

Safety, health and environment

Safety

We acknowledge that an employee's health and safety is a fundamental right and that a healthy, safe and incident-free working environment enhances productivity and contribute towards everyone's wellbeing. In this regard the group has trained first aid employee representatives on site.

The group had no major safety and health incidents during the period under review.

Health

The company recognises that HIV/AIDS poses a threat to the employees, their families, communities and to the company and its various stakeholders. It is within this framework that the company adopted a formal policy that defines the respective rights and obligations of the employee and the company.

The company developed a comprehensive strategy and programme of responses, which will manage HIV/AIDS in the company and consequently among employees and their families and surrounding communities.

The objective of the strategy is to minimise the risk to exposure by way of:

- instilling a *prevention* culture within the organisation;
- providing employees with an opportunity to volunteer to have an HIV/AIDS test resulting in *detection* of infections; and
- providing medication and *treatment* to affected employees as the final element to the strategy.

Blue Label Telecoms and its employees agreed to take joint responsibility for the following:

- address the health, safety and wellbeing of employees in relation to HIV/AIDS by implementing HIV/AIDS programmes;
- minimise the adverse effects of HIV/AIDS on operations and the social circumstances and development of employee and consequently their families and communities;
- create conducive environment in the workplace for dealing with the epidemic constructively;
- reduce the number of new infections among

employees and consequently their families and communities;

- provide proper information and advice on HIV/AIDS to employees and their families as well as monitoring and evaluating the epidemic; and
- ensure that the rights of employees living with HIV/AIDS are protected and enforced and that fair process is followed when dealing with HIV/AIDS.

Workplace awareness programmes include awareness activities, condom distribution, voluntary HIV testing, infection control, counselling and treatment.

Environment

Blue Label Telecoms has been classified by the SRI Index as having an overall low environmental impact due to the nature of its business.

Water consumption and use is limited to drinking purposes and ablution facilities and no groundwater is drawn from any of the operations of Blue Label Telecoms.

The group occupies leased properties comprising mainly of office buildings. None of the office buildings are in biodiversity-rich or ecologically significant habitats as determined by the Global Reporting Initiative.

The group has a satisfactory recycling programme. In terms of the programme, waste paper and scrap, including printer cartridges, associated with an office environment are collected by scrap dealers for disposal in an environmentally friendly manner.

Social and transformation matters

Corporate social investment (CSI)

The group has undertaken several initiatives during the financial year in an endeavour to create an environment conducive for the investment of money and resources in the sustainable upliftment of previously disadvantaged communities. The focus to date has been on those communities that have the greatest need and who can be found in amongst or on the outskirts of the communities in which Blue Label Telecoms employees reside. Consequently considerable focus has been placed on the youth, HIV/AIDS, sports development and education.



Nomonde's Children's Home

Nomonde is a retired nursing sister who cares for 32 abandoned HIV/AIDS children. Nomonde was referred to the group by a concerned staff member. At the time that Blue Label Telecoms associated with Nomonde, the children's home was situated in a ramshackle, uninhabitable house in Kensington. The living conditions were not suitable for children, least of all sick children.

Blue Label Telecoms assisted Nomonde in securing a suitable house in Lombardy East for her and the children. The ownership of the property are being transferred into a Trust that will allow Nomonde and the children to have a proper home. In addition, Blue Label Telecoms will assist on a continuous basis to secure other badly needed resources.

The group's CSI strategy will be formalised as part of the overall transformation strategy. The group are furthermore looking to create a Blue Label Telecoms Foundation, managed and administered by staff, management and patrons, with an objective of indentifying projects that will align with the CSI strategy of the group and project that will yield sustainable and longer-term benefits for the relevant communities.

The group has spent in aggregate approximately R900 000 on CSI initiatives during the period under review. Certain of the initiatives undertaken included:

- monthly donations to the Jakaranda and Louis Botha Children's Homes, as well as Berg-en-Dal Pregnancy crisis centre;

- training and employment for the blind and partially sighted in conjunction with the Athlone School for the blind;
- sponsorship to the Topsy Foundation, an HIV and AIDS foundation which focuses on assisting people in rural areas with medical care, social support and skills development;
- donations made to MaAfrica Tikkun, Business Against Crime South Africa, Supedi Trust, SA Medical Centre, The Giving Organisation and various other organisations and institutions; and
- sponsorship of charity golf days.

