



2011

Sustainability Report



we are a green conscious convention centre

Cape Town International Convention Centre

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MPI Rise Award puts CTICC and Cape Town in the global spotlight

The Cape Town International Convention Centre clinched the 2011 Meeting Professionals International (MPI) Recognising Industry Success and Excellence (RISE) Award for best Organisational Achievement – which acknowledges the transformational impact an organisation has envisioned and achieved and the leadership exhibited to advance organisational strategy, drive business results and create change through meetings and events. RISE Award recipients are recognised for innovation, influence, global transferability and impact on complete sustainability. As such, the award recognises the value that is being unlocked by the CTICC's focus on embedding sustainability into every facet of its business.

"Courageous thought and effort are usually behind results that inspire. The recipients remind us what one organisation can do". Brian Palmer; Chairman of the RISE Awards judging panel.



**NURTURE
OUR
WORLD**

we are a green conscious convention centre

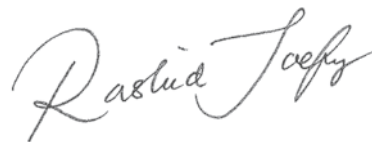
Introduction by the CEO

Any business that is serious about its long-term success must be prepared to build that success on sustainability. It needs to be a strategic priority, rather than a secondary consideration. Sustainability is not the result of a good business plan; it is central to that plan. Without it, businesses can no longer expect to stay competitive or effective.

At the Cape Town International Convention Centre (CTICC), sustainability is not something we do, sustainable is what we are. Sustainability is the common thread that binds every aspect of our business together and enables us to achieve the goals and vision we have set. We strive, in every area of our business, to place economic, social and environmental sustainability considerations at the core of our operations. It's what drives us to be innovative, create opportunities for all our stakeholders and transform events into experiences for our clients. It's what keeps us fresh, relevant and dynamic. And it is what keeps us focused on our core mandate – to make a lasting contribution to the economy and people of the region, and have a positive impact on our planet.

Whilst the CTICC has made great strides towards achieving its sustainability objectives in the years since its establishment, we acknowledge that there is much work still to be done. As is the case with any organisation, we face many challenges in our efforts to entrench sustainability in the ethos and operations of our business. However, as is evident from the information in this report, we are as determined as we are passionate. And that is what drives us to keep on working towards being sustainability leaders and pioneers in our industry and in our communities.

This is the first dedicated Sustainability Report produced by the CTICC and we consider it our benchmark for the future. Our intention is to keep on extending our reach, increasing our effectiveness and expanding our sustainability horizons. It's a journey that we are extremely excited about and we hope that you will join us on it.



Rashid Toefy
Chief Executive Officer



The CTICC and Sustainability

THE CTICC'S SUSTAINABILITY APPROACH

By Joey Pather; Chief Operating Officer

The CTICC embraces its mandate to its stakeholders and the communities in which it operates and makes every effort to impact positively on all areas of sustainability. Whilst limiting and mitigating any negative impacts its operations may have on the environment, the focus is on supporting local economic and social development through its sustainability strategy, which includes internal policies, procedures and initiatives.

The triple bottom line approach of the CTICC is encompassed within the four key pillars that underpin its vision:

- To maximise economic spin off and job creation.
- To focus on innovation and exceeding expectations.
- To achieve service excellence by building capable and quality staff.
- To become a world leader in sustainability initiatives.

These are not mutually exclusive aspects of the CTICC's strategy and operations, but are closely interlinked and, in many ways, interdependent. For this reason, sustainability is actively pursued across every area and operation of the business – from facilities design, management and maintenance, to performance-driven

economic contribution, employee development, social upliftment and, even, green event offerings.

The sustainable framework and triple bottom line approach of the organisation are further supported by its achievement of a number of ISO certifications and its membership of the United Nations Global Compact, both of which are discussed briefly below.

ISO certifications

In early 2009, the CTICC gained the distinction of being the first convention centre in Africa, and the second convention centre in the world, to obtain three management system certifications simultaneously. Following an exhaustive process of transforming the centre's work processes to internationally recognised systems standards, the CTICC was awarded the following certifications:

- ISO 9001 – Quality Management
- ISO 14001 – Environmental Management
- OHSAS 18001 – Occupational Health and Safety
- HACCP (Hazard Analysis and Critical Control Points) – Food Safety

Apart from representing a significant achievement for the CTICC, these certifications also serve as the CTICC's guarantee of consistently excellent standards



of operations, service, environmental management and safety, as well as world-class, sustainable facilities.

They are, in many ways, the foundation on which the centre will continue to build its reputation for excellence in sustainability in the years to come.

United Nations Global Compact

CTICC is a signatory to the United Nations (UN) Global Compact programme and the first convention centre in the world to achieve full membership status. In addition, the centre's CEO, Rashid Toefy, is a Member of the South African Advisory Committee to the UN Global Compact.

Given its involvement in, and commitment to the UN Global Compact, the CTICC actively embraces and supports the core values of the agreement, particularly in the areas of human rights, labour standards, the environment and anti-corruption. The principles of the Global Compact inform the CTICC's strategy, culture and day-to-day operations, and the centre subscribes to the following UNGC principles:

1. Business should support and respect the protection of internationally proclaimed human rights.
2. Business should ensure that they are not complicit in human rights abuses.
3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Business should support the elimination of all forms of forced and compulsory labour.
5. Business should support the effective abolition of child labour.
6. Business should support the elimination of discrimination in respect of employment and occupation.

7. Business should support a precautionary approach to environmental challenges.
8. Business should undertake initiatives to promote greater environmental responsibility.
9. Business should encourage the development and diffusion of environmentally friendly technologies.
10. Business should work against corruption in all forms, including extortion and bribery.

CTICC's adherence to these principles, and progress in terms of their implementation across the business, is outlined in the relevant sections of this report. The UN Global Compact checklist at the end of the report offers page references to information on each of the principles.

Environmental policy

Environmental considerations are critical factors for meeting planners and event organisers when selecting a venue. The CTICC's clients, and particularly its international clients, want to know what the centre is doing to reduce its carbon footprint and how, in turn, the CTICC is able to help them reduce theirs.

To this end, in 2008 the CTICC established an environmental task team – the Nurture our World (NOW) team – that is made up of representatives of each of the divisions of the organisation, as well key partner service providers, in order to focus on achievements and progress.

The NOW action plan includes the following elements:

- Green Identity
- Green Audit
- Green Client Guide
- Green Training and Development
- Green Communication
- Green Operations

Environmental considerations are a critical factor for meeting planners and event organisers when selecting a venue.

Organisational Profile

The Cape Town International Convention Centre Company (Convenco) was established in 1999 as a collaborative effort between the City of Cape Town, the Provincial Government of the Western Cape and the business sector.

Convenco was formed as the holding company of the CTICC. The Convention Centre serves both local and international guests through the provision of services and facilities for events, exhibitions, conferences and meetings. Convenco is jointly owned by:

- the City of Cape Town (50.2% shareholding),
- the Provincial Government of the Western Cape (25.1% shareholding), and
- SunWest International (Pty) Ltd (24.7% shareholding).

