



UNITED NATIONS  
GLOBAL COMPACT  
**'COMMUNICATION  
ON PROGRESS'**

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# 1

## STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

CDH is proud to be an active participant in the largest corporate responsibility initiative in the world. This is our third Communication on Progress (COP) which describes our firm's efforts to implement the 10 principles of the UN Global Compact.

We have implemented wide-ranging initiatives to achieve our aspirations concerning employment equity and transformation, corporate social responsibility, environmental preservation and anti-corruption measures.

### COMMITMENT TO THE IMPLEMENTATION, DISCLOSURE AND PROMOTION OF THE TEN UNIVERSAL PRINCIPLES

At CDH we believe that everything matters when it comes to the way we service and interact with our clients, our people, communities and the environment.

Our firm is sensitive to the broader socio-economic and environmental context within which CDH conducts its business, and strives to make a positive contribution to South Africa's developmental challenges. This starts with the implementation of our strategic and operational business practices, flows through to the high quality legal advice across the full range of legal services, and even encompasses the various alliances we have established with African and international clients and partners.



**Brent Williams, Chief Executive Officer,  
Cliffe Dekker Hofmeyr Inc**

*Cliffe Dekker Hofmeyr Inc (CDH)  
reiterates our commitment as  
expressed in our letter of  
16 September 2011 to support the  
10 principles of the Global Compact  
with respect to human rights, labour,  
the environment and anti-corruption.*



# 2

*CDH has adopted a Corporate Social Investment Policy, a Pro Bono Policy, and a Human Rights Statement. CDH has also established a Social and Ethics Committee in terms of the Companies Act, No 71 of 2008 (The Companies Act).*

## HUMAN RIGHTS PRINCIPLES

### HUMAN RIGHTS STATEMENT

In 2013 we adopted a Human Rights Statement as a manifestation of our firm's commitment to human rights. In that statement we record as follows:

- We are cognisant of the social context within which we operate as a law firm, and we are committed to respecting the rights entrenched in the Constitution of the Republic of South Africa, and in particular the Bill of Rights.
- We confirm that we support upholding the rights entrenched in the United Nations Universal Declaration of Human Rights, the African Charter on Human and Peoples' Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the core conventions of the International Labour Organisation (ILO).
- We confirm our commitment to respecting the ten principles of the United Nations Global Compact.
- We communicate our commitments as set out in this Human Rights Statement to our clients, employees and other stakeholders.

### OUR WORK IN PROMOTING HUMAN RIGHTS

We strive on a continued basis to realise our human rights commitments in various ways. First, we try always to ensure in our everyday conduct that we promote and respect the rights and interests of all of our employees by means of adherence to the precepts of our Constitution and our domestic labour, employment equity, occupational health and safety and other relevant

legislation. In this regard we recognise the need to continuously work at promoting a more inclusive and diverse work culture in which the equal rights of all are advanced and employees are encouraged to raise any grievances in accordance with our grievance policy. Our ongoing progress in this regard is outlined in more detail below.

Second, through the implementation, as described below, of the pro bono policy that our firm has committed itself to. Our dedicated Pro Bono and Human Rights Practice continues to provide thousands of hours of pro bono assistance each year in the implementation of this policy, to numerous people and organisations who are unable to afford to pay for these services. Other members of the firm are actively encouraged to do pro bono and human rights related work and also commit numerous hours on an annual basis to this type of work. As part of our commitment to human rights and the Constitution the firm has dedicated significant resources to a number of court cases aimed at promoting the rule of law and enforcing various rights in the Constitution, with a particular emphasis over the relevant period, on the right to access to information and the rights of refugees. More details of our efforts in this regard are dealt with below.

Third, through the firm's ongoing commitment to corporate social investment. We continue to dedicate significant financial and human resources to various social investment projects, vehicles and causes. A summary of our corporate social investment projects and activities for the period under review is provided below.

## PRO BONO POLICY

During the period June 2014 to August 2015, CDH donated in excess of R16 million in pro bono legal services and was involved in a number of high profile human rights related matters.

## R2K & SAHA // MINISTER OF POLICE AND ANOTHER

CDH represented both the Right2Know Campaign (R2K) and the South African History Archive Trust (SAHA) in an application to enforce a request for access to information in terms of the Promotion of Access to Information Act, 2 of 2000 (PAIA) concerning National Key Points declared under the National Key Points Act, 102 of 1980 (National Key Points Act). The National Key Points Act is a piece of Apartheid-era legislation aimed at providing for the declaration of sites of national importance as “national key points” in order to protect them from sabotage. The National Key Points Act has, however, recently been invoked by the government in an attempt to frustrate probes into government spending, particularly in respect of President Jacob Zuma’s Nkandla homestead.

The PAIA request was made against a background of widespread concern relating to allegations of improper reliance on the National Key Points Act by public officials as well as the misappropriation of public funds for improvements to private properties declared as National Key Points. Notwithstanding the fact that Ministers had on occasion provided the names and addresses of various National Key Points in Parliament, the Minister of Police had refused to provide R2K and SAHA with the information requested in terms of PAIA.

