

APPENDIX 5 - SAARF TRANSFORMATION CHARTER

1. Vision

Our vision is to remain the premier provider of media and product research information to our stakeholders in the communications industry, enabling them to identify target markets and buy and sell advertising space and time in the most efficient and cost effective manner.

2. Mission

SAARF is South Africa's and one of the world's foremost national providers of media audience and product research. SAARF is an independent learning organization run by the industry for the industry. It is focused on ever improving its services and provision of knowledge, both nationally and to other African countries. SAARF strives for quality in every aspect of its research. Conscious of our past, we are committed to the success and development of a new, non-racial, democratic South Africa.

3. Formal Transformation Charter

SAARF rededicates itself to formal, time-bound transformation plans to redress inequalities in its corporate governance.

SAARF's transformation plans are but a means to an end. The eventual goals of this process are namely equality and equal opportunities for all the players in the industry and the empowerment and development of skills for those previously disadvantaged.

In addition, SAARF is in the process of creating a corporate governance structure that results in fair representation of the heterogeneity of our society.

4. Corporate Governance

4.1 At a SAARF Board meeting held on 7 March 2001 the composition of the SAARF Board was debated to see whether, in the light of all the changes that have taken place over the past few years, the current size and structure of the Board were still adequate for the effective representation of all constituencies and to ensure that the transformation of the SAARF Board be accelerated.

Two of the most important strong points of SAARF that have greatly contributed to its success over the past 27 years, have been:

- c. Inclusivity, in that through the years SAARF has always adapted to change and welcomed and accommodated new players in its structures, and
- d. The fact that top people from all sectors of the industry have been committed to SAARF, thus making their intellectual capital available, not only to SAARF, but also in the broader interests of joint industry research.

It was accepted, however that, because of the changes of the past decade or so, factors such as the evolving South African landscape, fragmentation of the media, deregulation, globalisation etc., have brought us to a point where we needed to make it possible for even wider representation at all levels in SAARF.

4.2 The Board felt that in order to meet all the needs as expressed above, with the smallest amount of disruption to the functioning of the Board, the following changes be implemented as quickly as possible:

- c. That the number of Board members of each constituency be doubled to give all constituencies the capacity to accommodate the different sectors within their constituencies more effectively, as well as to ensure that the transformation of the SAARF Board be accelerated.

- d. As the change in the size of the Board did not have an effect on the proportional representation on the board, the balance among the different constituencies remained unchanged.

The above measure was regarded **as an interim measure**. Once our transformational objectives have been met, the size and composition of the board will be re-evaluated.

The above proposal gave all member organizations the freedom to elect sufficient members to the SAARF Board to represent their diverse needs adequately, and at the same time, rapidly moving the transformation process forward.

SAARF and all its stakeholders formally reaffirms this commitment to a process that was started over a year ago to effect the necessary changes to the composition of the SAARF Board of Directors and all SAARF Councils to ensure fair representation of the heterogeneity of our society at all levels within the organization. SAARF's goal is to have all corporate governance bodies fully representative by 31 December 2005.

5. Employee Development Scheme

Although SAARF is a small body which consisted of only 5 staff members at that stage, the SAARF Board of Directors also agreed to create an additional post within SAARF for the development of a young and promising black person who wanted to enter the field of media audience and products research. In this position a young person will get training and mentoring at the highest level and if he/she so wishes will be free to move on to any other organization in the industry without any obligation to SAARF. The post will then be used for training and mentoring a new person, as long as it is necessary.

In addition, SAARF's commitment to affordable training, mentoring and development programmes to encourage diversity in the specialized field of media research remains unchanged and closer co-operation with tertiary education institutions will be strengthened.

6. Staffing

SAARF is committed to transformation on both race and gender even though there are now only 6 staff members. If any employee resigns, replacements will be made in line with Employment Equity wherever possible.

7. Business Partners

In respect of Business Partners, SAARF is committed to BEE (Black Economic Empowerment) in the companies that SAARF will do business with. The following aspects will be taken into account when deciding on the acceptability of prospective business partners:

- a. Shareholding or joint ventures are very clear and unambiguous barometers to measure commitment to true empowerment. We will therefore require of our business partners to demonstrate that they are actively working towards an arrangement in this regard.
- b. We will require our business partners to be actively working towards employment equity or have achieved employment equity.
- c. We will require that business partners subscribe to our Transformation Charter, or to some other formal vision which SAARF's executive officers accept as at least equal to ours.
- d. It will be expected of prospective business partners to submit clear targets in respect of the above requirements.

8. Monitoring Of Progress

The SAARF Board will track the progress of all transformation issues and reports to the Board in this regard will be submitted on a regular basis.