

Verizon
Up to Speed Live
Wednesday, June 9, 2021



—Redefining Communication Access

www.acscaptions.com

—

[MUSIC].

[Applause].

>> ANDY CHOI: Wow, wow.

That was nice.

You don't get to hear that at home.

Welcome, folks, to Up to Speed.

A special edition.

Yes, we have a live studio audience here.

At Basking Ridge.

At the Ridge here.

And this is a little something different.

We are live from the Leadership Forum.

And as you can see, there are a few more people than usual in this room.

It's been 14 months.

And we haven't seen this many people.

Now I just want to make sure we talk about this.

Here in New Jersey.

As I cover my date of birth.

If you are fully vaccinated, you are able to be inside buildings without your mask on.

I have it just in case here.

But certainly a lot of our leaders are fully vaccinated.

And they are here and experiencing something that really we haven't experienced collectively in a very long time.

Some of our leaders here started digitally, virtually, and are meeting colleagues and leaders and their bosses in-person for the first time.

So it's a very interesting dynamic here.

And we've been able to share of course in how we continue to grow.

How the second half of the year is so essential for our success and how we will continue to lead the way.

And of course, these ideas of leadership, it extends to all of you watching, as well.
This is a very important time for all of us.
And in a way, what you see here in the room are moments where you know normalcy may not be the right word here.
But certainly this next chapter is full of incredible human interactions that we have missed sorely.
It's wonderful to see folks greeting each other.
Handshakes.
Hugs.
Smiles.
I love seeing the bottom half of peoples' faces finally in person.
But it's awesome.
But let's get down to business.
We have Hans and we have Christy joining us today live from the Leadership Forum a lot to really lean in and think about here.
So with that let's invite Hans and Hans will of course photo bomb my shot yes per usual there he is.
There he is.
Give it up for Hans, folks, let's hear that live studio audience.
 >> HANS VESTBERG: Thanks, Andy.
And always when I'm on Up to Speed I'm thanking you for inviting me.
You know it's not that often that you invite me to this fantastic show I know that.
 >> ANDY CHOI: Right.
 >> HANS VESTBERG: So I'm happy and I'm very glad for being here.
Hey, guys, all V Teamers out there, great to be talking a little bit here from the Leadership Forum.
And as Andy said we're a couple of us gathered here.
But of course vaccinated all of us here.
And we starting to bring slowly some leaders back in this room.
And it's been a great day so far.
And a lot of things to talk about.
A couple of things.
Just starting off first, I would like to welcome all the interns that hopefully are on Up to Speed.
I think there were 400 started yesterday, Christy, 400.
So welcome.
[Applause].
 >> ANDY CHOI: Hans, a lot of the interns are watching Up to Speed on Twitter.
@insideVerizon.
And we're going to invite them to ask questions, as well.

Be a part of this.

So you can write them out on Twitter.

We're watching or you can go on Slido.com and the event code is Verizon.

So we've got a little Q&A.

So interns, V Teamers, everyone, go to Slido.com, event code Verizon.

Ask those questions.

>> HANS VESTBERG: Just remember that script he didn't say that before but just very clear on that anyhow yeah remember you can ask questions and welcome to the interns.

I want to start where I always start about the state of the planet or the state of the pandemic.

And there are big differences.

Some are attending this from parts of Europe, Asia, still combating a very challenging situation.

In some cases a surge in the pandemic.

And the COVID-19.

Friends, colleagues, family are of course in a vulnerable situation.

Here in the U.S., a little bit better, as I say, enormous effort of vaccination the last three or four months has made us come slowly back.

So it's very different.

So sometimes when you make statements, you need to think about it.

Because there's so different situations for many of the V Teamers.

And their colleagues and families and customers.

So I want to start there and also talk about the frontline.

I talk so much about the frontline all the year.

And I have now the chance together with many of my colleagues in this room have been going out to the stores.

Meeting field engineers.

Thanking them for the last 18 months for being out there with our customers for society doing the great work and they are the reason we're here today and our networks have been up everything has been working.