Despite this, the High Court declared that the Respondents’ decision not to disclose the requested information was both unlawful and unconstitutional and ordered them to supply all the names of places declared

as National Key Points to the Applicants in a judgment handed down in December 2014. Amidst an abandoned appeal against the above decision, the list of National Key Points was provided to CDH during the course of January 2015.

## SABC & OTHERS // DEMOCRATIC ALLIANCE

CDH assisted Corruption Watch, a non-governmental organisation focused on ensuring that custodians of public resources act responsibly and in the public interest, to be admitted as *amicus curiae* in an appeal before the Supreme Court of Appeal (the SCA) in the matter of the South African Broadcasting Corporation (SABC) & Others // Democratic Alliance.

The Appellants are appealing a decision of the Cape High Court which ordered the Board of the SABC (the public broadcaster) to institute disciplinary proceedings against Hlaudi Motsoeneng (the Chief Operations Officer) following a finding by the Public Protector, Thuli Madonsela, that Motsoeneng had acted dishonestly in misrepresenting his qualifications, abused his powers in purging staff members and acted improperly in implementing selected salary increases.

Essential to the issues before the SCA are the nature and extent of the powers of the Public Protector in issuing appropriate remedial orders to remedy State misconduct. This is a particularly important matter in light of the number of current high profile disputes between the Public Protector (an office created by Chapter 9 of our Constitution to strengthen constitutional democracy) and members of the executive concerning the nature and extent of the Public Protector’s powers and whether these include the power to issuing binding orders on organs of state. The appeal was heard before the SCA on 18 September 2015 and judgment was reserved.

## HIGH COURT REVIEW OF RAB DECISION

CDH assisted a client in a High Court review of her Refugee Appeal Board (RAB) decision. The client, a citizen of the Democratic Republic of Congo, has been seeking asylum in South Africa for almost a decade following violence directed against her and other members of an opposition political party. Both the decision of the Refugee Status Determination Officer and that of the RAB made some 9 years later were vitiated by material irregularities and unreasonable administrative delays.

The matter was heard before the North Gauteng High Court on 28 July 2015 and judgment was reserved.

## PROTEA GLEN HOMES

CDH assisted a sample group of homeowners with lodging formal complaints with the National Home Builders Registration Council (NHBR) in respect of structural defects to their houses. The homeowners are members of a disadvantaged community in the Northern suburbs of Soweto, namely Protea Glen. With CDH’s assistance and ongoing efforts the affected community was finally able to obtain redress as the responsible builder repaired the defects. In order to assist the rest of the community we prepared a memorandum which was translated into various languages detailing the procedure to be followed by homeowners when lodging a complaint with the NHBR. This memorandum was circulated to the whole community to ensure that all community members were well informed about the relevant procedures should they wish to seek redress from the NHBR.

## SUNETTE BRIDGES MATTER

CDH successfully assisted the South African Human Rights Commission (SAHRC) to institute proceedings in the Equality Court against Sunette Bridges, a popular South African singer, songwriter and artist. The SAHRC sought an order against Ms Bridges declaring that she was in violation of s10(1) of the Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA) for racist and violent comments made by her supporters on her Facebook page, which Ms Bridges failed to contradict.

The matter was novel because the hate speech did not so much arise from Ms Bridges own comments – but from the way in which commentators on her Facebook wall repeatedly made racist and violent statements without any contradiction by Ms Bridges, and arguably with her implicit support.

After some time, settlement was finally reached between the parties, which was made an order of court. The settlement confirmed that the comments complained about amounted to hate speech and harassment in terms of PEPUDA. Ms Bridges was ordered to monitor her Facebook page regularly and to remove any content that amounted to hate speech, harassment or the incitement of violence. Ms Bridges also had to post Facebook messages to her fans in which she distanced herself from any hate speech or harassment and which expressed a vivid warning to her fans that such content will not be tolerated on her Facebook page.

## SAHA: TRC DATABASE AND S29 TRANSCRIPTS

Our Pro Bono Practice assisted the South African History Archives (SAHA) with two matters relating to records of the Truth and Reconciliation Commission (TRC). SAHA is an independent human rights archive established in the 1980s, which is dedicated to documenting, supporting and promoting greater awareness of past and contemporary struggles for justice through archival practices and the utilisation of access to information laws. Through its archival practices SAHA is committed to raising awareness about the role that archiving and documentation plays in promoting human rights. In the first matter the Pro Bono Practice assisted SAHA to obtain transcripts of closed hearings (s29 hearings) conducted by the TRC from the Department of Justice and Correctional Services (the Department). In the second matter it has been assisting SAHA to obtain a usable version of the TRC database. After service of SAHA's applications in both matters, meetings were held and many of the s29 transcripts have been handed over. We were also recently provided with what appears to be a comprehensive version of the database. CDH is in the process of formally corresponding and negotiating with the Department in order to obtain the outstanding transcripts.