Whilst financial sustainability is an obvious objective of the CTICC, the key rationale for its establishment was to have a positive impact on the community by 'bringing meetings to Cape Town in a world-class facility and, in so doing, to generate jobs and economic development.'

Since then, the vision of the centre has evolved, and is now, *"to become the best long-haul international convention centre by 2020."*

The achievement of this vision forms the substance of the CTICC's strategic blueprint for the future, as outlined in

its five-year business plan that has been agreed between Convenco and the City of Cape Town.

The CTICC continues to raise the profile of Cape Town as a sought-after international leisure and business tourism destination, and is maintaining and growing the economic and social contributions it makes to the city of Cape Town, the Western Cape Province, and the country as a whole.

STAKEHOLDER ENGAGEMENT

As a public entity, owned primarily by the City of Cape Town, and with a mandate to contribute tangibly to the economic and social development of the city, region and country, the CTICC is committed to actively engaging with its stakeholders and keeping them informed of the progress it is making, successes it achieves, and challenges it faces. Such stakeholder engagement is the ultimate responsibility of the CEO, but is overseen by a dedicated communications team and executed via a number of communications channels, including:

- **External newsletter** – This electronic newsletter is sent to all local and international clients on a monthly basis to keep the local and international industry abreast of the latest developments at the centre.

Awards

Whilst garnering awards is not a key focus of the CTICC, the achievement of such recognition by its peers and the local and international events industry not only validates the effectiveness of its sustainability approach, but helps to position the CTICC as a recognised global leader. Some of the recent accolades enjoyed by the CTICC include:

- MPI Rise Award 2011 for organisational achievement
- Finalist: UFI ICT Award (Sustainability)
- Finalist: Climate Change Award (Sustainability)
- 3rd Place: Europecar Award (Sustainability)
- Finalist: Exhibition News Best International Venue Awards 2011



- **Press releases** – These are an effective way of raising the profile of the centre’s sustainable initiatives in the media.
- **Press conferences and media roundtables** – These are used as a platform to strengthen relationships with print, radio and TV journalists and disseminate information and news about the centre and its sustainability initiatives.
- **Press kits (biography packs)** – These include CTICC information in the form of news releases, organisation background, key spokesperson biographies and other supporting materials that could prove useful to reporters.
- **Media event calendar** – The distribution of an event calendar to the media is an ideal way of generating story ideas for journalists. It is also an ideal platform on which to showcase sustainable events the centre is hosting.
- **Advertising** – Advertising in key local and international industry publications is a significant way of marketing CTICC both locally and abroad.
- **Collaborative marketing platforms** – These ensure closer interaction with key stakeholders such as Cape Town Tourism, Cape Town Partnership, etc. The CTICC is also able to leverage off key events to promote its sustainable objectives.
- **Speaking engagements** – Offering speakers for industry conventions, trade association meetings, and other groups provides an opportunity for CTICC to position itself as an industry leader and expert in the conference industry and is an excellent way to network and generate customer leads.
- **Plasma screens** – Key messages and principles are broadcast within the centre via strategically placed plasma screens.
- **Website** – The CTICC website is one of its key communication tools and assists the centre to effectively communicate with the local and international business communities. The website also incorporates new media elements to stimulate greater engagement between CTICC and its clients.
- **Annual report** – In addition to being a compliance document, the annual report is an important marketing tool of the CTICC.
- **Social media** – The CTICC has dedicated Facebook, Twitter, Linked In and Foursquare pages used to communicate its sustainable initiatives to the public.





GOVERNANCE AND COMPLIANCE

The CTICC’s approach to corporate governance extends beyond mere legislative compliance. Rather, good corporate governance is seen as a cornerstone of the sustainability of the centre, promoted and enabled through the development of a collective governance consciousness, a risk management ethos, and a values and ethics driven culture.

The CTICC’s membership of the UN Global Compact and its recent ISO certifications mean that the centre is already well positioned as an events industry leader in terms of governance. This position is being further entrenched through the ongoing implementation of King III principles across the business and the provision of integrated reporting addressing the triple bottom line.

Convenco endorses the principles of the Code of Corporate Practices and Conduct as set out in the King Report on Governance for South Africa 2009 (King III), which came into effect, and replaced King II, on 1 March 2010. The Board places strong emphasis on maintaining high standards of financial management, accounting and reporting, to ensure that the company’s affairs are managed in an ethical, transparent and responsible manner.

Compliance with the risk management requirements set out in King III is also prioritised and a comprehensive risk identification and management process is in place to measure the severity of risks and implement appropriate risk mitigating interventions.

The CTICC Board of Directors

AM Boraine (Chairman)	Non-executive
R Toefy (CEO)	Executive
SA Fisher (Dr)	Non-executive
MA Gierdien Independent	Non-executive
DS Jack Independent	Non-executive resigned 5 May 2011
S Montsi Independent	Non-executive
TM Pasiwe Independent	Non-executive
LF Platzky (Dr)	Non-executive
BN Roberts	Non-executive
AC Seymour (CA(SA))	Non-executive
DC Skeate	Independent non-executive
HJ Taljaard	Independent non-executive

The Board has established the following subcommittees to assist it in discharging its duties and responsibilities:

- Audit committee
- Remuneration committee
- Nominations committee
- Expansion committee



KEY PERFORMANCE AND SUSTAINABILITY INDICATORS

The performance measurement of the CTICC by its shareholders is based on more than mere financial returns, but also includes a particular focus on the achievement of specific sustainability criteria.

The Key Performance Indicators (KPI) against which the CTICC's performance is evaluated by its shareholders, are as follows:

	KPI	Annual Target 2011
1	Percentage spend of operational budget	98%
2	Percentage spend of capital budget	80%
3	Contribution to gross domestic product	R2.3 billion
4	International delegate days	200 000
5	Number of jobs created	9 000
6	Number of events	500
7	Customer centricity and service excellence	75% of minimum aggregate score for all CTICC internal departments and external suppliers
8	Reduction of water and energy consumption	5% saving compared to previous year
9	Supply chain procurement from BEE suppliers measured in terms of the BEE Act	Percentage spend not lower than 50%
10	All training costs spent on the current permanent and temporary staff	Minimum 5% as a percentage of salary costs

Whilst indications are that the CTICC has exceeded most or all of these Key Performance Indicator targets for the year under review, verified data was not available at the time of publishing. Full details of targets and actual performance will be contained in the CTICC Annual Report which will be published in October 2011.

The CTICC's membership of the UN Global Compact and its recent ISO certifications mean that the centre is already well positioned as an events industry leader in terms of governance.

This broad set of performance assessment criteria not only offers a more holistic and realistic view of the success achieved by the centre over time, it also helps to assure the sustainability of the organisation as a whole and serves to embed a high performance culture whilst driving transformation and growth.

These Key Performance Indicators are cascaded down to the individual performance assessments of every CTICC employee, thereby ensuring that sustainability in all its facets remains a core focus of all staff members.