Our customers have been supported through this time.

So it's been great for me to come out and see what is happening.

And how all of you out there have done a terrific job for the company.

And how we come together as a company, as well.

And Christy will talk a little bit more about that later on.

So I will not steal the thunder from her.

I will just start saying on the Pulse+ which we do once a year with more questions, we had 113,000 V Teamers, 87% of you responding.

I think that is a big -- that's the biggest vote of confidence that you have that what you

say matters to us.

And it does.

And it matters to the leaders.

It matters to your colleagues.

How we get that information.

So for me that's the most important indicator I have.

If you are responding to the Pulse+, we know that you believe we're going to do something.

And we will, the people in this room.

The Leadership Forum.

And all of the leaders in the company.

In coordination with all of you discussing the results.

Because it's different results in different areas for sure.

So that is important for me to see that vote of confidence.

Other than that here, at the Leadership Forum, we talk about the second half of course but we talk also a lot about our long-term plans, our five-year plans.

The north stars for employees, customers, society and shareholders.

Focusing a little bit more on shareholders this time, talking about where we are bringing the company forward.

And of course we spend time on the five vectors of growth and the networks.

That's what we've been discussing this morning.

First if I start with the network, the investments we're doing in network right now, of course with the C-Band investment.

With that.

But also the millimeter-wave, wireless, the fiber.

And the whole IEN, the Intelligent Edge Network that was designed some three, four years ago.

And all the deploying they are doing in order to continue to have the best network and also accelerate that leadership.

And on top of that being able to build new businesses.

And strengthen our core business of today.

That's the whole idea with the five vectors of growth.

And we talked about the 5G adoption.

Where the mobility case.

Where we now have the biggest 5G upgrade ever.

That we came out with.

I think it was a week ago right now, where we want our customer to be part of our 5G journey to migrate.

And enjoy all of the great network building in 5G.

But then we also have the 5G Home there in the adoption or fixed wireless access.

Which still is something we really need to execute well.

To come out with strong at the yearend here and going into '22.

Very, very important for us.

Then we have a couple other areas the Mix&Match another area of five vectors of growth you've seen a couple of announcements recently.

Especially around the gaming area.

That we are now doing partnership with the gaming guys.

As we have done with discovery+, Disney+ and all of that before.

All in order to see that our customers not only have the best network, they also have the best experiences on that network.

So that's great to see.

On the 5G Mobile Edge Compute or business to business, Tami has been talking about a lot what we do today and how we can win tomorrow with all of these applications we're now building but also seeing we're doing everything we're doing with what we have today.

So it's both what we have today but also how we're preparing for the future so it's a lot around the 5G Mobile Edge Compute of course.

Private, public.

You have seen announcements coming out.

We get traction with customers.

Very important for us in the years to come.

And then we have our monetization.

We announced that we are working with.

Which also is continuing pretty well.

And finally, the last vector of growth is the new ways to win.

We have this today and we have the pending acquisition of TracFone that is not approved yet.

But hopefully later this year.

Or it will be approved later this year.

And then we also have a great play in the value segment.

So that's where we have spent the time.

And what do we need to do in the second half of this year?

And what do we need to do beyond to actually keep those targets and see that we are doing the value creation?

Because it's clear, we have a lot of votes of confidence from our shareholders.

Because we actually had 53 billion U.S. dollars in C-Band to be an even stronger company with the addition of spectrum we added also 10 billion more in Capex, capital expenditures over the next couple of years.

So all in all we're doing big investment is our core business in order to both accelerate and amplify our plans for the five vectors of growth.

So we have talked about that.

And I think for us, that's really where the focus is on this Leadership Forum.

Then we shouldn't forget that we always talk about the -- all of our stakeholders.

So later on today we're going to talk about our society and what we're doing in that area.

Which is so important in today's world where we not only are doing the right for our shareholders for our customers and employees but also we show up right in our society.

So that's how we're going to spend the day here today with the Leadership Forum.

And the leaders of the company.

