

THE VALUE WE CREATE

Connecting people and enabling businesses are the main outcomes of the mobile and fixed network services we offer. Communication improves quality of life, enables efficiency, connects supply and demand, and supports the sharing of information and data between individuals and businesses.

Research has shown a direct correlation between the provision of mobile voice and data services and economic growth. Increasing access to our services by widening coverage and driving affordability supports economic growth and job creation. This increases economic capacity and spending power, which in turn supports socioeconomic development. Besides the direct economic and social value our core business creates, we create value for our stakeholders in many different ways – some of which are highlighted below for the 2015 financial year.

FOR OUR CUSTOMERS

WE'RE EXPANDING OUR NETWORKS AT AN UNPRECEDENTED RATE, INTRODUCING LTE/4G and enhancing our voice services, investing **R13 305 million** in capex in the year.



We've extended **3G coverage to 96%** and **LTE/4G coverage to 35%** of South Africans. We're **expanding voice and data coverage in our International operations**. With our ultra-low-cost base stations, which use solar power and can be built in four days, we're **increasing coverage in rural areas**.



PG 32 For more information on how we're creating value for our customers, refer to our customer and growth strategies.

To drive affordability, our blended average effective price per minute reduced 17.7% and our average effective price per MB reduced **24.1%**. We also continue to make low-cost smart devices available.

OUR MOBILE FINANCIAL SERVICES, **m-pesa** WITH 8.1 MILLION CUSTOMERS AND **m-pawa** WITH 1.8 MILLION CUSTOMERS, ARE PROVIDING MONEY TRANSFER, SAVINGS AND CREDIT SERVICES TO PEOPLE OUTSIDE THE TRADITIONAL FINANCIAL SYSTEM.

WE WERE AWARDED FIRST PLACE IN THE SUNDAY TIMES TOP BRANDS 2014 IN BOTH THE CONSUMER AND BUSINESS TELECOMS CATEGORIES.

FOR OUR PEOPLE



PG 54 For more information on how we're creating value for our people, refer to our people strategy, and our human capital report on www.vodacom.com

WE PAID **R4 886 million¹** TO OUR 7 786 EMPLOYEES in salaries, incentives, contributions to pension funds and medical aid schemes.

1. Excludes capitalised staff expenses of R646 million. Includes dividends declared to FSP participants of R50 million.

WE'RE SERIOUS ABOUT DIVERSITY In South Africa

- 74%** of our employees are black
- 44%** of whom are women
- 58%** of our Executive Committee members are black
- 17%** of whom are women.

WE SPENT **R130 MILLION** ON SKILLS DEVELOPMENT AND ENROLLED **77** GRADUATES IN OUR GRADUATE PROGRAMME.

FOR OUR PROVIDERS OF CAPITAL



PG 62 For more information on how we're creating value for our providers of financial capital, refer to our performance review.

SINCE LISTING ON THE JSE, WE'VE DELIVERED A **TOTAL SHAREHOLDER RETURN** OF



as at 31 March 2015.

WE PAID A TOTAL OF **R13 537 million** TO EQUITY SHAREHOLDERS AND DEBT FUNDERS IN 2015, WITH **R11 800 million** PAID IN DIVIDENDS AND **R1 737 million** PAID IN INTEREST RESPECTIVELY.



We were recognised as a

BEST PERFORMER

on the **JSE's Socially Responsible Investment ('SRI')** Index for the third year, having been included in the Index for the sixth year.

IN OUR SOCIETIES

WE CONTRIBUTED

R5.3 billion to public finances through corporate taxes, which account for only a portion of our direct and indirect contributions in the countries in which we operate. **OUR TOTAL CASH CONTRIBUTION TO PUBLIC FINANCES WAS**

R13.5 BILLION



WE RETAINED OUR **LEVEL 2** BLACK ECONOMIC EMPOWERMENT CONTRIBUTOR STATUS.

In procuring goods and services, we spent **R5.6 BILLION** WITH **BBBEE SUPPLIERS** and **R2.6 billion with SMEs.**



WE LAUNCHED THE **INNOVATOR TRUST** TO ASSIST BLACK ENTREPRENEURS IN THE ICT SECTOR TO GROW THEIR BUSINESSES, SUPPORTING **18 SME COMPANIES.**



VODACOM E-SCHOOL INITIATIVE WON a Frost and Sullivan Award for South African **e-Education Technology Innovation Leadership.**



PG 57 For more information on the different ways in which we contribute to society, refer to our reputation strategy, and to our public finances, transformation, committees and environmental reports on www.vodacom.com

The Vodacom Foundation continues to employ our technology to support education, health and safety initiatives. We spent

R95.5 million

ON CORPORATE SOCIAL INVESTMENT ACROSS THE GROUP IN 2015.

WE WERE RANKED **1st**

In the telecoms sector and third overall in the 2014 **Top Companies Reputation Index** performed by Plus 94 Research.