Scope of reporting

Whilst this first report focuses on the sustainability efforts and achievements of the CTICC during the period 1 June 2010 to 31 May 2011, many of the initiatives, policies and undertakings outlined on these pages extend further back in the centre's history since its establishment in June 2003. This report focuses on the activities related to promoting and implementing sustainability principles based on the triple bottom line approach.

The report specifically refers to the Cape Town International Convention Centre (CTICC) based in Cape Town. Further details about the business principles, management structure and client base are available in the Annual Report. All data and statistics in this report relate to the CTICC unless otherwise stated. The data was provided by the CTICC and supporting documentation is available. This report will be made available in electronic format only.

Given that the financial results and details of the economic contributions of the CTICC for the period under review will only be available after this report is published, it has been necessary, in certain instances, to include figures covering the 2009/10 financial year.



This report focuses on the activities related to promoting and implementing sustainability principles based on the triple bottom line approach. Subsequent reports will be produced on an annual basis.

Whilst the continued profitability of the CTICC is key to its continued growth and success as an international destination, a central tenet of the organisation's existence is making a significant contribution to the sustainable tourism development and economic growth of the City of Cape Town, the Western Cape region and South Africa as a whole. The CTICC's achievements in this regard during the 2009/2010 financial year* are outlined in the table below:

CTICC economic contribution at a glance

	2009/2010	2008/2009	Cumulative
Contribution to GDP	R2.3 billion	R2.3 billion	R14.1 billion
Contribution to GGP	R835.7 million	R828 million	R4.9 billion
Direct jobs created and maintained	3 076	3 242	–
Indirect jobs created and maintained	4 004	4 168	–
Visitor days (excl. induced tourism)	1 119 852	1 213 590	–
Foreign exchange earnings	R903.7 million	R862.0 million	R2.76 billion

* The economic sustainability figures included in this report are taken from the 2009/10 financial reporting period. These were the last audited figures available at the time of producing this report.

FINANCIAL SECURITY

Whilst financial results are not the only measure of the CTICC's success, they are vital components of its sustainability, as a profitable position is an essential requirement for continued effectiveness in contributing to economic, social and environmental sustainability, both within the business and the environment as well as communities in which it operates.

During the 2009/2010 financial year, the CTICC delivered revenue of more than R138.9 million, which represents a 14% increase on the R121.5 million in revenue generated during the previous financial year.

ECONOMIC CONTRIBUTION AND IMPACT

Total contribution to national and provincial economic development

During the 2009/2010 financial year, the CTICC contributed R835.7 million to the Gross Geographic Product (GGP) of the Western Cape and R2.3 billion to South Africa's Gross Domestic Product (GDP). This places the cumulative contribution by the CTICC to the national economy at R14.1 billion – a figure that is projected to rise by a further R17.3 billion over the next five years. Current projections are that the CTICC will make a

The expansion will effectively create a “convention precinct” which, it is envisaged, will contribute to the creation of more than 8 000 jobs annually by 2018.



cumulative contribution of R11.1 billion to provincial GGP by 2015.

Direct economic contribution

Actual operations by the CTICC itself – including capital and operational expenditure, host, organiser and exhibitor expenditure, and delegate spend – have made up R1.7 billion of the contribution to GDP and R610.9 million of the contribution to Western Cape GGP since the centre’s inception.

Indirect economic contribution

In addition to its economic contribution to the national and provincial economies, the CTICC was a net generator of R531.7 million in foreign exchange earnings for the country during the 2009/2010 financial year. This figure takes into account foreign exchange brought into the country by international delegates and returning visitors, as well as the purchases of imports. The business operations of the CTICC also generated R216.9 million in tax revenue and created R1.2 billion in indirect household income.

Expanding our impact

The proposed expansion of the Cape Town International Convention Centre is set to boost Cape Town’s reputation as a globally competitive business destination and contribute to economic growth through job creation in the province. The expansion will effectively create a “convention precinct” which, it is envisaged, will contribute to the creation of more than 8 000 jobs annually by 2018, and unlock construction and development opportunities to the value of over R4.5 billion, which will have a multiplier effect on the economy. A recent feasibility report by economists from the University of Cape Town’s Graduate School of Business that measured the possible impact of the expansion, revealed that the centre’s contribution to national Gross Domestic Product (GDP) could be expected to increase from R2.3 billion currently to over R5.1 billion per annum. It is also hoped that the expansion will enable Cape Town to double the number of international meetings that it currently hosts.

Rather than merely limiting any negative impact its operations may have on the environment, the CTICC is committed to actively contributing to the conservation and preservation of our local natural heritage. Our environmental sustainability efforts are therefore guided by a comprehensive environmental management policy and executed via a range of green initiatives. These are supported by determined and ongoing efforts to embed green as a mindset across the organisation and beyond.

The CTICC's business strategy places a priority on progressively and innovatively implementing best practice sustainable initiatives, particularly (but not exclusively) in terms of energy efficiency, waste management and the reduction of water consumption. These initiatives all impact on the overall environmental footprint of the CTICC as outlined below.

ENERGY EFFICIENCY

A significant part of CTICC's business strategy focuses on implementing energy-efficient technologies and practices throughout the building. CTICC's ISO-14001 accreditation requires adherence to international standards for sound environmental management systems.

The CTICC's policy is to firstly find ways to reduce its energy requirements as much as possible and then to consider alternative energy sources. The main energy

source is electricity, with a back-up support provided by diesel generators. The existing electricity metering focuses on the rentable areas, but is not able to determine electricity consumption in the kitchen, offices or public walkways. There are various, infrequently occupied rooms (storage, toilets and walk-in fridges), where lights are left on. Energy consumption could be optimised by the installation of sensors.

In the kitchens energy management is closely linked to food production with ovens only switched on when needed. Walk-in fridges have air curtains to reduce loss of cold air, whilst hot water pipes are insulated to reduce heat loss. Thermal blankets are used over trolleys for plated functions, as they enable plates to retain the required heat levels for up to 25 minutes. The kitchens are situated in the basement and consequently no gas may be used for safety reasons. Electricity is the sole source of energy for cooking.