I'm excited after the first couple of hours what we have discussed.

And how we're progressing.

But there's a lot more to be done.

I think we have all of the assets now in place for executing the long-term strategy we have.

So that's for us to execute.

The second half is important.

The next five years are important.

And that's how the conversation is going.

So Andy, that's a little bit what we're doing here.

And you have seen a lot of announcements recently.

All of them are fitting into the mold of our strategy where we're going.

That's how we want to align ourselves as leaders.

And of course we will talk later on today about Work Forward.

Where we of course have spent time on that.

For our employees that have administrative offices as their home location.

How we're moving that forward, as well.

So an exciting time.

And we're all excited here about the opportunities we have in front of us.

>> ANDY CHOI: It is awesome.

Opportunity is a word we're talking about all morning we'll continue that this afternoon.

Hans thank you very much.

We now have Christy joining us to talk about that future of work of course.

But really as Hans mentioned, we have some VZPulse+ survey results to talk about.

So Christy, take it away.

>> CHRISTY PAMBIANCHI: All right thanks Andy great to be here with everybody today on the V Team.

I'm going to jump right in.

We've got an action-packed update here for all of you.

First you've heard from Hans about the amazing participation rate.

So we had 87% of the V Teamers take the survey.

This is so important.

We're inching our way closer and closer to 100%.

So this is our highest response rate yet.

You can see how this has improved over time.

I want to give a shoutout about how excited we are to also have 82% of our associates completing our Pulse+ survey.

We're very excited, Andy, about the results so I got to kind of just jump right in.

So overall there's something that we call an engagement mean.

Which means when there's a group of questions we add together saying on the scale of 1 to 5 what was the mean our overall engagement mean was 4.14 which went up .03 from last year.

Last year we were at the 75th percentile of the Gallup database now this year we moved up to the 77th percentile and just to put this in context, there's over 4,400 companies in their global database with over 4 million inputs from employees around the world.

So this is truly putting us in a class with the best.

Which enables us to be the recipient of the award you see which is the Gallup Exceptional Workplace Award.

We were 1 of only 39 companies to receive that based on these outstanding results.

So I was really excited to see the performance sustained year-over-year.

So let me just give a little more context for what that means.

The survey instruments that we use go into helping us understand how engaged are our employees.

And so across the bottom, the average in the Gallup database would say that 49% of employees are engaged.

11% are actively disengaged.

And then there's kind of 40% in the middle.

Now if we go up above that for us last year we had 53% engaged.

We were really excited about that.

This year we moved back to 56%.

So we were able to get 40% that weren't sure to commit and be engaged.

So bringing us to 56%.

We're going to keep moving to hit our goal of employee North Star of 90th percentile.

One of the questions the VLC looks closely at is an overarching question after all of the questions, which is overall how satisfied are you with Verizon as a place to work.

I want to just pause here for a moment. 81% of their respondents said that they strongly agree or they agree that they are satisfied with Verizon as a place to work.

This is an amazing result we want to give a shoutout to our leaders and team members and employees that are making Verizon be this place of work that we all envision for ourselves.

Because in the end, it's our company.

And we all have a part in bringing that to life.

Now, let me break it down a little farther.

So we have this instrument called the 12 question or the Q12 instrument.

And this adds up to and becomes what is the engagement index.

Now, what you can see here is a lot of numbers on the page.

But on the far right there's little plus numbers and negative numbers, the pluses are green, the negatives are red.

Here is the takeaway.

It's very hard to move the means.

On the questions, we had 8 questions where we went up or stayed the same.

We had 4 questions where we went down slightly.

We went up by 61 points.

We went down by 23.

So substantively huge improvement.

Which led to that increase in the overall engagement mean.

And let me just kind of give a quick walk up the pyramid to tell you what's in there.

So we kind of start with questions asking you, do you understand what's expected in your role?

Do you have equipment and things you need to do your role?

You can see here we went down ever so slightly .02 but look at the favorable percentage, 90% of the V Team that responded said I understand what's expected of me in my role.

