

COMMUNITY SERVICE

What does a company look at when it decides to plough back a portion of its profits in the community? It is hardly surprising that the Group will search for those characteristics which have marked its own history and success – traits such as quality, innovation and sustainability.



For 35 years since the first review was published in 1964, the Group annually reports about its involvement in the community. Interesting in this regard is a comment in a recent newspaper interview by the founder of the Group, Dr Anton Rupert, about his role in the Peace Parks Foundation.

Dr Rupert relates that, when he was 44 years, his father one day said to him: "You are now worldly-wise, but what are you going to do for the community?" That was in 1960.

Everyone who knows the history of the Group will recall the unparalleled upsurge in community activities during the sixties. Those years saw the establishment of well-known initiatives such as the Rembrandt van Rijn Art Foundation, the company Historical Homes of South Africa, the SA Nature Foundation (currently WWF-SA), the Lesotho National Development Corporation, the Medical Shuttle Service to Lesotho and many more.

From a long list the following are worth mentioning:

Entrepreneurship and training

Business Partners Limited (formerly SBDC) – as a founder-member, the Group initially invested just over R10 million in this company and during the past year a further R45 million which brings its total shareholding to 14.2%. Since its inception in 1981, Business Partners has approved some 336 725 investments amounting to R3.6 thousand million in small and medium enterprises (SMEs). This has resulted in the creation of some 500 000 job opportunities.

Since 1996, Business Partners has focussed on equity investments in SMEs to accommodate viable businesses which would not have had easy access to capital markets. In addition, a private equity and venture capital fund was established to invest between R5 million and R15 million in innovative small and medium enterprises with a high growth potential.

Bergzicht Training Centre – makes good progress and today this Stellenbosch centre serves as a model for adult education and community training. Besides offering literacy training, the Centre prepares unemployed people for careers in frail-care, home management, child care and tourism. Since 1992 some 3 300 jobless people have been

trained – 611 during the past year. Approximately 85% of trainees have successfully been employed after training.

Farming development

NewFarmers Limited – is South Africa's first venture capital investor in agribusiness and has a strong empowerment focus, especially regarding job and wealth creation in developing communities. The Group is a founder shareholder of this company.

Environment

World Wide Fund for Nature South Africa (WWF-SA) – as a founder member, the Group has supported since 1968 the objectives of this nature conservation organisation which increasingly comes under pressure due to the financial problems experienced by provincial conservation bodies. In practice it means that WWF-SA is forced to deviate from its role as conservation catalyst and to involve itself on the operational level to ensure that important conservation initiatives do not fail.

On the positive side it can be mentioned that two new parks were established during the past year. In May 1998, the Cape Peninsula National Park was declared after R76 million had been raised overseas by WWF-SA for this park and the Cape floral kingdom. In February this year the Cape Agulhas National Park came into being. The creation of this park was made possible through the transfer of land by WWF-SA.

Both parks mentioned have been dedicated as *Gifts to the Earth* by the South African government as part of WWF-SA's Campaign 2000 – a project the Group supports to the amount of R500 000, apart from its normal annual contribution.

Cultural development

The *Heidelberg Motor Museum* is accommodated in a hundred-year-old station building. During the Anglo Boer War (the centenary celebrations of which will commence soon), this town was the centre of frequent troop movements. The museum, established by the Group in 1975, is also the home of a collection of historic vehicles and is increasingly recognised as an

important cultural centre in the Heidelberg district. The popularity of the annual steam train excursion and the choice of the museum as venue for the recent annual general meeting of the SA Museum Association bear testimony to this.

The *Rembrandt van Rijn Art Foundation* – remains faithful to its objective of bringing art to the public. During the past year an exhibition of the celebrated German artist Käthe Kollwitz travelled the country.

At present the Art Foundation exhibits a unique photo essay of the Namib by the Swiss photo essayist Hansruedi Büchi.

Historical Homes of South Africa continues to utilize and preserve historically important buildings on a profitable business basis. As in the case of last year's Hauptfleisch House project, Loubser House in historic Dorp Street, Stellenbosch, now also dons a thatch roof as in earlier days. This property dates from the early 18th century and was originally used by missionaries to give literary and religious instruction.

Sport development

The *Western Province/Boland Cricket Academy*, of which the Group is a founder donor together with Stellenbosch Farmers' Winery, is after six years still firmly on course. The objective of the Academy is to develop not only quality cricketers for the southern provinces but also top class ambassadors for the game.

The Group is impressed by the enthusiasm and dedication of both players and administrators and has recently extended its contract with the Academy for a further three years.

The *Sports Science Institute of South Africa* at Newlands, Cape Town, which came into being through a substantial grant by the Group, is now, after five years, moving into a new growth phase to share its expertise with a wider audience. This will be done through the expanded "On the Road to Excellence" mobile unit project, the enlarged reach of the Corporate Health Programme and through an increase in the number of sports catered for by the High Performance Laboratory.

A feasibility study is underway to investigate the viability of expanding the Institute's activities into Gauteng in conjunction with the Rand Afrikaans University and Wits Technikon.

Human resources

Tertiary education still enjoys good support from the Group. From a recent national survey on corporate social investment (CSI) it appeared that 21%, or R168 million, of South African companies' CSI budgets has been earmarked for tertiary education. The Group compares favourably with this benchmark, as 25% is spent in this category.

The CAs' Eden Trust has done pioneering work during the past decade to train especially black accountants for the profession. During this period, 103 chartered accountants from deprived communities qualified, while another 372 are in various stages of completing their courses. The Group is a founder donor of the Trust and this year has increased its support to R70 000 in recognition of the valuable contribution which is being made to the South African economy.

Helpmekaar Scholarship Fund – a contribution of R1 million over five years is being made to this stalwart in the field of study loans to support a programme aimed at promoting entrepreneurship. The objective of this programme is to help promising young people to prepare themselves for careers as entrepreneurs and jobcreators.

Community development

Thabo Mbeki Crossroads Education Fund – the Group has allocated R1.25 million over five years for this project, which, essentially, focuses on youth development, especially in the areas of science, engineering and commerce. As part of the programme, students are offered vacation work with a view to possible future employment.

Stellenbosch Business Watch – the Group, in conjunction with its co-shareholders in the Stellenbosch newspaper *Eikestadnuus*, has made a second round of finance available to Business Watch to buy more cameras for safeguarding the business centre in Stellenbosch. Without this support, the project, which has significantly reduced the incidence of crime in the central area, would not have come off the ground.

Child and Welfare – the living quarters occupied by security staff of the Company before their retirement, in the township Kayamandi, was converted into a community centre by the Stellenbosch Child and Welfare Society. Here training as well as food are provided to the needy pre-school children of unemployed parents. The Group makes an annual contribution to this project.

Umbrella organisations – because the donation programme of the Group has only a small infrastructure, one way of broadening the impact of contributions is to support umbrella organisations like the *Nelson Mandela Children's Fund* and the *Western Cape Community Chest*. These institutions support a broad spectrum of welfare organisations and exercise strict control over expenditure which, undoubtedly, is a source of comfort for donors.

In its involvement in the community, the Group is continuously guided by its belief in self-help, as is effectively portrayed by the following Chinese proverb: *Give a man a fish, and he profits but a single dish; Teach him the art of rod and reel, and he'll never lack a meal.*