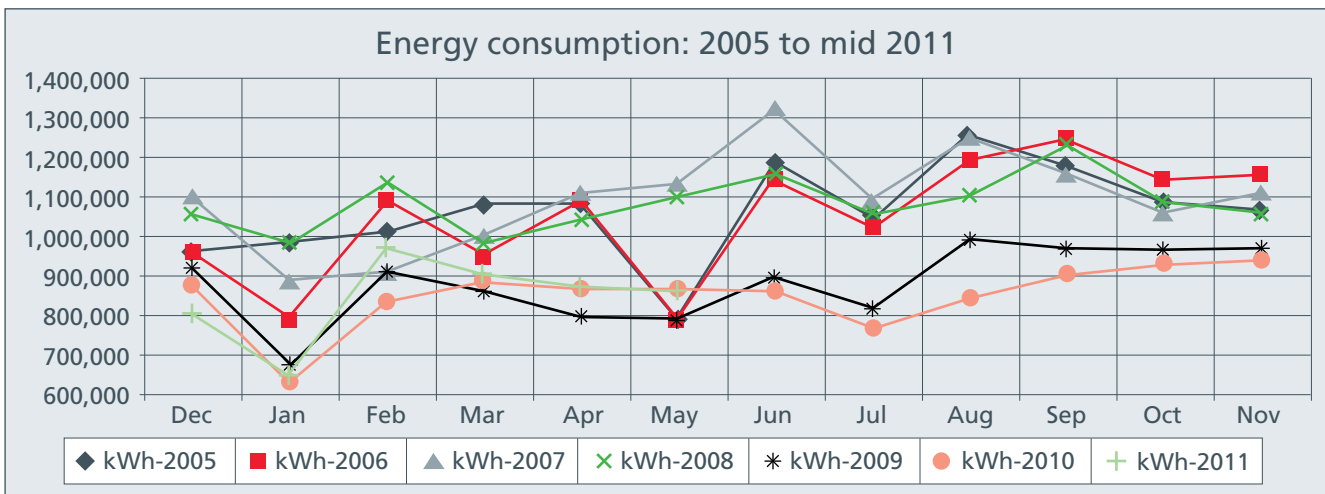
Some of the CTICC's energy efficiency initiatives include:

- The facility management team promotes energy efficiency through on-going maintenance and continuous improvement, including energy-efficient lighting retrofit.
- Variable speed drives have been implemented on HVAC pumps and fan motors, optimising energy usage.





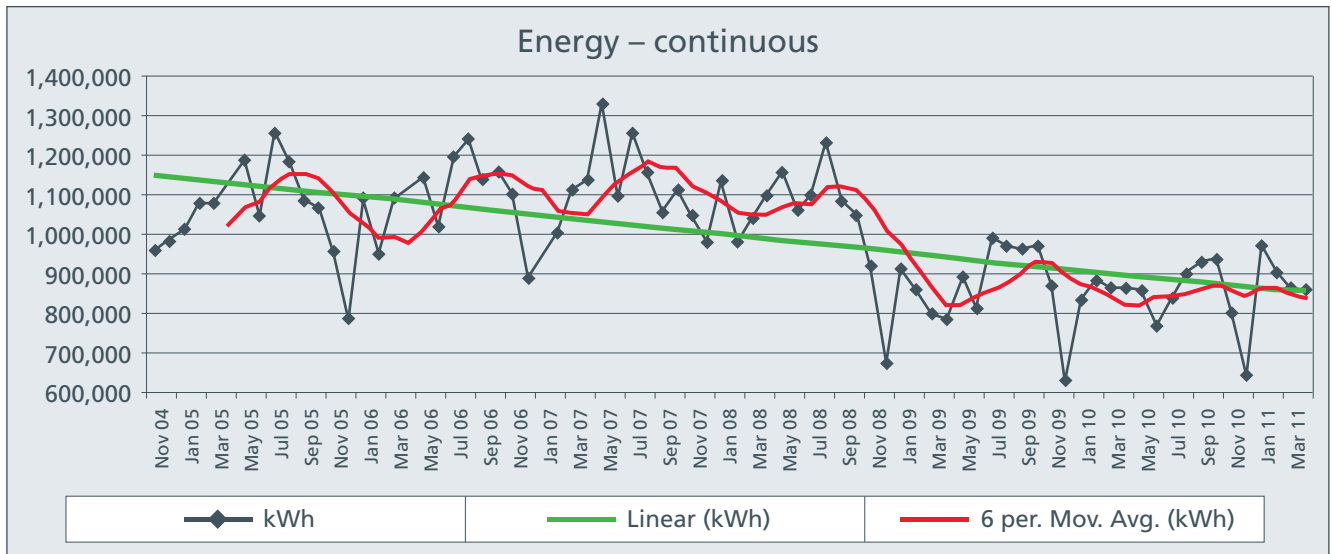
- HVAC systems are adjusted to suit seasonal conditions and on cool days ventilation is used instead of air-conditioning.
- All lighting and HVAC is centrally managed from the control room.
- During build-up and strike the lighting is set to 50% with only ventilation instead of air-conditioning.
- Preferred contractors implement energy-efficient audio-visual and lighting equipment with staggered start-up to reduce the peak energy requirement (KVA).
- All escalators in the centre are fitted with proximity sensors.
- Metering has recently been upgraded to allow more accurate billing to clients for rentable areas.
- Most of the lights in the centre have been equipped with energy-efficient lamps. Natural light is accessed by opening blinds where and when possible.
- Efficient IT technologies are implemented throughout the building, including energy-efficient hardware, efficient cooling of data rooms and server virtualisation.
- Energy-efficient requirements are included into the procurement specifications for applicable capital expenditure.



Year-on-year comparison (total kWh per month as illustrated in the graph above) shows constant improvement in and reduction of electricity consumption as efficiency measures have been implemented and refined.

Energy-efficient light bulbs have been installed and natural light is maximised by opening blinds in all venues whenever possible.

Looking ahead, the CTICC plans to roll out thin-client architecture to all administrative computers to further reduce power consumption.



A continuous plot of electricity consumption (total kWh per month as indicated in the graph above) illustrates the success of efficiency measures, particularly since mid 2009.

Looking ahead, the CTICC plans to roll out thin-client architecture to all administrative computers to further reduce power consumption. Realising the importance of a more integrated building management system (BMS), which can provide more accurate and accessible reporting in near real-time, the centre intends upgrading this in the near future.

ECO PROCUREMENT

To encourage effective resource management and reduce waste, the CTICC supports eco procurement principles. By engaging with suppliers, and through service level agreements, the CTICC is able to request locally sourced goods and services, which supports the local economy and reduces food miles and the associated embodied energy.





For example:

- Polystyrene disposable cups have been replaced with biodegradable cups and reusable glasses are provided whenever practical.
- Menus have been designed to enable local and seasonal preference through providing non-specific recipes.
- Preference is given to procuring organic food whenever possible and all foods used are local. Fish suppliers are all required to be SASSI accredited and freshwater fish (such as trout) are sourced from local farms.

When procuring new equipment, energy efficiency is an important characteristic and appropriate specifications are incorporated in tender requests.

WASTE MINIMISATION

The CTICC is committed to the effective use of resources and the reduction of waste. The first step is to reduce waste generation by the application of best practice in the form of eco procurement. Preference is given to reusable and recyclable products rather than disposable items. As an example, the need for plastic wrap has been minimised through the procurement of reusable sleeves to cover food trolleys.

Waste is sorted on site before collection for recovery and recycling purposes. Waste is generally separated at source to reduce contamination, however, additional focus will be placed on the provision of clearly marked bins for visitors and staff. It is envisaged that this will also become standard practice for events to reduce the quantity of waste going to landfill.