## CLINICS:

Members of our firm also assist with the staffing of legal clinics which offer free legal services to poor and vulnerable communities:

### INNER CITY HOUSING CLINIC:

Our Property Practice staffs the Inner City Housing Clinic on a monthly to bimonthly basis. This clinic runs on a weekly basis and individuals from all walks of life visit the clinic in order to obtain assistance/advice on an array of issues including rectification of title deeds, transfer of ownership, endorsements, cancellation of bonds and drafting of various agreements.

### REFUGEE LAW CLINIC:

Latest statistics indicate that South Africa has 65 233 refugees and 230 422 pending applications for refugee status. There is accordingly an overwhelming need for legal assistance in the field of refugee law. Our Pro Bono Practice helps staff a Refugee law clinic on a monthly basis. Other than providing much needed advice, the Pro Bono Practice often represents asylum seekers at their appeal board hearings and assists with the review of negative appeal board decisions.

## PRO BONO TRAINING INITIATIVES

As part of our commitment to building awareness about our Constitution and Bill of Rights the Pro Bono Practice is involved in a number of training initiatives.

### INTERNAL HUMAN RIGHTS AWARENESS INITIATIVES

The Pro Bono Practice has in conjunction with our marketing department, arranged and implemented various campaigns to coincide with key national/international commemorative days, including Human Rights Day, Africa Day and Youth Day. During the campaigns we seek to educate people about the history behind the relevant commemorative days and their ongoing significance to our society.

## EXTERNAL PRO BONO TRAINING

### NATIONAL SCHOOLS MOOT COURT COMPETITION (NSMCC)

The NSMCC consists of a nationwide, high-school level moot court competition which aims to create greater awareness and understanding of our Constitution and the values that it embodies amongst schools and communities. It also aims to encourage talented young people to consider pursuing a career in law. The theme for the 2015 competition revolves around the right to equality, in particular the right not to be discriminated against on the grounds of sexual orientation.

As part of CDH's contribution to the event, members of its Pro Bono Practice facilitated a training workshop for learners preparing for the essay component of the competition. This will be followed by a large workshop to be hosted in October 2015 for approximately 72 learners and their educators in order to assist with preparation for the oral rounds of the competition. The workshop will cover a number of topics ranging from an introduction to the South African legal system, a discussion of various constitutional rights and principles, to the art of mooting. Members of the Johannesburg Bar's Advocacy Training Committee will also address learners on oral advocacy. Acting Justice Matojane from the Constitutional Court will be attending as guest speaker.

The workshop will form part of a 5 day programme during which learners will be coming from all across South Africa to participate in the national, quarter, semi-final and final rounds of the competition.

## HUMAN RIGHTS DAY

On 21 March 2015, 19 volunteers from CDH (including CA's, Associates and the head of the Pro Bono Practice) spent their day hosting a Human Rights Day workshop for 120 learners and educators from disadvantaged backgrounds. The workshop forms part of a training initiative set up by the Constitutional Hill Trust. With recent attacks on foreigners making news headlines, the workshop dealt with topics such as xenophobia and why this is contrary to the values enshrined in the Constitution.

The learners were also provided with a tour of the Constitutional Court during which the symbolism infused in the architecture, interior and the art of the Court was explained. CDH prides itself in its continued annual participation in this training initiative to commemorate Human Rights Day.

### PROBONO.ORG HOUSING WORKSHOP

In April 2015 our Real Estate Practice, presented an informative housing workshop for a disadvantaged community in conjunction with Pro Bono.org. The workshop was aimed at providing the community with information regarding *inter alia* legal status, the treatment of immovable property in deceased estates and evictions. The workshop highlighted the importance of estate planning especially in instances where immovable property and multiple beneficiaries are involved.

## IMMIGRATION SEMINAR

Our Pro Bono Practice hosted a seminar on the Immigration Act and Refugees in collaboration with our Employment Practice and ProBono.Org during the course of July 2015 which was well-attended by various paralegal institutions, non-governmental organisations and representatives of other law firms.

Topics of discussion ranged from the procedural requirements necessary to apply for various types of visas to the discourse surrounding illegal, undesirable and prohibited persons. In addition, new amendments to the Immigration Act and Regulations and developments in respect of the Zimbabwean Special Dispensations permits were discussed. The seminar proved to be an interactive and engaging experience through which attendees were provided with a concise and current overview of immigration law and related refugee matters relevant to South Africa today.

## SASLAW

This year has been a rewarding and successful year for our SASLAW pro bono team, which consists of a number of esteemed practitioners. Our dedicated practitioners in our Employment Practice continue to give of their time at the SASLAW Centre assisting, advising and representing indigent and unrepresented litigants on a pro bono basis. This commitment made by our lawyers is one way of ensuring not only that the less fortunate are educated about their labour rights but also receive proper guidance with regard to their labour disputes.

