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Digital organisation and culture

Fulfilling our purpose of connecting society today for a better tomorrow requires having a capable and engaged workforce that behaves in a manner that is consistent with Vodacom's values and code of conduct.

- ✓ Achieved
- ✗ Not achieved
- ↔ Unchanged



Becoming a leading digital company requires digital transformation within our own organisation, built on a culture that fosters organisational agility, innovation and collaborative working, that attracts and develops the right skills, talent and diversity, and that acknowledges the role of continuous learning and innovation.

Creating an agile, future-focused organisation, and accelerating digital skills

- ✓ In January 2020 we launched a new culture programme, the Spirit of Vodacom, aimed at embedding a customer-centric, purpose-led culture that drives innovation and partnership. The programme is anchored on four pillars: earn customer loyalty; create the future; experiment, learn fast; and get it done, together.
- ✓ We maintained our focus this year on embedding Agile structures, principles and tools across our South African operation, with 462 employees in six 'tribes' and 48 squads engaged in various collaborative cross-functional 'digital accelerator' teams scaled across the organisation. These teams have helped to improve the quality of engagement across business units, increased the level of Executive Committee inputs, and encouraged greater alignment and accountability on mutually agreed outcomes and performance indicators.
- ✓ We commenced the Agile journey in our international businesses, introducing the online Agile courses on Vodafone University to all our markets, with 1 875 delegates participating.
- ✓ To build a healthy 'homegrown' talent pool, we invested R430.3 million in employee training and development across all our markets. This included a strong focus on empowering employees with digital skills, with various training courses offered to all employees through our global online e-learning portal, including data science, cloud services, IoT and our converged network strategy programme.
- ✓ In our drive to access the best talent, this year we recruited 46 graduates in South Africa and 25 across our international operations. We also recruited 35 new software engineers, with specific experience in areas such as Big Data and AI. We continue to engage with leading universities, contributing to the development of ICT and digital-related course content, and working actively to identify emerging young talent.

- ✓ We invested R31.3 million this year in various leadership development courses for middle-management and senior executives, delivered in partnership with leading universities such as INSEAD, Harvard and the Gordon Institute of Business Science.

Encouraging workforce diversity

- We strive to create an inclusive culture that embraces all diversities, including race, gender, age, sexual orientation and disability.
- ✓ In our South African operation, black representation in the workforce is 77%, with 60% at senior management level and 67% at Executive Committee level.
 - ✓ In South Africa, we invested R412 million in skills development for our employees, of which R331 million was invested in black employees. A total of R149 million was invested in black female employees, and more than R14 million in the development of black youth living with disabilities.
 - ↔ The representation of women remains a challenge for our business and the broader telecoms sector. In South Africa, women account for 44% of our workforce, with 34.4% at senior management level against our target of 36%.
 - ↔ We maintained our emphasis on gender equality in the selection of graduates from universities in South Africa who are placed in permanent roles. This year, of the 71 high-calibre and diverse graduates selected, 45% were female compared with 48% in 2019. Our Code like a Girl digital skills training programme aims to develop coding skills and valuable life skills for girls aged between 14 and 18, and encourages them to consider the uptake of ICT and STEM (science, technology, engineering and mathematics) subjects. In 2020, 1 498 girls were trained through this initiative: 507 in South Africa, 100 in Mozambique, 383 in Tanzania, 106 in the DRC and 402 in Lesotho.

✘ We are striving to set a leading example in the industry by implementing equal remuneration practices for men and women at senior levels. This year the ratio of average basic salary of men to women is 1.3 to 1.

✔ In line with an increasingly younger digitally connected market, we are developing leadership among our younger employees. This year we established the Vodacom Youth Council, which consists of 12 youth leaders each allocated to a senior leadership team member whom they shadow for a year.

✔ In 2019, Vodacom's LGBT+ drive was recognised among the best at the inaugural South African Workplace Equality Index (SAWEI), where Vodacom received a silver rating, recognising our commitment and efforts to be inclusive towards the LGBT+ community.

