

# Corporate Social Responsibility Report

***Telecom Namibia considers corporate social responsibility (CSR) a fundamental attribute of a modern company. Business success is based on the ability to create and maintain meaningful relationships with key stakeholder groups. These groups include customers, shareholder, employees, suppliers, regulator and local communities. We have positioned ourselves as a responsible corporate citizen through our activities in the field of CSR. We feel committed not only to the quality of our products, but also to these groups' interests that extend beyond the short-term financial results and are influenced by social and environmental issues in a broader context.***

Telecom Namibia recognises these issues and regards a strong CSR programme as an important element of achieving sustainable business success. Our commitment to CSR is reflected in some of our corporate values such as "care". One sure way to be a caring organisation would be through the efforts of CSR.

## Social Development

In the early days of the country's independence, Telecom Namibia's core business of telecommunications fulfilled an essential social function in improving communication and accessibility.

With telecommunications changing rapidly, Telecom Namibia is not just providing the basic services but has to keep pace with fast changing customer needs and expectations. Telecom Namibia continues to play a pivotal role in spurring development in many parts of the country by making communication affordable and accessible. It also supports and enhances the efficiency and quality of telecommunications for trade and commerce as Namibia moves into the globalised era.

In 2005, Telecom Namibia was honoured with two coveted awards by Performance Management Review Africa, a southern Africa research-based, leading business journal which independently

assesses and compares the performance of companies, business personalities, town councils and government ministries across a country.

Based on the results of the Namibian country survey conducted in September 2004, Telecom Namibia is highest rated in the Business Sector: Communications, with a rating of 3.77 out of a possible 5.00 and received the Golden Arrow Award. In the Category: SOE (State-owned Enterprises), Telecom Namibia is rated second overall among SOEs who have done the most to enhance Economic Growth and Development in Namibia, and received a Silver Arrow Award.

Over the years, the company has remained committed to community programmes. In 2005, Telecom Namibia was actively involved in various CSR initiatives, especially in events related to sports, education, information and communication technologies, and the environment.

## Environment

The environment in which we operate is our primary concern. Telecom believes excellence in environmental management is important in our long term success. Telecom strives for the best in technology, operations efficiency and its relationships with communities. We strive to put in

place processes to reduce risk and minimize our impact on the environment.

Telecom Namibia also strives to harness the environmental benefits of our products and services. Our video-conferencing service is a good example of how we attempt to minimize pollution from unnecessary travel while allowing companies to save time in order to achieve greater productivity.

As a company, we strive to achieve full compliance with all relevant environmental legal requirements, especially when we extend our networks through ecologically fragile areas of the country. Our procurement processes take account of environmental considerations. Special attention is paid to: energy consumption, waste management, process and product requirements, and the use of hazardous materials.

## Charitable Contributions

We have continued to give generously to a number of community initiatives, by investing time and resources into projects that directly address local needs. Our long history of community involvement is aimed at establishing strong, safe and healthy communities. This way, we will ensure that we make a positive contribution as a valued member of the local community.



A Telecom Namibia Box 'n Dine event.

The beneficiaries have been schools, charities, cultural and sporting clubs, communal farmers' associations, as well as vulnerable children, senior citizens and physically disabled persons.

In the financial year ended 30 September 2005, Telecom Namibia's total charitable donations amounted to N\$750,000. This figure excludes bursaries and the total pro bono contribution in services rendered to various community organisations.

## Education and ICT

For the year under review, Telecom Namibia sponsored five students studying at various Universities and Technikons in Namibia and South Africa, primarily in the fields of IT and Electronic Engineering. The investment in bursaries for the year amounts to N\$445,663.

While growing its business, Telecom Namibia has not forgotten its CSR, especially to students in remote areas who have no access to Personal Computers or the Internet. During the year, the

company donated 139 redundant computers to SchoolNet Namibia, including 236 monitor screens, nine laptops, and 88 keyboards. The value of the donation is about N\$112,400. SchoolNet Namibia provides sustainable, low cost technology solutions and Internet access, as well as technical support, training services and rich educational content to schools, community-based educational organisations, and educational practitioners throughout Namibia.

