappi-supported fellowship will focus on SDG 9 – Reshaping the future of industry. It aims to build on Sappi's current engagement with the CISL by investigating how trends of innovation and sustainability will come together to reshape the future of industry – looking at the paper and pulp industry as an initial example and examining drivers including the rise of artificial intelligence and the need to bring carbon emissions to net zero."

Sappi



Global Compact
Network South Africa

SECTOR

AGRICULTURE, FOOD PRODUCTION & RETAIL

OVERVIEW OF SDG PRIORITIES

Food security is a material issue for South Africa, which due to its high level of poverty experiences material issues with hunger. South Africa has a varied agriculture from maize and cereals in the north and east to citrus and subtropical fruits. Other than rice, tea, coffee and cocoa, food production is essentially self-sufficient, making the South African food system inherently low carbon and resilient from a whole system point of view. However, local environmental pressures are high, with constraints on availability of water and drought in some areas affecting food production and leading to job losses. Companies reliant on these food sources are therefore innately concerned with natural environment issues such as availability of water. Producers and retailers of food are also conscious of the interactions they rely on with the wider community for doing business, and the symbiosis that exists between them. As in the mining sector, food companies have approached the SDG agenda through the mapping of existing business strategies against the goals most relevant to them and pinpointing where they are most likely to be able to continue their contribution to the agenda. Many food retailers emphasise the overlap between some existing business strategies and certain goals.



Food producers are conscious of the impacts their activities have on the natural environment. Responsible consumption and production is therefore the goal which arises

most frequently in company discussions on commitments to the SDGs. Food production companies are required to monitor and respond to water constraint issues as part of their day job if inputs to their factories are to remain viable and low cost. It is in their economic interest to use whichever frameworks are available to unify efforts within the industry on issues as fundamental as available water and the maintaining of healthy natural environments in which to grow food. In this respect, companies are at a minimum focusing on water efficiency measures where factories are located in stricken areas and interacting with growers when and where water constraint issues arise. In some cases, producers have overhauled their entire infrastructure or retrofitted facilities as a means of reducing waste, increasing efficiency and improving water quality by minimising the release of harmful materials. In this space, retailers have made efforts to help the production practices of supplier companies to ensure consistency throughout supply chains, run programs to reduce waste or have found economically useful applications for waste streams stemming from their business activity.



Producers and retailers also recognise their responsibility towards SDG8 (Decent work and economic growth). Some already have corporate commitments in place towards the ethos of this goal. Producers are supportive through their adherence to safety legislation, and retailers by aspiring to the creation of company environments where people want to work.

This ensuring they attract the best candidate employees, retain the best staff and develop the most effective teams – thereby creating an environment where customers want to shop. Retailers also highlight existing commitments which align with this goal such as the human rights of their stakeholders, labour rights of their employees and the privacy rights of customers. As well as internal growth, companies in this sector have identified the benefits of opening up sources of finance to smaller players to integrate them into their value chain, increasing their options in terms of who they source their raw materials and products from.



Food retailers have identified the overlap between their existing commitments towards maintaining the health and well-being of its customers and SDG3. Responsible advertising and the provision of a wide range of products are ways that companies already ensure that the aspects of their business potentially harmful to human health are minimised. Retailers have shared research results and partnered with programmes and organisations specific to their product lines to ensure that this objective is achieved as effectively as possible. Retailers recognise that this is one of the areas they impact most significantly.



Food producers are inherently conscious of their dependency on robust land-based natural systems, describing SDG15 as “critical” from an operational perspective. Consistent and reliable sources of food inputs from healthy agricultural systems ensure that factories can continue to operate without interruption at the lowest costs possible. Producers and retailers approach this business issue by ensuring assessments are made of environmental issues surrounding the companies and individuals that form their supply chains and in other relationships.



Company outreach in this sector includes both donation of food packages and food surpluses as a short-term solution to those with unmet nutritional needs and also

education on food and nutrition through community and other projects. Such projects have included the funding of community gardens, where people in the local community can learn how to grow their own food. Others have used simple promotional tools

such as placemats and posters as a way of educating people about nutritional issues.



As mentioned above, companies operating in this sector also recognise that they have a responsibility to others and can maximise on the benefits of interacting with local communities. As well as being their customers, companies in the food retail sector have seen how this goal formalises their belief that investing in and partnering with the communities around them, with the supply chain, with industry organisations and government is a useful and effective way of securing long-term economic prosperity for their business. Companies have used their own financial resources to fund activities which help to develop local communities, to invite local communities to engage and which enable them to present themselves to the people around them.

COLLABORATION OPPORTUNITIES

TALKING TO GROWERS

Interacting with the people who grow food in areas under water pressure to find out where and when issues are arising and acting accordingly.

WORKING WITH THE SUPPLY CHAIN

Integrating small-scale industrial enterprises into value chains through business academies, particularly suppliers located in developing countries. Increasing their access to financial services.

PARTNERING WITH SPECIALIST FIRMS

Using specialist energy efficiency consultancy firms to reduce energy intensity of operations and also to consult on issues of material waste.