Transformation and broad-based black economic empowerment

Blue Label Telecoms recognised the need to develop and adopt a formal transformation strategy in support of the national programme for economic transformation. The board constituted a transformation committee at its first board meeting held in December 2007 with a specific mandate to develop framework policies and guidelines for the management of transformation including affirmative procurement, enterprise development, employment equity, human resource development, social development matters and ensuring the progressive implementation of the same throughout the group.

As a newly listed public entity Blue Label Telecoms and its subsidiaries embrace the challenge of transformation and are dedicated to progressing transformation by working closely with the transformation committee in ensuring that the group's policies are implemented effectively and successfully throughout our group.

The transformation committee adopted a four-phase approach comprising:

	Objective	Progress made
Phase 1	Situational analysis to evaluate the current status within the organisation.	Completed in January 2008.
Phase 2	Determine a broad-based black economic empowerment (BBBEE) policy framework for the group and formulate a transformation strategy that will include achievable and measurable internal targets.	Appointment of a transformation manager to facilitate strategy formulation and implementation. The group strategy is being finalised for final approval by the board.
Phase 3	Communication of the framework and strategy to all group companies and implementation.	To commence during the 2009 financial year.
Phase 4	Monitoring and measuring of performance against targets.	Ongoing activity subsequent to the implementation of the strategy.



sustainability report (continued)

Enterprise development

Blue Label Telecoms, through its major subsidiary TPC, is a funder of ZOK Cellular (Proprietary) Limited (ZOK). ZOK aims to empower budding entrepreneurs from South Africa's previously disadvantaged communities through equipping them with already made FMCG retailing solution in the form of a ZOK container. This container equally offers banking and telephony services as well as a small business centre functionality in the form of print, copy and scan services and internet connectivity. The placement of ZOK containers in previously disadvantaged areas is intended to bridge the gap in telecommunications, ICT and banking services in such areas as well as uplift the communities' resident there.

Human capital

Employment equity

Blue Label Telecoms is committed to achieving equity in the workplace by promoting equal opportunity and fair treatment in employment. The ultimate objective is to create an environment in which all employees are able to compete for job opportunities on the sole criterion of merit and where the demographics at all levels within the workplace are a fair representation of the demographics of the relevant general and regional population.

Since the listing of Blue Label Telecoms in November 2007 focus has been placed on integration and consolidation of the respective group companies. The group has furthermore implemented a standardised consolidated payroll system in order to record accurate group statistics. This process will assist in determining achievable and realistic targets in terms of the employment equity strategy encapsulated in the group transformation strategy yet to be approved. In ensuring compliance with the group strategy in this regard a human resource, skills development and employment equity officer has been appointed to drive the process throughout the group and to assist the group in complying with set targets.

The table below reflects the demographics of the employee base in the group based on the most recent submissions to the Department of Labour.

Training

The company has adopted several skills development initiatives relating to core services. All employees have access to this benefit and are encouraged to use this facility through financial assistance for formal training, internal training initiatives and mentoring.

Demographics of employee base

	Male				Female				Foreign nationals		Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	
Top management	2	—	—	43	—	—	—	—	—	—	45
Senior management	5	1	—	31	—	—	1	12	—	—	50
Professionally qualified and experienced specialists and mid-management	1	1	4	31	0	3	3	32	2	—	75
Skilled technical and academically qualified workers	12	5	30	58	4	5	11	21	3	—	146
Semi-skilled and discretionary decision making	109	19	100	65	138	43	100	80	4	1	654
Unskilled and defined decision making	27	1	7	17	24	1	6	5	3	—	88
Non-permanent employees	280	35	58	10	137	11	19	8	4	2	558
Total	436	62	199	255	303	63	140	158	16	3	1 616