During the reporting period a total of 391 366 kg of waste was generated at the CTICC. A total of 291 639 kg was sent to landfill, whilst 99 613 kg was recycled (25%). The type and amount (measured by weight in kg) is indicated in the table below.

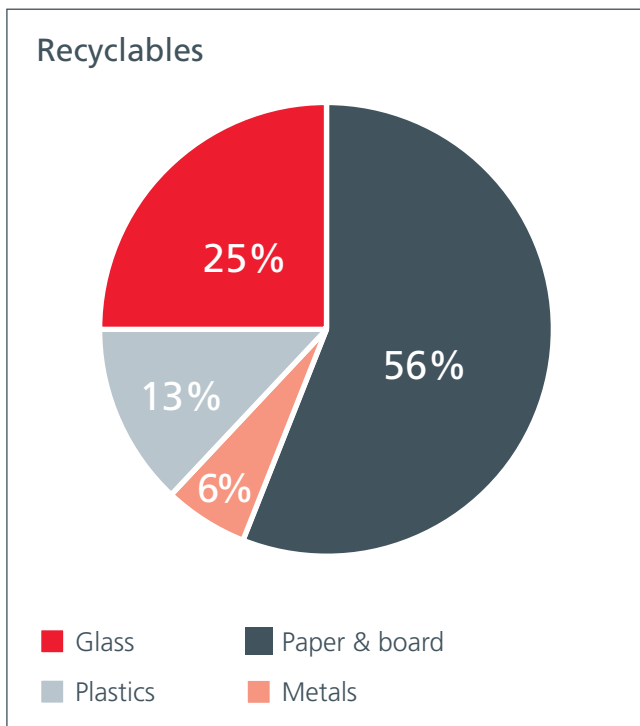
Recycled waste

Paper & board	55,584
Glass	25,425
Plastics	13,078
Metals	5,527
TOTAL RECYCLED (kg)	99,613

Currently 25% of the waste generated at the CTICC is diverted from landfill and sent for recycling.



The main types of recyclables include paper, cardboard, glass, plastic and metal (as illustrated in the graph below). The aim going forward is to improve the effectiveness of the recovery of material by providing greater numbers of clearly marked waste bins to reduce mis-sorting and contamination of recyclable material, rendering it useless so that it has to be disposed of in landfill.



Comprehensive systems and process are in place for the disposal of hazardous waste:

- Used cooking oil is collected by an appointed service provider and used for the production of biofuel.
- Grease traps are regularly serviced; residual grease is treated as hazardous waste.
- A collection point for used batteries has been established at the reception desk. Batteries deposited here are removed for appropriate safe disposal.
- A fluorescent lamp crusher is available on-site to crush and store spent fluorescent lamps prior to safe disposal as hazardous waste, whilst controlling the release of hazardous mercury vapour emissions.
- Hazardous chemical substances (HCS) are stored according to the stipulated method as indicated in the Material Safety Data Sheets (MSDS). Handling and disposal of these are strictly carried out according to the respective MSDS requirements. A series of universal spill kits are provided for oil, water, coolants and solvents. Waste management and cleaning staff have been trained in their deployment.
- Electronic waste, such as computers, LCD/CRT screens, office equipment, and mobile phones, is segregated from the normal waste stream. Disposal procedures are complicated by the need to comply with regulations for disposal of government assets.



The centre is also investigating establishing a worm farm to reduce organic waste to landfill.



Leftover food that can still be consumed is either sent to the staff kitchen or collected by Foodbank South Africa for redistribution to those in need. Appropriate regulations and guidelines are carefully observed in this process.

Clients staging exhibitions can request a skip for waste removal. There is no control over the actual waste content although the skip is taken away and sorted off site. Due to the fact that the CTICC is the sole food supplier and carefully controls food distribution and food waste, the contents of the skips are usually not contaminated with food and have a high recyclable content.

Looking forward, the CTICC will seek to further reduce cardboard waste through the use of re-usable crates or pallets that can be returned to suppliers. The centre is also investigating establishing a worm farm to reduce organic waste to landfill and provide compost for the plants, as well as a herb garden to provide fresh produce for the kitchen.

WATER EFFICIENCY

The CTICC water usage is moderate with the primary use in restrooms and kitchens. As part of our on-going maintenance plan and continuous improvement strategy, we seek innovative methods to reduce our water consumption levels.

Since establishment of the CTICC the water consumption has been reduced through the installation and use of dual flush systems on all toilets in the centre. Some waterless urinals are present in public and staff restrooms. Taps in the public restrooms are being retro-fitted with proximity sensors, which will further reduce consumption.

The kitchens require water for cooking and cleaning. Dishes are washed using two high-capacity, highly efficient conveyor-driven dishwashers, which saves time, energy and water. Staff members are encouraged to use water with care – notices in the kitchens reinforce the message.

Creating new from old

During the past year, the CTICC once again received recognition for its dedication and commitment to implementing sustainable initiatives across every facet of its business. The centre won 3rd place in the Europcar Green Office awards for its innovative use of recycled materials in its office refurbishment. As a leading environmentally sustainable convention centre, CTICC is always looking at innovative ways in which it can reduce its carbon footprint. When it embarked on an office refurbishment project, the decision was made to reconfigure and re-use old desks and furniture to create new furniture, rather than disposing of and replacing it. The result was a clean, new and modern office, created in a way that reflects the centre's sustainability commitment and objectives.



A cleaning services contractor is appointed to provide in-house cleaning services for back of house and the public areas. No laundry facilities are present on site; staff uniforms and table linen are collected and laundered by an outsourced contractor.

The CTICC strives to use eco-friendly cleaning products wherever possible. Material Safety Data Sheets (MSDS) are clearly posted on the walls where the cleaning products are stored.

Indoor landscaping utilises indigenous and water-wise plants, which are watered by means of a drip irrigation system. The CTICC also takes responsibility for the maintenance and irrigation of the islands and traffic circle outside the venue – this is outsourced to a landscaping company.

The centre is planning to ensure greater water savings through the installation of water-efficient showerheads in staff restrooms and a possible investment into rainwater harvesting tanks and the installation of a water recycling system.

The CTICC recognises that more accurate data needs to be kept around water management. Sub-metering, allowing greater granularity of measurement of water use, is required and will be investigated.

TRANSPORT

As an international convention centre, transport is the major contributor to the CTICC's carbon footprint – as a result of travel undertaken by the centre's representatives and clients as well as guests attending events at the CTICC.

Whilst much of the transport used by clients and visitors is beyond the control of the CTICC, the centre encourages the use of environmentally friendly transport options, such as public transport, car-pooling, pedi-cabs and choosing accommodation close to the centre. There are pedestrian walkways and even a unique water taxi to the Waterfront that stops right outside the CTICC entrance.

The CTICC is working to limit transport-based emissions as a result of events it hosts by cooperating with public transport companies and offering various emissions-reducing innovations. During the year under review the Green Cab company – a preferred transport provider to the CTICC – transferred the centre's clients and guests over a distance of 8 171 kilometres. These trips were all metered and the greenhouse gas emissions were calculated and offset in partnership with Food and Trees for Africa.