## CORPORATE SOCIAL INVESTMENT

CDH remains committed to discharging its corporate social investment (CSI) obligations through continued enforcement of its corporate social investment policy, as overseen by the Social and Ethics Committee (SEC). It is actively involved in a number of corporate social investment initiatives and projects and also continues each year to make significant donations to various charitable causes. Some of the main projects and initiatives with which CDH was involved over the reporting period include:

### VODACOM CHANGE THE WORLD

CDH has been involved with the programme since its inception in 2011 and to date 40 volunteers with their 40 respective NPO's have participated in the programme. CDH has undertaken to assist the participating NPOs with legal assistance.

### IKAMVA LABANTU

We continue to provide support to Ikamva Labantu, a well-respected non-profit organisation whose primary objectives are to redress the damaging effects of South Africa's Apartheid past.

Ikamva Labantu runs facilities and projects in townships across Cape Town which provide training, teaching, mentoring and support to vulnerable communities. The organisation works with seniors, orphans and vulnerable children; in the fields of early childhood development and primary healthcare and also runs and facilitates projects in townships across Cape Town.

Our Cape Town office in particular provides Ikamva Labantu with ongoing pro bono legal assistance including advice on various legal, regulatory, tax and governance issues.

## COME TOGETHER HOME

The Come Together Home remains one of our key CSI beneficiaries. We continue to provide significant financial and other support to the Home. As part of our ongoing commitment to the Home two more of our Directors recently became members of the Come Together Board. Members of our staff continue to visit and assist the home. As part of a long standing tradition at the firm, CDH will be hosting a Christmas party for the home during the course of December 2015. The Christmas party generally consists of treats, sweets and games along with a special gift for each of the children.

## CEO SLEEPOUT

Our CEO, Brent Williams, participated in the 702 Sun International CEO Sleepout supported by the Philanthropic Collection and hosted by the City of Johannesburg. Held on the longest and coldest night of Johannesburg's winter, the CEO Sleepout challenged corporate South Africa and business leaders to sleep under the stars for one night in aid of Girls' and Boys' Town, South Africa's largest non-profit childcare organisation.

The CEO Sleepout is a global movement aimed at raising awareness around the plight of people living in poverty. The Johannesburg Sleepout raised in excess of R25 million from its 250 participants with our CEO raising over R120,000 for the cause.

## COLLECTIONS IN AID OF VICTIMS OF XENOPHOBIA

In April 2015, we experienced another wave of xenophobic attacks against foreign nationals in South Africa which resulted in widespread violence. A number of foreigners were forced to flee their homes and what few personal possessions they had in order to seek shelter at a number of temporary shelters set up across the country.

In aid of these victims, CDH raised funds and collected several hundred kilograms of non-perishable food items which were donated to the Gift of the Givers, an international aid organisation who responded to the needs of displaced foreigners across the country.

## SANTA SHOEBOX PROJECT

CDH began participating in the Santa Shoebox Project in 2014. An initiative of the Kidz2Kidz Trust which aims to share the joy of giving over the festive season, the Santa Shoebox Project co-ordinates, collects and distributes personalised gifts to underprivileged children who would otherwise not receive gifts over Christmas.

CDH contributed around 300 individual boxes to the Santa Shoebox Project in 2014 and aims to better this contribution in 2015.

## CANSA SHAVATHON

Since its inception 12 years ago, the Shavathon has grown considerably in drawing support for those affected by cancer. Corporate businesses across the country are encouraged to host events to raise funds for the Cancer Association of South Africa.

CDH has supported the CANSA Shavathon for a number of years and in 2015, the firm raised in excess of R14,000 for the cause.

## NELSON MANDELA DAY (MANDELA DAY)

CDH joined hands with Oliver's House to help feed 200 children and 100 elderly members of the Zenzele community. The event was attended by various CDH staff members including our Pro Bono Practice who volunteered their time in the spirit and honour of the great icon, Nelson Mandela. The volunteers helped prepare and serve warm meals to community members, whilst also handing out blankets to the elderly and the children residing at Oliver's House. Mandela Day is a global movement supported by CDH on an annual basis, to honour his life's work and to try and change South Africa and the world for better.

## OTHER TRAINING INITIATIVES

CDH has also organised, financed and/or participated in various other training initiatives. Some of the main initiatives we were involved in over the reporting period include the following:

### INTERNAL TRAINING WITH EMPLOYEES

CDH's internal training initiatives are managed and facilitated by our dedicated Knowledge Management function. The aim of our various initiatives is to create an organisational culture that values life-long learning, professional and social development.

Our firm remains accredited by the Law Society of South Africa's Legal Education and Development division (LEAD) to provide in-house Practical Legal Training (PLT) to candidate attorneys. As part of our agreement with LEAD we provide this training free of charge to a number of candidate attorneys from other law firms who are from historically disadvantaged groups. This PLT training includes training on ethical issues facing attorneys,

Constitutional law and jurisprudence, gender law issues, court procedure, as well as providing training on practical administrative issues (attorneys' bookkeeping and the like).