That's a huge percent.

And you can see that mean is 4.48 which in the color code puts us in the 50 to 74 percentile that means to get up to the upper quartile that means we need everyone, that to be 95, 98, 100 so this is already an amazing result and we see a lot of people feeling good alignment with what's expected on their role.

And we know with materials and equipment we're looking forward to what we'll hear from you in our discussions we know over the last 15 to 16 months we have all been working in adjusted means maybe without all of our day-to-day tools and equipment so again we'll dig into this in the teams.

Looking forward to hearing more.

Then we kind of move up and ask you questions about your individual contribution.

Do you have what you need to do your best?

Do you feel like people care about you at work?

Do you feel you're having the opportunity for development?

Do you feel the -- do you feel the opportunities and that you're actually being recognized.

I have to point out.

I bolded it it's a little bit small on the far right there we went up by .13 on the overall

mean on people feeling recognized.

Recognition is one of the hardest questions to move the needle on and we are so excited that this came through in the results.

You can see the percent is favorable.

And cares about me, feeling like somebody cares about you at work that's a 90 percentile plus result and so just amazing and speaking to the caring environment here. We move up and ask questions about teamwork.

So not only about you as an individual but how is your team, how are you feeling like your opinions count, your work.

And you understand how your team and work is tied to the mission of the company.

How committed are we to quality.

And then do you have a best friend at work.

And last year I remember we had a lot of questions like wow why are we asking that and the Gallup research says that this is a huge corollary with overall engagement.

So again, you can see, .19, we went up 19 points by V Teamers who reflect on and feel like they have a best friend at work while making great progress on other areas, bringing it home at the very end of Q12 we ask if you feel like someone discussed your progress with you over the last six months, up.12.

This is amazing, again.

So when we bring that all home, that's why that overall engagement mean went up and we moved to the 75th to the 77th percentile.

We also asked some questions about leadership.

And the principles that we have for leadership.

Our values, inclusion.

And empowerment.

And you can see that we have really high scores across the board here.

And each of the teams will be able to dig into that.

And look at where we went up or down during prior year.

These largely -- the moves were very, very close.

But pretty excited about the answers and the insight we're gaining from here.

So no surprise.

What's next.

Well, this is the live launch for all of us, leaders and employees globally about these results.

We're really excited about them.

Tomorrow all of the teams will be able to go into the dashboards and access their reports and start diving in.

Our goal is to again ask all of the teams to have a conversation about their results led by the Team Leader and to really reflect on your action plan, update, new items to it, retire the ones that you feel have been completed.

And again continue to set us on our path to the employee North Star which is to hit the 90th percentile of engagement.

So Andy, that's my update on Pulse.

>> ANDY CHOI: Thank you very much and congratulations to the team of course. Great engagement.

And yes, we will get to that 100% very soon.

We have a question here on Slido.

Thank you very much for your questions.

Hans was right, I was making up for a little snafu there at the end there.

>> HANS VESTBERG: Yes.

>> ANDY CHOI: Okay.

So Steve asks what if our state does not mandate us wearing masks if you are not vaccinated?

Do we still have to wear the masks inside of Verizon offices?

And I'll extend that question, Christy, really as we talk more about Work Forward there's obviously a lot of questions and we're dealing with a lot of different Government entities creating rules, fixing rules, evolving, talk to us about what V Teamers should be thinking about when it comes to masks.

>> CHRISTY PAMBIANCHI: Thanks for that question from the V Teamer out there.

So we have -- first we have a microsite on COVID and all of the policies are there.

The CDC's guidelines are the ones that we're following.

And what that states is that if you have been fully vaccinated and you're past your 14-day waiting period, you no longer are required to wear a mask internal or outside of buildings and that's what we're using applying to our workplaces for both employees and customers and visitors.

>> ANDY CHOI: Christy, thank you very much.

And of course a quick plug, Christy and I have done two episodes on Work Forward.

And there's a lot of information there.

And it definitely is something to take a look at so you can take a look at that on VZWeb, on Twitter, inside Verizon.