The City of Cape Town's MyCity buses and airport shuttles allow for further reductions in transport-based

The CTICC is working to limit transport-based emissions as a result of events it hosts by cooperating with public transport companies



emissions, and the CTICC is working closely with the City to find innovative ways of maximising usage of these public transport systems by delegates. The centre's proximity to a number of world-class hotels also puts it within walking distance for delegates.

The rollout of Cape Town's Integrated Rapid Transit (IRT) system will enable further success in this regard by integrating all modal options into a coherent package for the customer.

Internally, the CTICC is striving to reduce its transport-based emissions by encouraging greater use of video- and tele-conferencing by staff and management wherever possible. The CTICC owns four vehicles, including a motorcycle, pick-up, cherry picker and forklift.

GREENHOUSE GAS EMISSIONS

Direct GHG emissions (scope 1) that occur from sources that are owned or controlled by the CTICC are minimal. Only emissions resulting from the operation of on-site vehicles (cherry-picker and forklift) and diesel generators are considered here.

The indirect GHG emissions (scope 2) associated with the generation of purchased electricity used by the CTICC can be calculated based on the electricity consumption figures

(these emissions physically occur at the facility where the energy is generated). According to the property utility records, a total of 10.29 GWh of electricity was used during the year under review. Based on the conversion factors provided by Eskom (June 2009) an estimated amount of 10 195.42 tonnes of carbon equivalent was generated through electricity consumption.

Other indirect GHG emissions (scope 3) that are a consequence of the activity, but that occur from sources not controlled by the CTICC (such as transport of participants to the venue), are not so easy to calculate. Record is, however, kept of local and international flights by staff. A total of 18 staff members flew a total of 64 local return trips to Durban and Johannesburg in the year under review, which resulted in a total of 14.14 tonnes of CO² equivalent. In addition to this a total of 11 staff members made 22 international long-haul flights, which calculated to 20.57 tonnes of CO² carbon equivalent. The Food and Trees for Africa on-line carbon calculator was used to do this calculation so that it links up with the *My Tree in Africa* initiative, which is supported by the CTICC.

The average long-haul return flight produces 1.4 tonnes of carbon per passenger. Trees absorb carbon dioxide and convert it to oxygen, thereby preserving the environment and adding to the aesthetic appeal of communities.

My Tree in Africa

In order to offset the centre's carbon emissions due to short-haul flights undertaken by the management team, the CTICC partnered with two local schools to plant 58 trees at the Ruijterwacht Preparatory and De Waveren Primary. This was part of the CTICC's *My Tree in Africa* initiative, which was launched in 2010 to mitigate carbon emissions and raise awareness around the importance of hosting sustainable meetings and events.



By creating green spaces in the communities, planting trees also helps revitalise urban neighbourhoods and strengthen CTICC's ties with local communities.

REALISING THE VISION

In addition to its policy-driven initiatives aimed at promoting environmental sustainability, the CTICC continues to introduce various innovations aimed at driving its vision of becoming an environmental leader. In recent years, these have included:

- **Nurture Our World (NOW)** – The CTICC formalised its environmental commitment through the development of its *Nurture Our World (NOW)* initiative. Through this initiative the CTICC aims to achieve excellence in environmental responsibility in all facets of its business.
- **NOW Supplier Accreditation** – In order to encourage suppliers of the CTICC to align themselves with the centre's sustainability objectives, CTICC developed a set of environmental criteria that it encourages its suppliers to meet.
- **Smart Living Training** – The CTICC, in conjunction with the City of Cape Town, offered its staff comprehensive 'Smart Living' training, aimed at encouraging environmental awareness and 'green' practices, both in the workplace and at home.

- **Green Event Packages** – The Green Event Packages allow event organisers to purchase green power, replace bottled water with water jugs, use recycled notepads and pencils and choose organic meal options.
- **Event Greening Forum** – The CTICC supports the Event Greening Forum, which drives awareness of the importance of implementing sustainable initiatives in the meetings and events industry.

In line with the focus on environmental leadership, the CTICC aims to actively intensify its communication efforts to make all its stakeholders and staff aware of industry-related greening initiatives. In this way the CTICC will be able to capitalise on its core sustainability values and ensure we have a positive impact on every individual who enters the building.

Nurture Our World

More than a clever logo or a once-off campaign, the CTICC's NOW initiative epitomises CTICC's commitment to total sustainability. Created from the N, O and W of the statement 'Nurture Our World', the logo uses these three letters to represent a tree within a protective shape or capsule. In addition to being an acronym, NOW is a strong call for action by the CTICC to all its stakeholders to join the centre in living out its commitment to protecting the environment and preserving the world's natural resources. In addition to formalising the organisation's environmental and social commitment, the NOW initiative has been expanded recently to include supplier accreditation.



we are a green conscious convention centre

Social Sustainability



As a convention centre with a stated commitment to contributing towards the sustainable economic development of Cape Town, the Western Cape and South Africa as a whole, the CTICC is committed to uplifting the communities in which it operates, enabling the social and economic sustainability of businesses and individuals. The CTICC is aware of the fact that its staff is crucial to its sustainable success. For this reason, a priority is placed on developing the knowledge and skills of all CTICC employees, both permanent and casual, and the creation of a unifying, empowering and growth-promoting culture that promotes the centre’s social sustainability agenda.

EMPLOYMENT CREATION

Direct and indirect job creation is a key means by which the CTICC contributes to the social upliftment of individuals and communities in the city, region and country. As a direct result of the existence and operations of the CTICC, 3 076 people were employed in the Western Cape and a further 4 004 people were employed indirectly around the country in the 2009/10 financial period.

It is anticipated that the number of people directly employed due to the CTICC will increase to 3 913 per annum by 2015, whilst the number of indirect jobs is estimated to rise to close to 5 000 per annum.

Contribution to provincial direct jobs – Western Cape

Financial year	Known		Projected				
	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
CTICC capital expenditure	31	36	19	50	31	29	30
CTICC operational expenditure	55	52	52	51	53	52	52
Host/organiser expenditure	37	42	47	41	39	38	36
Exhibitor expenditure	131	138	164	148	128	121	112
Delegate expenditure	2 127	1 956	2 970	2 388	2 322	2 371	2 301
Induced tourism	860	854	953	1 015	1 062	1 473	1 382
Total direct jobs	3 242	3 076	4 205	3 693	3 634	4 085	3 913

The CTICC takes its role as a social upliftment facilitator very seriously and is committed to making a positive contribution.

ENTERPRISE DEVELOPMENT

The CTICC continues to place a high priority on contributing to enterprise development in South Africa. Through effective business partnerships with its suppliers and service providers – many of whom have grown with the organisation since inception – the CTICC affords these small and medium enterprises the opportunity to develop into sustainable businesses.

Effective BEE supply chain procurement practices form part of the CTICC's key performance indicators. A procurement audit in 2010 showed that 54% of all CTICC procurement spend was placed with BEE businesses and suppliers.