COLLABORATING WITHIN INDUSTRY

Subscribing to industry organisations whose purposes are to promote responsible consumption of food and drink relevant to their business. Using these networks to connect with other businesses with similar interests.

INVESTING IN TRAINING

Funding the training of people from disadvantaged backgrounds by partnering with relevant training centres to ready the next generation of employees.

KEY QUESTIONS WITHIN THE SECTOR

Key questions the sector is asking include:

- How do we ensure that the lands we depend on for inputs to our business remain viable?
- What policies can be implemented to help encourage more SMEs in our supply chain?
- What policies can be implemented to boost sustainable tourism and therefore our revenue?
- What can be done to reduce the risk of human rights violations further up the supply chain?
- Are there ways of cooperating more closely on the issue of water as a shared issue?

SUCCESS STORIES AND QUOTATIONS

The GCNSA would like to thank the following organisations for the contribution of their insights to this report:

• **Tiger Brands**

• **Pick n Pay**

• **Woolworths**

"Our sustainability and our success are directly linked to the well-being of our communities. They are the source of our most valuable asset – our employees – and support our businesses by buying our products. Over the next year, we will also map the United Nations Sustainable Development Goals (SDGs) to our operations and activities. Some of these have already been mapped, for example in our corporate social investment focus area and our environmental sustainability strategy. Once all SDGs have been mapped and approved, we will set targets and report against these."

TIGER BRANDS

"Customers reward those businesses that they believe are at the heart of society and who give back to the communities they serve. As customers reward us with their loyalty, we are able to grow, serve more customers, generate more jobs, and help more communities – whether by supporting communities or groups during times of crisis, helping to develop local suppliers and small businesses, or tackling societal challenges such as obesity and climate change."

PICK N PAY

REPORTING ON THE 2030 AGENDA

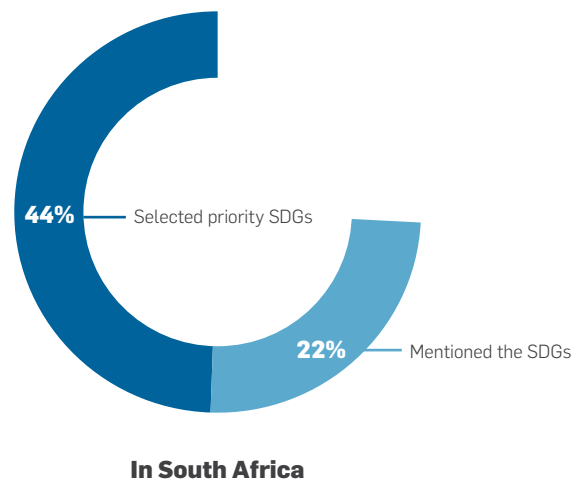
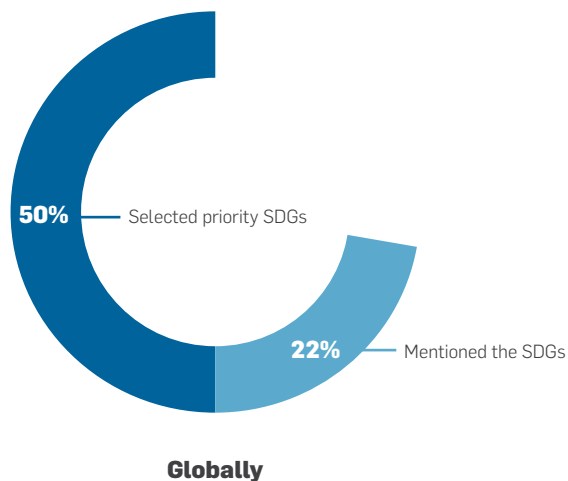
This section serves to comment on the quality of reporting on the 2030 Agenda within the private sector. Within the sectors included so far there are front runners that are reasonably advanced in the prioritisation of the SDGs and action on the 2030 Agenda. The most progressive of these companies are consistently pointing out that much of the effort is the work to actually embed the SDG prioritisation into strategy and business operations. Most of the forerunners are currently navigating the challenge of ensuring that this is coupled with effective monitoring and evaluation.

Those organisations that are best practice have penetrated beneath the 17 Sustainable Development Goals to review and align to the 169 underlying targets, so that they are able to track and demonstrate tangible action.

A recent PwC report scrutinised the quality of SDG reporting globally and found that South Africa was benchmarking similarly to other countries, with most SDG reporting being at a qualitative level, rather than backed with quantified key performance measures, targets, or with societal value.

This is consistent with the input of South African companies participating in this report. The reason that companies pioneering the process of reporting against the SDGs are offering their tools and frameworks to other organisations is because this process is arduous and resource consuming. Private sector companies are warning that true strategic alignment drives changes in business and risk models.

