

HOW WE'VE PERFORMED AGAINST OUR STRATEGIES

STRATEGY 4

PEOPLE



Our people are a key determinant of our success. We remain focused on growing and developing the talent, skills and diversity we need, and on ensuring our people feel engaged, well-managed and included.

Why is this so important to us?

Our people need to perform at their best to deliver on our strategic priorities. To deliver the best experience to our customers we need technical skills (best network), product development and financial expertise (best value) and great customer-facing employees (best service). To capacitate the new services pillar of our growth strategy, we often look outside our industry to find diverse skills that bring new ways of thinking to our business.

To ensure all our people are aligned when it comes to delivering on our strategy, during the year, our CEO visited all our regions in South Africa as part of the annual roadshow, and engaged with

employees to help them understand our strategy and what is expected of them in terms of the three-year goals we have set for each of our five strategic focus areas.

TARGET

Achieve an engagement score of: 80 |

Enhancing diversity

Driving diversity gives us the benefit of different life experiences, perspectives and ideas that help us serve our customers better.

The representation of women remains a challenge for our business and for the broader telecommunications industry. Less than 50% of our employees are women, and this difference becomes more pronounced at higher management levels. We are committed to increasing the representation of women at all levels in our business. At a senior level, key appointments in the year contributed in some way to addressing this challenge. Yolanda Cuba moved from our Board to our executive team as Chief Officer: Strategy and Development, Murielle Lorilloux was appointed as the first woman Managing Director of our DRC operation and Lilian Barnard was appointed as Chief Sales Officer: Enterprise Business Unit in South Africa.

We have grown black representation at senior management level to 53% and increased the representation of women in senior management to 32%. We continue to work on improving our diversity. In the Group 74% of our employees are black and 44% are female. At an Executive Committee level 58% of our members are black and 17% are female, making this Executive Committee the most transformed Executive Committee Vodacom has ever had.



Refer to our human capital report for our targets and how we are progressing, and our transformation report for more on employment equity.

Our Female Leaders in Waiting programme is a key initiative to help achieve our target of 45.2% women representation at senior management level. Run in partnership with the Gordon Institute of Business Science, this one-year programme supports high-potential black women outside of Vodacom to build a talent pipeline. This year the programme was extended to women employees within Vodacom. Participants are offered unique access to our executives through quarterly engagement sessions, mentorship as well as business insights. Seven of the 12 participants in the 2014 programme were placed in various roles in Vodacom.

Developing skills

The telecommunications industry is evolving fast and so are the skills we need. One of our strategic focus areas is on providing new services, which means we need to attract skills from outside our traditional business areas to ensure that we have the right talent to take our business into the future.

Graduates form an important pipeline to meet future core needs. This year, we appointed a dedicated resource to enhance the effectiveness of our two-year Graduate programme. For the 2015 intake, 77 high-calibre and diverse graduates were selected. Of the 35 graduates from our 2013 programme, 12 were placed in permanent positions this year.

Growing talent

One of the ways we invest in people is through our talent programmes. One such programme is our International Assignee programme through which we second employees to other Vodafone operations and bring Vodafone employees to our Operations. This helps develop global thinking and gives our people broader perspectives.

We manage talent through our Performance Dialogue programme, which involves monitoring performance against yearly goals and setting training and development objectives. The programme also forms the basis for nurturing high-potential employees and identifying candidates for succession.

Through the Succession and International Assignee programme, Matimba Mbungela was promoted to Chief Human Resources Officer and Godfrey Motsa was promoted to Chief Officer: Consumer Business Unit, succeeding Phil Patel.



For more information on our talent development programmes refer to our human capital report online.

HEALTH AND SAFETY

We had no fatalities among our employees in any of our markets during the year. However, we had two fatalities in our supplier network and the necessary steps were taken against the suppliers. Our suppliers are contractually obliged to adhere to our absolute rules on safety.

Road accidents remain our biggest safety issue with 80% of all incidents being road-related. During the year, we revised our occupational driving standard and its application has been extended to all suppliers. The standard focuses on daily pre-trip inspections, mandatory driver training, live vehicle tracking and monitoring, and fit-for-purpose vehicles (including closed bakkies for transporting people). We also launched a programme in which all Executive Committee members regularly call a random sample of our contractors and staff reminding them about safety.

W8_2send

The **W8_2send (wait to send)** campaign was launched in all our operating companies during the year. The aim of the campaign is to raise awareness on the dangers of texting and driving.



STRATEGY 4: PEOPLE continued



MEASURING PERFORMANCE

Our annual People Survey, conducted by independent consultants, tracks how engaged, well-managed and included our employees feel. Our scores are compared to a high-performing peer group and to other Vodafone Group companies. We use the Engagement Index measure from the survey to check if, overall, we're creating the right environment for our people to excel and grow.

The survey gives us an opportunity to listen to what our people are saying about our organisation and our managers. Not only that, it gives us an opportunity to do something about things that are frustrating and get in the way of doing our best. By listening to this feedback and taking action we have the opportunity to make a real difference to the engagement and ultimately, the profitability and brand of our organisation.

Vodacom has an employee-elected Consultative Committee, which serves as a platform to

interact, share information and manage employee concerns proactively.

The results of the People Survey have shown a significant gain in the employee NPS – a key measure in our people's confidence in our products and services. What our people think of our products and services is a critical determinant of customer experience. We are working to improve our overall scores across all markets in the year ahead, and are well on track to achieve our goal of an overall Engagement Index score of 80 by the end of the 2018 financial year.

How we've done on employee engagement

%	2015	2014	% change
Engagement Index	76[^]	75[~]	1 point

[^] This item was included as part of the assurance process this year.
[~] Restated due to the change in the methodology in how the scores are calculated.