SOCIAL UPLIFTMENT AND VOLUNTEERISM

The CTICC takes its role as a social upliftment facilitator very seriously and is committed to making a positive contribution towards improving the lives of the disadvantaged in and around greater Cape Town. To this end, the centre strives to provide staff, guests and suppliers opportunities to be involved in helping those less fortunate than themselves and sustaining the environment. Initiatives include:

- Bring back your bag – event organisers are encouraged to prompt delegates to donate unwanted congress bags, pens, notepads and lanyards for distribution to schools in Cape Town's disadvantaged communities.

- Food redistribution – the CTICC donates all excess food from functions it hosts to a registered non-profit organisation that delivers food to 66 beneficiary organisations. On a daily basis, each of these feeds an average of 120 people – many of whom are vulnerable children in care homes and pre-school facilities, as well as terminally ill patients, the disabled and the elderly.
- Charity support – Since 2008, the CTICC has supported eight local charities and social institutions that were selected by staff. These are:
 - The Eziko Cooking and Catering Training Centre
 - The SPCA
 - The Farouk Abrahams Goalkeeper Academy
 - The League of Friends of the Blind
 - CAFDA (Cape Flats Development Association)
 - Nazareth House
 - Doornbacht Community Centre
 - Homes for Kids in South Africa

In 2010, staff were invited to nominate new charities to add to this list of supported organisations. In addition to the contributions via the CTICC's formal CSR programme, staff members at the centre are encouraged (but not required) to get involved in supporting these and other charities or projects in their personal capacities.

Lending a hand

UCT Graduate School of Business students from the CTICC, The Westin, and Winchester Mansions partnered with the Cape Flats Development Association (CAFDA) to secure over 200 hours of voluntary community services from businesses and raise over R12 000 at a breakfast hosted by the CTICC.

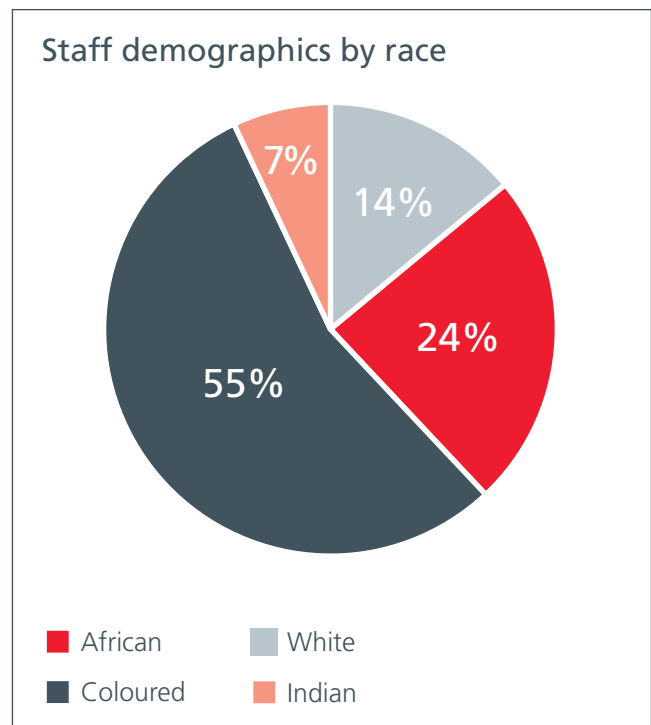
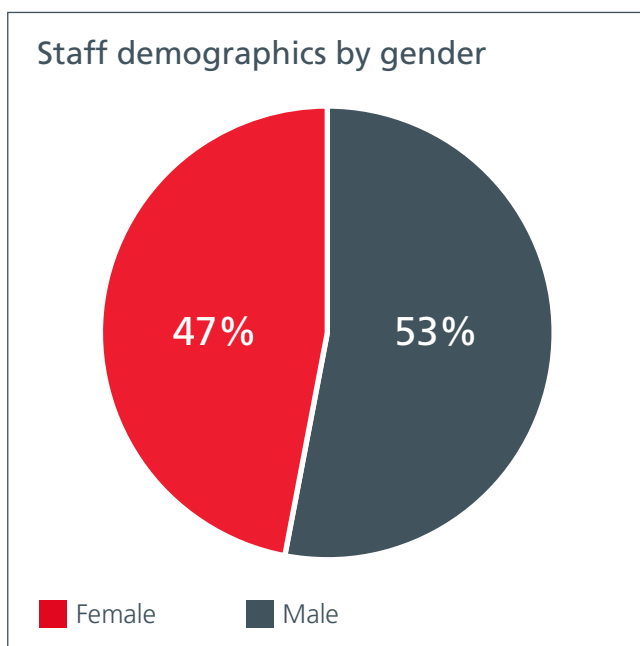


The CTICC runs a comprehensive talent management and skills development programme aimed at furthering the knowledge, enhancing the skills, and raising the employability of all its staff members

TRANSFORMATION, EMPOWERMENT AND GENDER EQUITY

The CTICC is committed to contributing to the transformation of the South African hospitality industry and follows stringent employment equity policies. As at the end of June 2011, a total of 86% of staff employed by the CTICC were from historically disadvantaged population groups.

The CTICC staff profile can be illustrated as follows:



TRAINING AND EDUCATION

The CTICC runs a comprehensive talent management and skills development programme aimed at furthering the knowledge, enhancing the skills, and raising the employability of all its staff members. This recognition of this commitment by the broader events and hospitality industries has seen the CTICC become a highly attractive



place to work, and the centre attracts, and retains, a consistently high calibre of employee. In so doing, a self-perpetuating cycle of personal and organisational development has been created, as talented and motivated staff add value to the organisation and build its high-performance culture, whilst simultaneously enjoying every possible opportunity for self-development and personal growth.

The CTICC's internship programme, which is run in collaboration with the City of Cape Town, offers educated, but unemployed, individuals from local communities the opportunity to obtain skills and experience in the hospitality industry by working at the CTICC for a period of six months to one year. Since its inception at the start of 2010, the programme has proven immensely popular and has afforded the interns the opportunity to make themselves significantly more employable, whilst allowing the CTICC to bolster its temporary and part-time staff complement in a cost-effective manner. A specific focus area is the kitchen, where interns are received from institutions such as School of Skill, Jobstart, False Bay Khayelitsha Campus, Eziko and Walter Sisulu University.

Specific training and education interventions at the CTICC include:

- Ongoing opportunities for employees to attend short courses, and study towards relevant diplomas and degrees.

- Internal and on-the-job training in customer care and service, performance management, and sustainability.
- The opportunity for select staff members to attend national and international hospitality industry conferences.
- A job rotation system and job shadowing scheme that allows employees to gain experience or insight in other positions within the organisation.

In partnership with the University of Cape Town's Graduate School of Business, the CTICC has developed and implemented a Post-graduate Diploma in Event Management – an honours level course designed to equip hospitality and events managers with specific skills, thereby helping to raise the standards of South African events management and conferencing.