We also provide accredited in-house Practice Management Training (PMT) to newly appointed directors of our firm. The PMT course includes modules on risk and insurance, practice management, human resource management, and strategic management to name a few.

Other internal training initiatives focus on all levels of the firm (from operational staff to legal professionals) and range from compliance related training initiatives such as Anti-Discrimination and Sexual harassment training, Occupational Health and Safety Training, Financial Intelligence Centre Act training and training concerning foreign legislation with extra-territorial reach such as the Foreign Account Tax Compliance Act (USA), UK Bribery Act (UK) and Foreign Corrupt Practice Act (USA), to legal technical training on corporate matters such as the law of contract, Tax law, and Business Rescue and Insolvency law to name but a few.

Skills training has also been fore fronted for young professionals focusing on writing skills, finance skills for non-financial professionals and intra- and inter-personal skills. There has also been a continued focus placed on informing our staff about the importance of employee wellness and this has included sessions on working with disabilities, and training provided by our Employee Wellness partner ICAS.

## EXTERNAL TRAINING TO CLIENTS

In addition to internal training, over time we have developed a dynamic and extensive value-add presentation and seminar calendar for clients at our Johannesburg and Cape Town offices. During the 2015 period, CDH has provided training and presentations to a large number of clients. Notable presentations have included an Insolvency and Business Rescue Seminar series which spanned 9 sessions over more than 11 weeks, at which experts in our Dispute Resolution Practice area presented on all aspects of the Business Rescue regime in terms of the Companies Act, 2008 and Insolvency law in general. This seminar alone hosted approximately 60 clients per session. The tradition of a jointly hosted Budget Breakfast focusing on the Minister of Finance's budget speech, and its implications for development and business, continued again in 2015 and was hosted by a leading professor in the field of Tax.

Other seminars for clients conducted during this period include the following, among others:

- VAT and Commercial Property Transactions Seminar;
- Employment Seminar;
- Tax Seminar;
- Environment Seminar;
- Power Purchase Agreements in Africa Seminar;
- Commercial Leases and Business Rescue Seminar;
- Companies Act Seminar;
- Credit Regulation Seminar;
- Underground Coal Gasification Seminar; and
- Beneficiation of Mineral Resources Seminar.

## OUR GOALS

In the upcoming year our Pro Bono Practice intends to continue providing quality services to facilitate access to justice for poor and vulnerable people and communities and to promote human rights and constitutional values through *inter alia* special training and awareness building projects and initiatives.

CDH intends to employ a dedicated CSI manager to assist it in realigning its CSI programmes and initiatives in a manner which ensures the optimal and effective use of resources.



# 3

## LABOUR PRINCIPLES

### ASSESSMENT, POLICY AND GOALS

ILO Conventions have been adopted by the South African Parliament and subsequently enacted in domestic law. As a firm we are both within the letter of domestic legislation and live the spirit of such legislation. As an example, we are fully compliant with all employment equity related legislation and are firmly focused on maintaining our industry leader position in equity outcomes, through mechanisms such as our Transformation Committee (Exco level) our Employment Equity (EE) Committee (all levels of employees) and our Transformation Policy.

### IMPLEMENTATION

We have a team of Human Resources (HR) professionals who ensure that the principles of our labour legislation are always upheld. The HR, Management and EE Committee regularly review our labour policies and procedures to ensure that they are aligned to legislation. Our grievance policy and procedures allow employees to raise dissatisfaction with individuals or processes. We train staff on awareness of discrimination including sexual harassment, as well as internal and external remedies at their disposal. Employees are further given ready access to the firm's policies and procedures, and receive regular electronic communications on equality issues. We have posters displayed across the firm with the Basic Conditions of Employment Act, the Labour Relations Act, the Employment Equity Act, and Occupational Health and Safety provisions in all pause areas, and in a variety of languages.

### MEASUREMENT OF OUTCOMES – EE STATS

Internally, we manage labour violations through our disciplinary and grievance procedures. We are pleased to confirm that the firm has had no disputes in the Commission for Conciliation, Mediation and Arbitration since CDH was formed in 2008, or at the Labour Court. CDH has not had any complaints lodged against it in terms of the Promotion of Equality and Prevention of Unfair Discrimination Act. During the last year, we have reviewed and updated the following labour policies: internal and external bursaries, study leave, maternity and paternity leave, electronic communications and flexible working hours policies amongst others. We are further in the process of reviewing and updating policies on use of social media, an anti-bribery and anti-corruption policy and a data protection and privacy policy. CDH also reports annually to the Department of Labour regarding its Employment Equity, as well as to the Law Societies on an ongoing basis.



# 4

## ANTI-CORRUPTION

### INTRODUCTION

Maintaining the highest legal, professional and ethical standards remains a key part of CDH culture and the firm is committed to the fight against corruption and bribery. Anti-corruption initiatives at CDH are both internal and client facing to the extent that the firm runs anti-bribery and corruption seminars for its practitioners as well as clients.