Those are episodes that Christy and I did in the last couple of weeks here about Work Forward.

Lots of great information.

So Christy, thank you very much.

And it's good to see you here at the Leadership Forum.

>> CHRISTY PAMBIANCHI: Thank you, Andy.

>> ANDY CHOI: Let's get Hans back up here with some questions.

>> ANDY CHOI: This question here from Iesha, how is Verizon helping people talking about cyberattacks another topic we discussed this morning it's great to see the alignment here between the V Teamers and our Leadership Forum.

>> HANS VESTBERG: Yeah we had our conversation up here. And we have people in the room here as well. I think it's seven different prongs. First internally we need to work with our products, our networks, our secure and of course we have to be prepared and proactive how we build the networks. Remember also our brand value is about that. So that becomes important. So I think the team is working daily to do well. And to work -- cross over the functions to have the best technology. And that's of course around VBG, VCG, but also VMG, of course, all of them are part of what we're doing here, constantly. And I think that it's a very good working framework that things are just increasing. Let's just be clear on that. But clearly we are having processes where people are being proactive. We will continue to be that. Then on top of that, of course, we have our offerings to our customers that we work with as well so we're offering security surveys from VBG to our customers to see and we're also doing it from VCG of course our consumers to see that they are more secure in times where we see more attacks. But this is a relentless work over time. You're never finished. You need to constantly, proactively work with your systems, I see Shankar in the room here that is working with us daily, as well. So all of us on the network, to the I.T. to the organization and what we're offering, we just need to think about it. So we are thinking a lot about it. And it's on the highest level in our company, including the Board is reviewing this and seeing that we're doing the right things. But again, it's a moving target. We are doing fine so far. But we just need to continue to be very attentive to the situation around us.

>> ANDY CHOI: Absolutely.

And Hans before we wrap up I do want to invite Christy back up on the stage here. I've been seeing the questions come in on Slido and there have been quite a few questions about masks and we have acknowledged this that this next chapter of our working life is one of great evolution.

And so Christy, if you can, just update us once again on sort of what folks should be thinking about when it comes to these masks.

And how we're working.

>> CHRISTY PAMBIANCHI: Thanks, Andy and we are fielding a lot of questions on this so just to offer some additional insight, everything is changing practically daily. So for example, we have teams monitoring international travel policy.

We have teams monitoring all of the local mandates, et cetera.

So I highlighted our broad policy.

But we also are tracking by county and state so there are some that have more stringent requirements.

For example, New Jersey has requirements about collecting the vaccination records to allow people to not wear masks indoors.

Whereas other states do not have that.

So please constantly check.

And our policy and our RTO will always have those updates for you.

My last comment on masks one of the things I want to remind everybody is tolerance and being kind.

And so there can be a lot of reasons why someone will choose to still wear a mask.

And we have to respect that.

There are some people who for their own personal safety, maybe they live at home with someone compromised.

Maybe they have in their culture it's normal to wear a mask if they are feeling under the weather, et cetera, et cetera.

So we want to make sure that this doesn't become a polarizing item inside the company.

>> HANS VESTBERG: Two things coming through with what you're saying I tried to say it at the beginning, as well, one is respect each and every individual for what they stand for and what they are doing.

Because this is such a big thing, you know, and secondly which is I think is even more -- is equally importantly there are so many moving targets and so different geographically maybe we're sitting here in New York talking one way if we would be maybe in Vietnam or India working, it would be totally different.

So it's just moving targets.

We just need to be close.

That's why the website becomes so important that's the relevant information that Christy and the team are putting on all the time and that's relevant because sometimes a blanket state high up it's not good enough because it's so deep it has to be in the right jurisdiction where you live and things can change, as well.

We have seen changes from governments in U.S. or Prime Ministers in other countries immediately and then two days later you need to change the rules.

So that's why it becomes so important to have this digital tool that we have.
And the work that we have done with all of this COVID response.
It's not over.

Continue to follow the rules, principles.

Read, talk to a manager closest to you to see the latest information.