CUSTOMER SERVICE EXCELLENCE

An independent client service improvement company has been contracted to conduct monthly research to gauge the satisfaction of the CTICC's clients with the services and facilities on offer. The research is extensive and includes every aspect of the client's experience when dealing with the CTICC. The resulting client satisfaction index is updated quarterly and provides valuable insight into ways in which the CTICC can improve service delivery and create consistently excellent guest experiences. For the 2009/2010 year, the average service level target of 75% across the entire CTICC was met and exceeded.

In partnership with the University of Cape Town's Graduate School of Business, the CTICC has developed and implemented a Postgraduate Diploma in Event Management.

The CTICCC's Code of Conduct serves to prevent extortion, bribery and corruption amongst its employees and directors.



HUMAN RIGHTS

The CTICC is committed to entrenching and promoting, in every area of its business, respect for human rights and freedoms as set out in the Constitution of the Republic of South Africa as well as the Universal Declaration of Human Rights. An extensive set of policies and procedures ensure that this commitment is carried through and ensure the protection of human rights of all CTICC employees and suppliers. These include:

- Conditions of employment
- Business practices and procedures
- Security (including health & safety)
- Employee Rights and Disciplinary Code
- Employee benefits
- Financial policies (including supply chain management)

OCCUPATIONAL HEALTH AND SAFETY

It is important that the CTICC manages environmental and occupational health and safety risk exposures in a consistent manner. This is driven by forces such as the need for improved corporate governance, changing regulatory requirements, more demanding stakeholders and increased competition for market share. The CTICC includes this in its management system and provides weekly training for staff to ensure that they are aware of the requirements and are able to comply with the regulations.

ANTI-CORRUPTION

As a Municipal Entity, the CTICC adheres to the Local Government Municipal Finance Management Act (MFMA), no. 56 of 2003, which aims to secure sound and sustainable management of the financial affairs of municipalities and municipal entities.

As part of this legislative adherence, the CTICC has a comprehensive Supply Chain Management Policy that ensures all contracts or business agreements are awarded via a fair, equitable, transparent, competitive and cost-effective system.

The CTICC's Code of Conduct serves to prevent extortion, bribery and corruption amongst its employees and directors. Employees and clients have access to an ethics hotline through which to report incidents or suspicions of unethical activity, and the centre is in the process of forming an ethics committee that will be responsible for setting and monitoring ethics policies.

Compliance with all relevant legislation, codes and policies is closely monitored with any exceptions or irregularities reported directly to the Audit Committee and the Board. The CTICC is also subject to an annual audit by the Auditor General of the Republic of South Africa, and an audit report is submitted to National Treasury.

The following GRI indicator table is based on the guidelines for sustainability reporting as issued by the Global Reporting Initiative (GRI). As this is the CTICC's first official Sustainability Report, it is our belief that the C-level of the G3.1 guidelines applies to this report. We have attempted, wherever possible, to exceed the requirements of this C-level application, and will endeavour to further improve and extend our reporting in future years.

G3.1 Content Index – GRI Application Level C			
		Page in report	Reason for omission if applicable
STANDARD DISCLOSURES PART I: Profile Disclosures			
1. Strategy and Analysis			
Profile Disclosure	Description		
1.1	Statement from the most senior decision maker of the organisation.	1	
2. Organisational Profile			
Profile Disclosure	Description		
2.1	Name of the organisation.	1	
2.2	Primary brands, products, and/or services.	2, 4	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	4, 6	
2.4	Location of organisation's headquarters.	8	
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	N/A	Only in South Africa
2.6	Nature of ownership and legal form.	4	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	4	

G3.1 Content Index – GRI Application Level C (continue)

		Page in report	Reason for omission if applicable
STANDARD DISCLOSURES PART I: Profile Disclosures (continue)			
2. Organisational Profile (continue)			
Profile Disclosure	Description		
2.8	Scale of the reporting organisation.	AR	Annual Report
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	4	
2.10	Awards received in the reporting period.	4	
3. Report Parameters			
Profile Disclosure	Description		
3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	8	
3.2	Date of most recent previous report (if any).	N/A	First Report
3.3	Reporting cycle (annual, biennial, etc.)	8	
3.4	Contact point for questions regarding the report or its contents.	30	
3.5	Process for defining report content.	2	
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	8	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	8	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	16, 17, 21	Partial
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	N/A	First Report
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	N/A	First Report
3.12	Table identifying the location of the Standard Disclosures in the report.	25	

G3.1 Content Index – GRI Application Level C (continue)

		Page in report	Reason for omission if applicable
STANDARD DISCLOSURES PART I: Profile Disclosures (continue)			
4. Governance, commitments and engagement			
Profile Disclosure	Description		
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	6	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	6	
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	6	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	5	
4.14	List of stakeholder groups engaged by the organisation.	5	
4.15	Basis for identification and selection of stakeholders with whom to engage.	4, 5	
STANDARD DISCLOSURES PART III: Performance Indicators			
GRI REQUIREMENT: REPORT FULLY ON 10 CORE OR ADDITIONAL PERFORMANCE INDICATORS			
Economic			
Profile Disclosure	Description		
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	9, 20, AR	
Market presence			
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	10, 13, 21	
Indirect economic impacts			
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	10, 13, 20, 21, AR	



G3.1 Content Index – GRI Application Level C (continue)

	Page in report	Reason for omission if applicable
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STANDARD DISCLOSURES PART III: Performance Indicators (continue)

GRI REQUIREMENT: REPORT FULLY ON 10 CORE OR ADDITIONAL PERFORMANCE INDICATORS (continue)

Environmental

Profile Disclosure	Description		
Energy			
EN3	Direct energy consumption by primary energy source.	11, 12	
EN5	Energy saved due to conservation and efficiency improvements.	11, 12	
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	18	
EN17	Other relevant indirect greenhouse gas emissions by weight.	17, 18	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	17, 18	
EN22	Total weight of waste by type and disposal method.	14	
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	11 – 19	
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	17	
Social: Labour Practices and Decent Work			
Profile Disclosure	Description		
Occupational health and safety			
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	24	

* CTICC Annual Report (2010 and 2011)





REPORT ON PROGRESS

The following table outlines the specific pages on this report that contain information on the CTICC’s compliance with, and progress made in terms of, the 10 key principles contained in the United Nations Global Compact.

United Nations Global Compact Principle		Page(s) of report on which covered
1	Business should support and respect the protection of internationally proclaimed human rights.	24
2	Business should ensure that they are not complicit in human rights abuses.	24
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.	24
4	Business should uphold the elimination of all forms of forced and compulsory labour.	24
5	Business should uphold the effective abolition of child labour.	24
6	Business should uphold the elimination of discrimination in respect of employment and occupation.	22
7	Business should support a precautionary approach to environmental challenges.	19
8	Business should undertake initiatives to promote greater environmental responsibility.	19
9	Business should encourage the development and diffusion of environmentally friendly technologies.	24
10	Business should work against corruption in all forms, including extortion and bribery.	24

CTICC is proudly associated with:





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