A number of our attorneys have experience in advising on white-collar crime, bribery and corruption as well as the conduct of forensic audits and investigations and CDH has more recently sought to formalise this aspect of its service offering through the creation of a cross-disciplinary virtual practice in white collar crime and related advice. Its members include regulatory attorneys and litigation experts.

CDH's Pro-Bono Practice has also been involved in a number of high-profile matters in support of the rule of law and anti-corruption in its broadest sense.

Through advice and advocacy, CDH supports compliance with a number of local laws that underpin anti-corruption enforcement in South Africa including:

- The Prevention of Organised Crime Act 1998;
- The Protected Disclosures Act 2000;
- The Financial Intelligence Centre Act 2001;
- The Prevention and Combating of Corrupt Activities Act 2004;
- The Public Services Act 1994;
- The Protection of Constitutional Democracy against Terrorist and Related Activities Act 2004; and
- The Companies Act 2008.

In recognition of South Africa's role in the global economy, a raft of foreign legislation and treaty obligations need to be considered, including obligations under the Organisation for Economic Cooperation and Development (OECD) Recommendations on Combating Bribery, Bribe Solicitation and Extortion; the UN Convention against Corruption and the African Union Convention Against Corruption; and more pointedly, the US Foreign Corrupt Practices Act and the UK Bribery Act.

South African entities, particularly those that have dealings with US citizens as shareholders, suppliers or customers are subject to the jurisdiction of the US Department of Justice and the Securities and Exchange Commission. CDH has endeavoured to help clients understand the threats, dangers and risks posed by foreign bribery and corruption legislation.

Local and global legislation has a significant impact on the way we conduct business and interact with our clients, associates and suppliers. We continue to take our obligations in this regard seriously.

## COMPLIANCE

The Financial Intelligence Centre Act, 2001 (FICA) and the Financial Intelligence Centre Amendment Act, 2008, are geared towards combatting money laundering. The firm, as a registered “accountable institution” under FICA has comprehensive policies and procedures in place to comply with our obligations in respect of, for example, verifying the identify of clients, keeping records of business relationships and transactions and reporting cash transactions as well as suspicious transactions to the Financial Intelligence Centre. We have comprehensive internal rules in this regard, which are made available to all employees as part of compulsory training on our FICA policies and procedures.

As in previous years, CDH facilitated training contributions from foreign experts from the UK and USA. Separate seminars were run for clients and CDH practitioners, with the latter focussed on the need for multi-disciplinary and jurisdictional teams to deal with corporate, regulatory and internal investigations including: fraud, tax, insider trading, money laundering, securities fraud, corporate governance, industry specific regulatory, antitrust/competition, bribery and corruption, white collar defence and intellectual property.

## REGULATION

Ethical conduct remains a cornerstone of the legal profession and a fundamental part of CDH’s ethos. In terms of the Attorneys Act, 1979, our attorneys are registered with the relevant provincial law societies where they practice and comply with the rules in regard to professional conduct and ethics.

## TRAINING

Focussed anti-bribery and corruption training is a key part of formal career academies for professionals.

In addition and as part of the firm’s in-house training programme, newly appointed candidate attorneys are required, in preparation for their admission examinations, to attend various training sessions on professional conduct and ethics, which includes, for example, a discussion of risk management, fraud, bribery and corruption as well as attorney-client privilege.

As part of the new practice management course for new directors which has been introduced by the Law Society of South Africa, new directors attend in-house training sessions on professional conduct, ethics and risk management.

## OTHER INITIATIVES AND POLICIES

CDH adopts a zero tolerance policy on corruption, bribery and extortion. CDH’s draft anti-bribery and anti-corruption policy and procedure document has been refined to cover roles and responsibilities from senior managers to professional staff and other employees, guidelines on gifts and hospitality, donations and working with third parties.

# 5

## ENVIRONMENT PRINCIPLES

### RELEVANCE OF ENVIRONMENTAL PROTECTION FOR CDH

The legal sector has a relatively small environmental footprint. However CDH acknowledges that it has a responsibility to ensure its environmental impacts are minimised. We maintain that the greatest impact we can have on environmental sustainability is using our expertise in providing legal advice to our clients to help them understand and comply with environmental legislation and implement environmentally sound management, so as to respond to the environmental challenges facing the world.

### CDH'S ENVIRONMENTAL POLICY

At CDH we continue to recognise the critical importance natural resources have on economic growth and sustainable development particularly in Africa. As can be seen from our projects implemented in 2014, we still strive to reduce our environmental impact in all areas of our business and contribute to projects that support positive environmental outcomes.

Our commitment to operate in a responsible way remains focused on the following areas:

- Reduction and efficient use of water, energy and paper;
- Reduction, re-use and recycling of waste;
- Creating environmental awareness among staff, clients and business partners;

- Providing pro bono legal support to non-profit organisations (NPOs) and working with companies and local communities to implement projects aimed at fostering environmental sustainability; and
- Furnishing environmental legal services to clients.