The donation to SchoolNet Namibia is in addition to the N\$13,5 million in assistance pledged by Telecom Namibia at the launch of the XNet Development Alliance Trust in April 2004. The XNet Trust aims to expedite Internet Access and its use to the education, health and development sectors of Namibia, as a key action toward the accelerated development and integration of Information and Communication Technologies (ICTs) in Namibia. Telecom Namibia is a founding member of the Xnet Development Alliance Trust.

Under the XNet agreement, Telecom Namibia will take on and support SchoolNet's connectivity

roles in relation to schools, installing landlines or wireless solutions, and offering a standard discounted access rate (24/7 internet access) to all schools participating in the SchoolNet scheme, nation-wide. SchoolNet will manage the relations with schools, to ensure that schools that have access also have appropriate computers and skills to use them.

## Sports

Telecom Namibia recognises the importance of sports in helping to build the nation and it has continued to support sporting events through cash, other forms of assistance or provision of communication facilities. The major sporting events sponsored were the Telecom Namibia Box 'n Dine organised by the Nestor Tobias Boxing Academy and the Men's Gymnastics National Championships 2005 organised under the auspices of the Namibia Gymnastic Federation.

Telecom Namibia is totally committed to sport and believes in the contribution it can make to our society, for individuals and for communities. In particular, we appreciate the immense value of physical activity in developing a more healthy society. As a company, we will continue to provide opportunities for young people, particularly in those areas of the country that have, in the past, missed out on opportunities presented by sport, thereby making real the aspiration of sport for all.

## Women Empowerment

Telecom Namibia is a key sponsor of the Namibia Businesswomen of the Year Award, through the Economist Businesswomen Club Projects. In April 2005, Telecom Namibia gave N\$120,000 in sponsorship to the Economist Businesswomen Club Projects to finance its varied activities aimed at the upliftment of rural communities and empowerment of women.

Empowerment of women in our country and the world is emerging as an important agenda, for it is the engine of transformation of world economies. Our company is active in its efforts in this vital sphere.

By being a co-sponsor of this event, Telecom Namibia is certain that this Award will act as a driving force to encourage more women to demonstrate their leadership and entrepreneurial qualities. It is crucial to nurture and develop leadership qualities among individuals so that they can contribute to the progress and sustainable development of our society.

Telecom Namibia will continue to support these projects and we hope to have a major positive impact on women in various fields, who have contributed immensely to the growth and stability of our Namibian society.

## Namibia E-Access and Usage Research

Telecom Namibia partially funded a study by the Namibia Economic Public Research Unit (Nepru) on the main challenge facing Namibia in the communications sector.

The study entitled "Namibia E-Access and Usage Index Survey 2004" provides a brief overview of the Namibian communications sector performance and E-index usage patterns and trends, as well as evaluating the success of ICT service delivery programme.

## Windhoek Cultural Festival

Telecom Namibia sponsored the City of Windhoek to stage the Annual /Ae//Gams Arts and Cultural Festival. The festival took place under the theme

"Ombazu jetu, outonga uetu", which means "Our culture, our pride". Apart from bringing together all Namibians, the festival serves as a vehicle to enhance the Namibian identity through cultural expression.

The main objective of this festival is to make the City of Windhoek a vibrant cultural and tourist destination in Africa. This platform serves as a means of exposing the local talent particularly to our own people and to the international community.

## The Sam Nujoma Foundation

Telecom Namibia pledged an amount of N\$60,000 at the launch of The Sam Nujoma Foundation. At community level, the Foundation will provide financial assistance to Namibian students studying Science and Technology, as well as in the fields of health and disease research, music study and the fine arts.



Computers donation to SchoolNet Namibia.





*A Christmas party for children at the Zoo Park in Windhoek.*

The Foundation will also identify Namibian children with exceptional needs - abandoned, orphaned and HIV/AIDS infected or affected children – to be placed in orphanages and foster homes.

