

Safiyya Patel  
Partner



#### Area of speciality

Social impact and governance in the corporate sector, with a focus on BEE and employee trusts. I work with a range of companies, including financial services, telecoms, renewables, multinationals, listed and unlisted entities.

Experience in ESG (focus being within SA and especially in the deal making / financial market space)

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ESG is still quite nascent in SA. Advising corporates on governance policies has always been an integral part of corporate work, and ESG, in different forms, has been part of corporate policy for many years. But ESG as a holistic approach is still relatively new. We are particularly conscious of how important it is becoming in the M&A space, and particular for inward investors, who scrutinise a company's ESG closely before they make an acquisition.

For example, we are involved in a potential acquisition of a South African company, acting for the foreign buyer. A key qualification to their decision is whether the practices of the target company, in terms of the fees they are charging to underprivileged clients, could be considered unfair or excessive. They do not want to be seen to be investing in a company that is treating customers unfairly.

There are some good examples of South African companies that are very aware of ESG and put it at the forefront of their decisions. One in the retail space is Woolworths, which is very careful in its supply chain to ensure that the materials its suppliers use are sustainable and that their suppliers have empowerment policies in place.

#### Thoughts on ESG as a whole in the context of SA

SA cannot turn a blind eye to the concept of ESG. There is a need for partnership and collaboration between public and private sectors and this is an opportunity for everyone to achieve a win-win solution.

#### Hurdles/challenges within this sector

There is a great need for educating South African companies to understand the benefits of ESG and take a forward-looking approach. We need to do a lot more work in getting companies to understand how their actions impact communities, rather than having a selfish, profits-first approach.

South African businesses need to move away from the traditional, top-down way of decision making and become more inclusive. This entails, for example, consulting more with employees and communities and thinking beyond factors like age, gender and race.

One of the biggest problems that SA faces is youth unemployment – it has so many knock on effects, including increased levels of crime. A company like Woolworths has the understanding that if it doesn't contribute to job creation, its business suffers too because its market is not growing. Forward-looking companies appreciate that issues like this affect the success of their businesses. They know they must think harder about how to create opportunities for the youth by listening to them and understanding the hurdles they face.

#### Some personal information, eg how did you get into this speciality?

I feel very passionate about social impact. I have advised on a lot of BEE regulatory work and impact work and that is how I moved in this direction. There is a lot of overlap between those two areas. I couldn't do this work if I were not passionate about it. It gives me purpose and fulfilment, and keeps me interested in what I do.

#### Interesting fact(s) about yourself / your achievements

If I wasn't a lawyer I might have done something in the creative arts, probably become a comedienne. ●

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