



TRUWORTHS
INTERNATIONAL

CORPORATE SOCIAL
INVESTMENT REPORT 2013

Corporate Social Investment Report

Truworths recognises its social responsibility to assist in uplifting and empowering the communities where it operates, and is committed to contributing to sustainable socio-economic development in South Africa.

Through its long established corporate social investment (CSI) programme, Truworths funds projects which have a longer-term social and economic impact on disadvantaged people and communities.

Corporate social investment at Truworths

The Truworths CSI programme focuses primarily on healthcare projects, with funding for the upgrading of public healthcare facilities accounting for 63% (2012: 51%) of donations in 2013.

Improving access to healthcare is one of the main social priorities facing South Africa. Financial support from the private sector is critical to relieve pressure on the public health system which serves an estimated 80% of the population who do not have healthcare cover or insurance.

Truworths also supports community upliftment in the areas of education, social development, sport, and arts and culture.

The CSI programme aims to invest in fewer but more substantial projects to make a greater impact on uplifting people from disadvantaged communities.

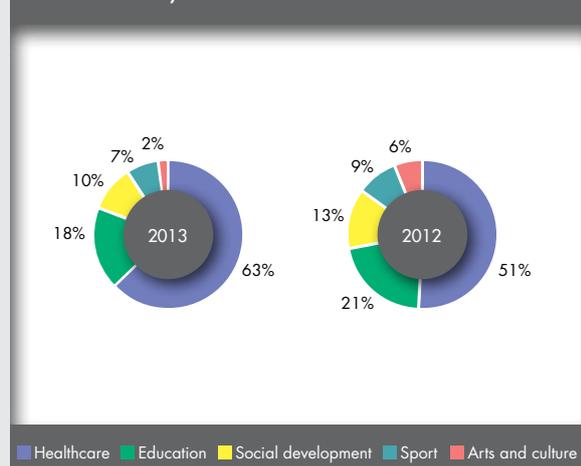
Projects are evaluated to ensure they have the potential to become self-sustaining or require only once-off funding. The CSI team at Truworths engages with the stakeholders of each project to understand the needs of the communities and beneficiaries, rather than merely providing funding. This approach builds mutual trust and respect, and has enabled Truworths to become more involved in the communities and projects it supports. Funding is not provided to any political parties or religious organisations.

In recent years the footprint of the CSI projects has been extended from the Western Cape to Gauteng where funding has been provided for the renovation of two state healthcare facilities in the region.

Sustainable social investment

		2013	2012
Donations by Truworths to the CSI trusts	(R'000)	13 370	11 853
Donations of merchandise for distribution to charities	(R'000)	1 174	1 061
Total donations by Truworths	(R'000)	14 544	12 914
Total donations by Truworths as a percentage of profit after tax	(%)	0.6	0.6
Number of projects supported during the period		37	33
Number of beneficiaries assisted in ongoing projects		4 245	3 450
Number of projects supported for over 10 years		5	6

Distributions by focus area



Funding the CSI programme

The CSI programme at Truworths is funded and facilitated through charitable trusts. These trusts were established to accumulate funds that would ultimately enable the programme to become self-sustaining.

At the end of the 2013 financial period the investments held by the trusts were valued at R153.6 million (2012: R139.1 million). The returns on these investments are the primary source of funding for CSI distributions.

Truworths Social Involvement Trust	Truworths Community Foundation	Truworths Chairman's Foundation
Supports organisations and projects that do not qualify for tax-exempt status.	Supports beneficiaries with public benefit organisation status.	Supports beneficiaries with public benefit organisation status that are approved in terms of section 18A of the Income Tax Act.
<p>Major projects supported:</p> <p>Observatory Junior School, Western Cape</p> <p>Operation Education: Grants for employees' children</p> <p>Operation Education: Grants for disabled children of employees</p> <p>Sisanda FunDaytion</p> <p>Truworths Future Stars Basketball</p> <p>SA Circle of Dance Academy</p>	<p>Major projects supported:</p> <p>Itireleng Hospital, Gauteng</p> <p>Tsiba College, Western Cape</p>	<p>Major projects supported:</p> <p>Cape Town Holocaust Centre, Western Cape</p> <p>Vista Nova High School, Western Cape</p> <p>Paediatric AIDS Treatment for Africa</p>

