

15 August 2016

Telkom secured urgent interim court order against CWU.

Telkom this afternoon secured an urgent interim court order interdicting and restraining CWU and its members from a number of illegal activities associated with the union's current strike.

Today, the CWU blocked access to the Telkom Campus in Centurion, along with some Telkom yards. Less than 100 CWU members today chose to harass and intimidate employees in Centurion. There were also some reports of blockades and intimidation at a few Telkom facilities elsewhere in the country. Employees in Centurion were physically restrained by protesting workers from entering the Telkom campus and were threatened with physical injury.

The urgent and interim court order interdicts and restrains the CWU from the following activities:

1. from blocking Telkom entrances from all Telkom premises in all provinces
2. from interfering with Telkom's business operations,
3. from intimidating and threatening Telkom non- striking staff who want to enter Telkom premises and perform their duties,
4. from preventing visitors, contractors and customers from entering and /or leaving Telkom premises.
5. directing CWU and instructing its members to refrain from interfering with Telkom's operations and blockading Telkom entrances.
6. ordering that CWU members who are participating in the strike must do so 50 meters away from Telkom premises.

Telkom will not tolerate the sort of thuggish behaviour we witnessed today. Telkom spent months negotiating with all of Organised Labour and were greatly encouraged when SACU and Solidarity signed the Collaborative Partnership Agreement on 2 June 2016. At the time, CWU's leadership indicated their intention to sign the agreement but to date that has unfortunately not happened.

Telkom has met the unions on so many of their demands, such as a moratorium on retrenchments, a cap on outsourcing and a guaranteed increase next year, so it is disappointing to not only see industrial action from the CWU but for it to be accompanied with aggressive intimidation of our employees, while blocking access to our campus and some facilities.

To succeed in delivering sustainable growth, Telkom must fully turn its attention to our customers. We have to focus on how best we can improve our productivity and better serve our customers and the Collaborative Partnership Agreement, with the incentive programme Performance Pays, is how we will encourage and reward staff for delivering service excellence.

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ABOUT TELKOM:

Telkom is a leading communications services provider in South Africa. We had consolidated operating revenue of R37.3 billion and normalised profit after tax of R4,052 million for the year ended 31 March 2016. Total assets amounted to R46.8 billion and equity attributable to the owners of Telkom to R26.1 billion as of 31 March 2016. The group generated normalised free cash flow of R3.9 billion for the year ended 31 March 2016.

As of 31 March 2016, we had approximately 3.2 million telephone access lines in service and 1,077,939 ports connected via MSAN access. We offer business, residential and payphone customers a wide range of services and products, including:

- fixed-line retail voice services using PSTN (Public Switched Telephone Network) lines, including ISDN (Integrated Services Digital Network) lines, and the sale of subscription based value-added voice services and calling plans;
- fixed-line customer premises equipment rental and sales services both voice and data needs and these include PABX, Computers, Routers, Modems, Telephone handsets and other ancillary equipment;
- interconnection services, including terminating and transiting traffic from South African mobile operators, as well as from international operators and transiting traffic from mobile to international destinations;
- fixed-line data services, including domestic and international data transmission services, such as point-to-point leased lines, ADSL (Asymmetrical Digital Subscriber Line) services, packet-based services, managed data networking services and internet access and related information technology services;
- Data Centre Operations includes e-commerce, application service provider, hosting, data storage, e-mail and security services;
- W-CDMA (Wideband Code Division Multiple Access), a 3G next generation network, including fixed voice services, data services and nomadic voice services;
- mobile communication services, including voice services, data services and handset sales through our mobile brand called Telkom Mobile;
- information and communication services including cloud services, infrastructure services, workspace services, global service integration management and hardware and network equipment sales locally, in seven African countries, the UK and Dubai through Business Connexion Group; and
- other services including directory services, through Trudon (Pty) Ltd, wireless data services, through Swiftnet (Pty) Ltd.
- Convergence is one of our key strategic initiatives in building a sustainable future for Telkom. We will lead the provision of converged services in South Africa in support of our mission statement: Seamlessly connecting people to a better life.