### IMPLEMENTATION

#### CARBON FOOTPRINT

CDH conducted its third annual carbon footprint to obtain a clear overview of all the greenhouse gas emissions it causes, including energy use. The footprint is attached to this COP.

CDH's total emissions have increased from 2012/2013 by almost 15% since CDH first started measuring its carbon footprint. The biggest changes between 2013/2014 and 2014/2015 is an increase in carbon emissions from electricity consumption (up 29%), commuting by private car (up 31%) and paper consumption (up 54%). However carbon emissions from business flights decreased significantly. The Sandton office has an electricity intensity of 60% less than the Cape Town office. The Cape Town office is also 38% more emissions intensive per full-time employee compared to Sandton office.

## REDUCTION AND EFFICIENT USE OF WATER AND ENERGY

The design of CDH's Johannesburg Office ensures the efficient use of water and energy. Solar panels on the roof generate hot water and evaporative cooling in the atrium controls the air temperature. The glass used extensively on the Office facades is a low e-glass, which emits low levels of radiant energy. The top basement levels are designed to allow for natural ventilation and the office windows are designed to allow as much light in as possible. Double-glazing on vision panels and roof insulation allows for the conservation of natural energy.

Electrical energy consumption is reduced at the Johannesburg Office through movement sensors and timers for lighting systems and the installation of new energy efficient PCs and laptops.

A large portion of the carbon footprint constitutes electricity usage in the Cape Town Office. CDH therefore conducted an energy efficiency audit on it. The findings of the Audit and the steps CDH intends taking are set out below.

- *Lighting is believed to be the largest energy consumer, mainly due to some of the time schedules being set to extended hours. Adjusting the lighting operating hours and the installation of more efficient lighting will result in a saving of 24%.*

We are in the process of adjusting the lighting timers – this will be piloted for a certain period while we receive feedback from employees that usually work later hours.

- *In order to achieve significant savings, it is recommended that the lighting be replaced with more efficient lighting and that occupancy control in the individual offices be installed.*

CDH has since started using more energy efficient LED globes in areas that are able to accommodate them.

- *It is recommended that the operating hours of both HVAC and lighting be specialized to reduce wastage. Furthermore, the tenant equipment (mainly computer equipment) could be specialized by installing specialized software whereby the operating hours can be reduced.*

We will be adjusting the timers on the HVAC system, which will be piloted for staff feedback. This will however differ from the lighting adjustment, as the need varies per season.

- *Some proposals can be implemented internally without any additional costs (such as adjusting the air conditioning and lighting operating hours).*

We have instructed our security contractor/guards to assist with monitoring and switching off unnecessary equipment during their hourly patrols at night.

In an effort to reduce and save energy consumption on a larger scale, we have enlisted the services of a Company that deals primarily in assisting corporate companies with their energy efficiency (Winterbourne-Green Energy (Pty) Ltd). They are currently in the Audit Phase of the Project. This Project will assist greatly in both the Cape Town and Johannesburg Offices becoming more energy efficient, while still operating optimally.

## REDUCTION, RE-USE AND RECYCLING OF WASTE

We remain committed to reducing paper use and recycling paper, plastics and other waste. CDH continues to utilise an accredited recycling company at its Johannesburg and Cape Town Offices. As with most law firms, paper constitutes the bulk of CDH's waste stream.

An employee of the recycling company is based permanently at the Johannesburg Office to separate waste streams for recycling purposes. In addition, recycling boxes are present in prominent positions in both the Cape Town and Johannesburg Offices.

CDH's paper consumption has increased in 2014/2015 and it will strive to ensure more efficient paper usage in the next reporting period.

## TRANSPORTATION

CDH will take part in the Eco Mobility World Festival in October 2015. This is a global event, which will be hosted by the City of Johannesburg, in partnership with the Local Governments for Sustainability – known as ICLEI. ICLEI is the world's leading network of over 1 000 cities and towns in 86 countries that are committed to building a sustainable future for people who live in them.

The Objective of the month-long Festival is to decongest Sandton - and the rest of Johannesburg – to transform the streets in a way that will result in people being able to walk and cycle safely on them and to encourage people to make use of the public transportation system. The intention is that the changes introduced during the Festival will be the start of a process of long term changes proposed by the City of Johannesburg.

## PROVIDING PRO BONO LEGAL SUPPORT TO ENVIRONMENTAL NPOS

### Endangered Wildlife Trust

CDH has provided a wide range of legal services to the Endangered Wildlife Trust (EWT) since 2012. In 2014/2015 EWT received assistance from our Tax and Commercial Departments, including the change of trusteeship of EWT; registration of the restated and amended Deed of Trust of the EWT; and drafting EWT's conflict of interest policy and procurement policy, which EWT is set to incorporate into their daily business operations.

EWT stated the following in a letter of support to ProBono.Org for the Annual Pro Bono Awards Ceremony 2014.

