

**DRAFT SPEECH BY VASSI NAIDOO, CHIEF EXECUTIVE OF  
DELOITTE, ON THE OCCASION OF THE LAUNCH OF THE  
PARTNERSHIP BETWEEN THE UNISA CENTRE FOR CORPORATE  
CITIZENSHIP AND THE UNITED NATIONS GLOBAL COMPACT  
LEARNING FORUM  
WEDNESDAY, 22 JUNE 2005**

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ACKNOWLEDGEMENTS

Ladies and Gentlemen, it is an honour and a privilege for me to address you all this evening and to share with you my thoughts on Corporate Citizenship and the Global Compact.

Deloitte has been involved with the Centre since its inception in 2003 initially, by funding an amount of R300 000 for the design and implementation of the Integrated Sustainability Accounting, Assurance and Reporting (ISAAR) Course. Then, in 2005/6, we have invested a further R300 000 to set up an information desk that is a vital component of the Centre's strategic objectives.

Miles Crisp, a member of Deloitte's executive committee and head of Financial Advisory Services, is a member of the Centre's board and has been intimately involved in the formulation of its strategy and providing general support for the Centre.

Deloitte has fully supported and promoted the principles of the Global Compact and was one of its founding signatories. In fact, we were the first professional services firm to join the initiative.

We are therefore delighted that the partnership between the Centre and the Global Compact will create a Learning Forum which is so important for the promotion of Corporate Citizenship and the principles of the Global Compact.

Ladies and gentlemen, due in large part to the electronic revolution, the world has rapidly become borderless, digital and much more demanding than we have ever experienced. The world has grown smaller and more

connected but the gap between the haves and the have-nots has relentlessly widened.

This problem is compounded by economic misconduct that separates rich and poor. Regrettably, those who pay the price are those who can least afford it. There is irrefutable proof that corruption further entrenches poverty. It is crucial for business across the board to establish and follow codes of conduct that are not merely complied with, but permeate their behaviour so as to uphold the rule of law. It is no longer good enough for us to pay lip service and merely do what is legal. We must be seen to be doing what is right - through our conduct.

In my view therefore, it is the 10<sup>th</sup> principle espousing anti-corruption behaviour that is fundamental to the very future of South Africa and the NEPAD and should be one of the cornerstones of business behaviour. To this end, Deloitte was instrumental in drafting a declaration by business on anti-bribery and corruption that was tabled at the World Economic Forum's Africa Summit in Durban in June 2002. Since then, more than 300 companies have endorsed the declaration, a significant milestone in the fight against bribery and corruption.

Looking at Corporate Citizenship more broadly, in the words of William G Parrett, our global CEO, we have two options. We can decide to act out of self-interest, engage in minimal compliance and let profit be our only measure of success. Or, all of us can step up and decide to be leaders, bolster the rule of law through our conduct, and bring together new markets for global wellbeing. To Deloitte, the choice is clear. We believe that financial results are just one indicator of a company's success and that factors such as strong governance and ethical behaviour contribute to sustainability, corporate well-being and consequently, to stability and prosperity.

It is a major challenge for companies to maintain trust and the licence to operate. Social and environmental responsibility is not optional anymore - it has to become part of the company's culture.

As you have heard, the Global Compact provides a platform against which business can benchmark its activities in relation to global standards. Furthermore, given their global presence in many countries around the world, multinationals have the opportunity and the responsibility to have a positive influence in these regions by operating in a socially responsible manner. Businesses can be a powerful influence for good, particularly in countries whose governments lack a strong tradition of democracy and respect for the rule of law. For example, there are many multinationals operating in Africa and they have an opportunity and perhaps even an obligation, to use their local leadership to promote good Corporate Citizenship and the principles of the Global Compact.

In closing, I would urge all South African business leaders, as well as foreign multinationals operating in South Africa and across the continent, to join us in supporting the Unisa CCC. They can do so by establishing in their organisations a culture of learning about good corporate citizenship and encouraging members of their senior management teams to get involved with the Learning Forum and attend the courses offered. They also have a vast pool of knowledge and case studies that can be shared with the Centre and in this way, have a positive influence on business for the benefit of South Africa as a whole.