>> ANDY CHOI: Yeah and that conversation will certainly continue Christy thank you very much and as we wrap up Hans your final thoughts for the team I was thinking about this last year June 2020 we watched you up there.

And you addressed a lot of the pain that we were suffering.

That pain has not yet completely subsided of course there's a lot of goals ahead for the second half of the year as we think about leadership and compassion and empathy your thoughts not only for our Leadership Team but for our V Team.

>> HANS VESTBERG: No it's a balancing act we're running here every day across the company.

We need to run our business.

We need to serve our customers and see we have the freedom to continue to invest as we're doing at the same time we have a situation around us in the world and wherever we are.

That we need to be very attentive to.

We need to also be attentive to the society around us.

Everything is happening.

And I think that we have the framework to work with all the different stakeholders from the shareholders or the customers to engage with us as employees, the V Teamers, you saw what Christy was presenting.

And then of course what we're doing with society.

What we stand up for.

But what we stand up for is our core values.

And I think you're maybe referring a little bit to that.

We have seen the racial injustice and the economic downturn and so many things.

We stand for actually diversity and inclusion because it makes us a much better company.

We will continue to fight for that.

And we're going to continue to have the conversations on it.

All the time.

Because it makes us a better company.

A much stronger company, when we reflect what's happening in our society.

So it's a lot of those things that are happening but at the same time we need to run the company because ultimately customers are depending on us every day to do their business, to be connected, be with their friends.

And that's for all of their networks or the social networks that Guru and the team are

running every day as well because people are dependent on this and we are a big part of society today how we're doing that and that's ultimately our business and that business is bringing us forward both for the shareholders for the employees, customers and society.

So I think that's the final word.

We are here.

We're going to continue to discuss but I want to also reinforce that the transparency we're working with, Christy is announcing the Pulse survey here to all employees at the same time.

Nobody has ever seen them.

I saw them first time yesterday night because I got the script from Christy.

I had never seen it before.

That's how we want to work.

We want to be transparent with all of you employees.

What we're doing well.

And what we're not doing well.

And what we can improve and remember the last thing that Christy talked about now it's time to engage.

It's not waiting for the leaders.

You need to also go to the leaders and ask them.

Okay what was our result how are we going to act on it what are we going to do this time because if we take action we'll continue to do this.

And a strong V Team is going to beat everything out there.

And that's going to make the big difference for us as companies.

So once again, thank you, all, for being at UTS thank you for inviting me thank you for having me here I love to be at UTS.

>> ANDY CHOI: The invitation stands any time you can speak you can photo bomb any time Hans thank you very much and as you mentioned this is all about making sure that we all feel that sense of leadership and that we can feel that sense of ownership, too, when it comes to leading not only our teams and our colleagues but ourselves.

And I would like to end on Christy mentioned, this is about empathy, this is about caring about each other.

And this slide here we're about to share shows just how much we care.

We've been talking about India of course.

And all that's been going on over there.

And as we have talked during previous Up to Speeds, there was an opportunity for us to give back.

And as you see here from the numbers, these are just incredible.

\$100,000 direct Verizon donation.

And Verizon made sure that the employee donations were matched 2 to 1.

So you take 265, 2 to 1 match at 530.

And you add that to the 100K.

And you're looking at a grand total of \$895,000 going to help the folks in India who are still suffering.

And this to me embodies what it's all about, being a part of this company that we look out for each other.

We lead with empathy and compassion.

It's a wonderful feeling to know that we are continuing to think about each other during this time.

There's a lot that we can be excited about.

Proud of.

And as we enter this new phase here, as we see the smiles and once again as we see -- as we hug and embrace and shake hands and find those new chapters here, the hope is we also find that empathy.

And we continue that to be our connective tissue.

So with that, thank you very much for watching, everyone.

The leadership meeting will continue here in Basking Ridge.

But for the folks watching here, V Teamers, especially big shoutout to our interns, thank you so much for watching.

And of course until next time, you're Up to Speed.

[Applause]