Supporting areas of social need

Health

Truworths is committed to upgrading healthcare facilities in disadvantaged communities which serve its customer base. Working in partnership with the provincial health departments and the SA Medical and Education Foundation (SAME Foundation), Truworths Charitable Trusts have invested R6.9 million in the past four years in improving facilities at five state hospitals and clinics:

- **Itireleng Community Health Centre – Gauteng**
The renovation of the reception area, waiting rooms and offices at this very busy clinic in Dobsonville was completed during the financial period. These upgraded facilities, together with the donation of new furniture and equipment, has uplifted the medical facilities, improved the patient experience, and provided a comfortable environment for its employees.
- **Somerset Hospital – Western Cape:** Truworths provided funding for medical equipment and furnishings for the new paediatric trauma ward.

- **Mitchells Plain Community Health Centre – Western Cape:** The paediatric trauma section was upgraded and equipment provided for the staff rest area.
- **Leratong Provincial Hospital – Gauteng:** The casualty facility and reception area at this West Rand regional hospital were renovated and refurbished.
- **Hanover Park Community Health Centre – Western Cape:** Truworths sponsored the development of the new peri-natal mental health facility.

Education

Primary, secondary and tertiary educational institutions continue to be supported by the Truworths charitable trusts. Funding has been provided for ballet, chess and art programmes for the Observatory Junior School in Cape Town, and for the entrepreneurship module at Tsiba (Tertiary School in Business Administration) College. The Cape Town Holocaust Centre received assistance with educational resources for a school outreach programme.

Corporate Social Investment Report (continued)

Social development

Support for Sisanda FunDaytion enabled more than 600 children from orphanages and disadvantaged homes in the Western Cape to participate in educational outings. Truworths employees participated in a Truworths Fun Day event during the period as part of a staff volunteering initiative.

Sport

Ballroom and Latin American dance classes for able-bodied and disabled youth have been supported through the CSI programme for 14 years. The annual Western Cape Open Differently-abled Ballroom and Latin American Dance championships was again supported during the period, with over 400 children from 15 schools taking part in this event.

Financial support for basketball enabled eight Truworths Future Stars teams to compete in the 2013 Western Province Basketball Association league, with nine junior players being selected for the Western Province basketball team.

Arts and culture

A partnership with the Friends of the National Gallery provided continued support for the Meaningful Access programme which arranged musical and tactile workshops for over 200 visually and hearing impaired youth.

Assisting children of employees

Truworths recognises that children are the future and that education is a critical part of their development. Truworths also acknowledges the need to support its own employees. The Operation Education scheme offers grants to Truworths employees at lower income levels for the education of their children from primary school through to tertiary education. Funding is also provided to employees with disabled children requiring specialised schooling or equipment. During the period, 568 children benefited from these grants.

An Enviro Club, which is managed by Truworths employees in Gauteng, and supported by the CSI programme, arranges outings to educational and environmental projects for employees' children.

Employee participation

Employees are encouraged to participate in projects which contribute to community upliftment. Funding is allocated to the Truworths regional offices to support worthy causes in their areas, with several of the projects being identified by employees as worthy of support. Assistance in this way has been provided to Amelia Day Care Centre (Potchefstroom); Irene Homes (Pretoria); Heneka Haven Youth Care Centre (Pretoria); ADP Centenary House (Pretoria); Cheshire Homes (Port Elizabeth); Ithemba Lethu (Durban) and Rock-a-Bye Home (Cape Town).

Employees continued to demonstrate their generosity by supporting seasonal drives for charitable donations such as the annual Toys for Charity campaign in November and the winter clothing collection in June.

A payroll giving programme allows employees to donate money on a monthly basis for community benefit. The programme has been operating with the Community Chest for the last 28 years.

Donations of merchandise

Close to 150 000 items of clothing and samples were donated to 27 community organisations during the period, with a charitable value of R1.2 million. The CSI team works with these charities to ensure the clothing can be used by remodelling the garments and fabric, providing much needed clothing for poor communities, and also avoiding large quantities of fabric being consigned to landfill sites.

Independent verification of beneficiary status of trusts

As part of the governance process of managing the socio-economic development programme, Truworths obtained an Independent Competent Person's Report (ICPR) to evaluate the activity and structure of the CSI trusts and to verify the beneficiary status in terms of BBBEE legislation. The ICPR confirmed that more than 75% of the trusts' beneficiaries are black.