*"EWT would like to pay tribute to the Pro Bono and Human Rights Department of CDH for the invaluable legal assistance and advice provided to our organization over many years and in particular in the year 2013. Funding is incredibly tight in a depressed economy and yet the EWT operates in an increasingly complex and legally fraught environment where expert, and often costly, advice is needed more and more often.*

*If it were not for the pro bono expertise provided by CDH, the EWT would in effect be unable to access justice and fair legal recourse".*

The number of pro bono hours CDH has provided to environmental NPOs is less than in previous years. CDH will strive to provide more pro bono services during the next reporting period.

## CREATING ENVIRONMENTAL AWARENESS AMONG STAFF, CLIENTS AND BUSINESS PARTNERS

CDH has continued with its environmental awareness campaign. Environmental awareness articles are posted on CDH's intranet.

The Environmental Law Practice provides seminars to other Practice Areas, candidate attorneys and clients on various aspects of environmental law. It also frequently publishes articles on developments in environmental law and environmental rights in Africa, aimed *inter alia* at increasing awareness amongst its clients and the general public.

## FURNISHING ENVIRONMENTAL LEGAL SERVICES TO CLIENTS

CDH continues to represent several clients with significant environmental impacts due to the nature of their operations, such as mining, industry and coal power generation. Through our Environmental Law Practice we advise our clients on all environmental aspects of their business, from climate change, carbon trading and regulation to environmental compliance and strategic environmental planning.

In conjunction with our Projects and Infrastructure and Energy practice, it is also currently acting for several project bidders or lenders for South Africa's multi-billion dollar independent Power Producer Procurement Programme. On completion it is expected to be the leading renewable energy programme in the world and aims to generate 42% of all new electricity from renewable energy sources in the next 20 years using solar, wind, hydro, biomass and biogas projects.

## TRAVEL

Our virtual meeting technology, installed in both our Cape Town and Johannesburg Offices provides an effective alternative to travel and is increasingly used.

## ASSESSMENT OF CDH'S ENVIRONMENTAL FOOTPRINT AND IMPACT

To integrate principles 7, 8 and 9 into our strategies and operations means understanding and managing our own environmental impact. Due to CDH's commitment to reduce its environmental impact and conduct its business in a responsible manner it once again instructed an independent expert, the Carbon Neutral Group to compile a carbon footprint assessment of its operations. The 2014 carbon footprint assessment is attached.

We are pleased to report that in the last financial year we reduced our footprint by 12%, with a 27% reduction in emissions from business travel and 6% reduction in emissions from electricity use. The Carbon Neutral Group noted that the following can be concluded:

- CDH emitted 4,972 tons of CO<sub>2</sub>e during 2013/2014. The emissions per employee are 8.5tCO<sub>2</sub>e, down from 9.2tCO<sub>2</sub>e in the previous financial year.
- Electricity use comprises the largest portion of the footprint with 58% or 2871.6tCO<sub>2</sub>e. Overall we reduced our electricity consumption by 6%, with the Sandton office reducing it by 10% and Cape Town office by 3%. However there is still a large difference in electricity use per employee in each office: 2,519kWh per employee at Sandton's green building office compared to Cape Town's 11,541 kWh per employee.

- Air travel comprises the second highest portion with 19%, or 1,549tCO<sub>2</sub>e, a marked decrease from last year. However this figure excludes the additional carbon emissions from business class flights, as data was unavailable from the travel agents. The Carbon Neutral Group estimates the real value to lie closer to 1,800tCO<sub>2</sub>, which is still less than last year's emissions.
- Commuting with a private car is the third highest source of emissions with 9% or 427tCO<sub>2</sub>e. Unfortunately emissions from car travel have increased by 30% however this could probably be attributed to a more accurate employee commuting survey carried out this year, as significantly more employees completed the survey.

## MONITORING

CDH's Social and Ethics Committee has an environmental representative, who is a Director in the Environmental Law Practice. She continues to report back on the extent and effectiveness of environmental strategies within the Firm and presents proposals on further reduction/mitigation strategies to reduce CDH's environmental impact.

Through the carbon footprint's outcome and data accumulated on our waste stream, we have a measurable baseline to set annual targets and objectives, enabling us to accurately track and report our progress and determine if our strategies are effective. Management regularly assesses the effectiveness of strategies that have been implemented and whether they successfully reduce the negative impact in the three key areas.

## GOALS

CDH is committed to further reducing our environmental impact in the three key areas identified in the carbon footprint assessment namely: energy efficiency, air travel and car travel.

We are considering the further recommendations provided by Climate Neutral Group and are in the process of finalising our environmental strategy in order to reduce our carbon footprint and environmental impacts arising from our operations. The energy audit will determine where and how the Cape Town Office can become more energy efficient, thereby reducing our carbon footprint even further. For business air travel we are formulating an appropriate travel policy and are considering possibly becoming involved in a carbon offset project. Regarding private car travel we are actively encouraging lift-sharing and the use of public transport. Lastly, in order to have an accurate carbon footprint, we will be implementing the necessary data management processes.