72% OF COMPANIES GLOBALLY AND 68% IN SOUTH AFRICA MENTIONED THE SDGs IN THEIR REPORTING



CONTRIBUTIONS & REFERENCES

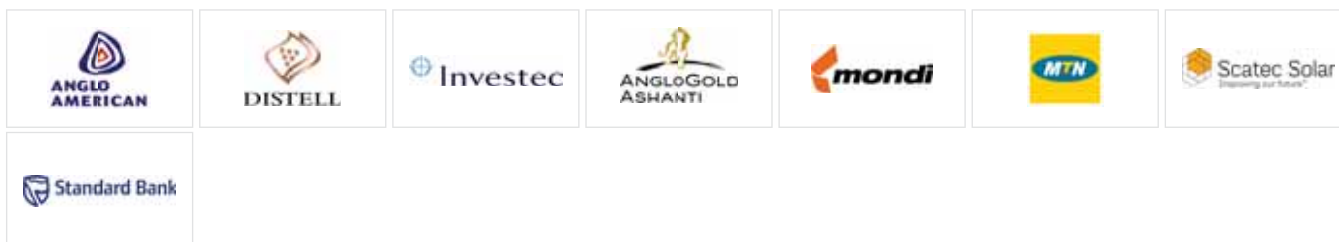
The GCNSA approach places a strong focus on engaging with both member and non-member companies in order to facilitate a broad-based and inclusive perspective. The VNR Report is part of the wider GCNSA SDG Acceleration Programme. The GCNSA would like to recognise and thank the following people and organisations for the contribution of insights and value to this VNR Reporting exercise so far:

- **Amb. Nozipho January-Bardill**, Chairperson of the GCNSA Board
- **Dr Achieng Ojwang**, Executive Director of the GCNSA
- **Christy Hunter Chapman**, CEO of Empanda (Report Production)

PLATINUM PARTICIPATION CHAMPION



PARTICIPATION CHAMPIONS



QUOTATIONS, INSIGHTS SURVEY, AND CASE STUDY CONTRIBUTIONS:

- | | | |
|----------------------------|--|-------------------------------------|
| • ABB | • Nedbank | • The Institute for Applied Alchemy |
| • ABSA | • Pick n Pay Stores Limited | • The Narrative Lab |
| • Empanda | • PicknPay | • Tiger Brands |
| • GRI | • PwC | • Transnet |
| • Harmony Gold | • Royal Bafokeng Platinum | • Tshokoma Business Consultancy |
| • Home of Solace | • SAPPI | • UN Human Rights |
| • JSE | • Sedibelo Platinum Mines | • United Nations Population Fund |
| • KudosAfrica | • Shared Value Africa Initiative | • Vodacom Group |
| • Liberty Holdings Limited | • Symphonia for South Africa | • Woolworths |
| • NBI | • The Banking Association South Africa | |

ABOUT THE GCNSA

The Global Compact Network South Africa is a member based corporate sustainability platform that brings companies together with labour organisations, academic institutions, cities, non-governmental organisations and UN agencies. The GCNSA works collectively with members to advance Sustainable Development Goals and the UN Global Compact Ten Principles on human rights, labour protection, environmental protection and anti-corruption. Our members voluntarily commit to implement the Ten Principles and to take action on the Sustainable Development Goals.

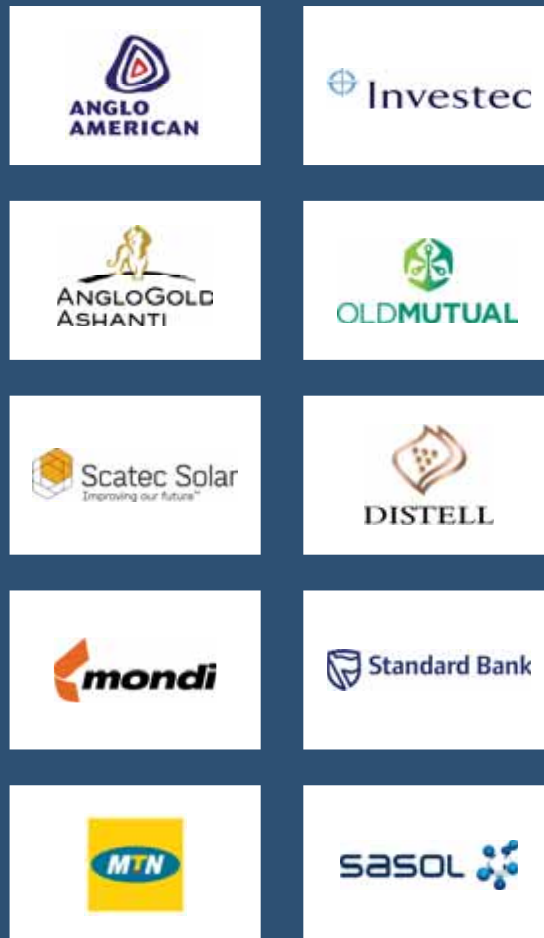
Role in the Project:

Private Sector Institutional Partner to the DPME: facilitating broad-based participation of the private sector in the Voluntary National Reporting process; encouraging an ambitious appetite for transparent reporting on the sustainable development goals; and a commitment to future action to deliver the 2030 Agenda.

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Thank you to the DPME for inviting GCNSA to be the Institutional Partner, coordinating Private Sector Action & Performance on the SDGs



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