## Annual Namibia Media Awards

The media is crucial in any society. The Media Institute for Southern Africa (MISA) chapter in Namibia undertook the initiative to create a credible platform, where journalists can compete against each other, a fact highly valued by the media industry in general. Telecom Namibia played a major role in the success of the Namibia Media Awards held on 29 October 2004, joining the media fraternity in celebrating journalistic excellence in Namibia.

Telecom Namibia contributed N\$82,600 towards the event.

## Telecom/Republikein Charity Challenge

Telecom Namibia and Die Republikein organised a Golf Charity Challenge. The proceeds of the Charity Challenge were used to host a Christmas Party to brighten the holiday season for thousands of disadvantaged children in Windhoek.

## Miss Namibia 2005

A cash sponsorship of N\$55,000 was awarded to Miss Namibia 2005. The national beauty queen, in turn, agreed to act as a Goodwill Ambassador for Telecom Namibia, pledging to reach out to the youth on harnessing Information and Communications Technology (ICT) to improve education and better their lives.

During her reign, Miss Namibia 2005 has a daunting task to promote ICT in our villages and

rural communities where there is the greatest need for development, and encourage its use to help the poor, needy communities and marginalised women in Namibia.

## Employee Wellness

Employee wellness in the defined areas of physical health (including HIV & AIDS), psychological health and socio-economic health continued to be the primary focus for Telecom Namibia during the 2005 financial year.

## Socio-Economic Health

The company handles socio-economic health issues through its Nova Vita Rehabilitation Centre, the only registered rehab centre for alcohol and drug abuse in Namibia. Its patients intake increased by 15.8% from 53 in 2004 to 63 in 2005, of which 8% are Telecom Namibia employees. Though the percentage of our employees is minimal compared to external intake,

this is not indicative of the absence of alcohol and drug abuse problems in the company. The company will thus continue to encourage employees to approach Nova Vita for assistance

In the year under review, the centre built alliances both nationally and internationally with the following organisations/persons: Namibia's Space Magazine, Steve Hamilton, Radio Cosmos, Professor Willie Pienaar - Department Head Psychiatry at University of Stellenbosch, Dr. Mark Gillman - Executive Director of South African Brain Research Institute in Johannesburg and Judith Shopley - Manager SANCA (South African National Council on Alcohol) Information Centre. Nova Vita also works closely with the Namibian Police's Narcotics Unit to combat drug trafficking across our borders.

### Physical Health

Occupational health and safety (OHS) is a key focal area for the company. Efforts are made to ensure an accident-free working environment. As a result, only three minor incidents were recorded compared to five in 2004. Vehicle related accidents increased by 38% to 138 in 2005. In the new financial year, appropriate actions will be taken aimed at ensuring the health and safety of employees from both a compliance and reputation aspect.

The company operates a clinic on the premises, which is under the supervision of a medical practitioner.

### HIV/AIDS

Telecom Namibia recognises the threat posed by HIV/AIDS not only to the health of employees, but also to the wellbeing of the company and the national economy at large. The company also introduced an HIV/AIDS medication programme for infected employees. The programme is managed externally through the medical aid fund and aims at providing medication to employees

diagnosed with HIV/AIDS. The success of this programme was demonstrated by the fact that to date more than 33 employees have voluntarily registered on this medication programme.

As a company, we have continued to promote awareness and health education about the pandemic and other sexually transmitted diseases, notably through our peer educators who are deployed throughout the company. Forty nine (49) sessions on HIV/AIDS targeting employees were held during the year. The peer educators also did HIV/AIDS related community mobilisation work among residents of Okahandja Park, an informal settlement on the outskirts of Windhoek.

### Psychological Health

Through our Employee Assistance Programme, the company is committed to improve the quality of life of its employees socially, psychologically and through providing a caring environment. During the year a total of 119 employees were counselled on a variety of issues. Counselling services on life skills were also provided to employees who took the voluntary separation packages in 2005.

## Conclusion

The next years will see us strengthening and consolidating our CSR activities and increasing the integration of CSR into our core business processes.



Former Prime Ministers pictured at a Telecom social event.



An Internet lab at the A Shipena Secondary School.



With Miss Namibia 2005.





*Value Added Services platform.*