Engaging with employees

✔ As part of our commitment to creating a culture of continuous listening, in 2019 we ceased our traditional annual People Survey, and introduced more frequent 'pulse surveys' aimed at connecting employee feedback to core strategic and business objectives. In line with our purpose, we have focused on engaging our employees in inspiring a purpose-led way of working. This year we accelerated various initiatives that foster innovation, inclusivity and advocacy, including our hackathons, Exponential organisation (EXO) Sprints, Code like a Girl training, and conversations on gender-based violence.

✔ It is pleasing to report that in all our operating markets, Vodacom was recognised as a top employer: the Vodacom Group was certified as a continental employer earning us the Top Employer Africa accolade. This year's certification saw us improve our ranking to number 2, up from number 6, as well as maintaining our position as an industry leader in the ICT/telecoms sector. For the first time, we were rated first in Mozambique.

✔ This year, we introduced ground-breaking policies on domestic violence and abuse, and started considering options for parental leave for non-birthing parents.

Our safety and wellness performance

✘ Regrettably, there were two work-related fatalities this year, in two separate motor vehicle incidents, one involving a member of the public in the DRC, and the other a contractor in Lesotho. Both incidents were fully investigated, and we have been reviewing our risk assessments and safety procedures for third-party transporters.

✘ Our lost time injury frequency rate was 0.07, which has remained the same as the previous year (0.07 in 2019). It was 0.03 in 2018.

⇌ Vehicle incidents accounted for 47% of all safety incidents this year (2019: 46%), followed by electrical fires (12%) and criminal activity (12%). South Africa accounted for 76% of all safety incidents (2019: 84%). Contractors account for at least 68% of all reported incidents.

✔ We maintain a strong focus on employee well-being. We have launched and promoted a mental health policy. We have appointed and trained over 82 well-being ambassadors across our markets, and rolled out our wellness programme. We have also competed in Vodafone's annual global well-being challenge aimed at encouraging a fitness culture among our employees.

Further details on our culture and skills development initiatives, employee engagement and diversity, and safety and health performance, are provided in our Sustainability report 2020.

Our workforce: performance indicators	2020	2019
Number of full-time permanent employees	7 641	7 746
Engagement index – People Survey (%) ¹	–	78
Employee turnover ²	7%	8%
Women representation in senior management ² (%)	32%	32%
Black representation in senior management* (%)	60%	59%
Ratio of average basic salary of men to women*	1.3:1	1.3:1
Total training spend (Rm)	430.3	544

1. Annual People Survey not administered in the 2020 financial year.
 2. Vodacom Group (South Africa, Tanzania, the DRC, Mozambique and Lesotho).
- * South Africa only.

RESPONDING TO COVID-19

In conjunction with enforcing company-wide travel restrictions, we implemented various health and safety protocols to reduce the spread of the coronavirus. Before the announcement in March of the lockdown in South Africa we introduced the following measures:

- Established a medical advisory panel headed by dedicated clinical doctors;
- Set up a medical advisory facility, with a 24-hour toll-free line, dedicated WhatsApp number and email for employees to raise specific virus-related questions and concerns;
- Validated a database of appropriate medical quarantine facilities;
- Increased staff education initiatives; and
- Introduced temperature screening for staff and visitors at all our buildings nationally.

Vodacom Vision 2025

Driving a digital culture

Our Vision 2025 is to be a leading digital telco. That is why we are digitising the organisation, driving the adoption of Agile methods, and seeking to attract and retain the best digital talent, using the latest in technological developments and fostering a culture of innovation and high performance to deliver excellent customer service with simplicity and speed.

Key strategic commitments include:

- Embedding our new culture programme, the Spirit of Vodacom, aimed at delivering on our objective of being a purpose-led organisation;
- Building the coaching capabilities of our leaders;
- Driving our digital skills transformation activities, embedding Agile structures and robotic process automation; and
- Maintaining our commitment to promoting workforce diversity and localisation.