



Vodacom Group Limited

Sustainability report

For the year ended 31 March 2022

Further together





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Social and Ethics Committee approval

The Social and Ethics Committee accepts responsibility for the integrity of this report. The sustainability, the ESG data addendum, and TCFD, remuneration, corporate governance and tax transparency reports collectively provide stakeholders with material information and commentary on Vodacom's sustainability practices to ensure they can make informed assessments of our performance.

We believe that this report demonstrates, in a fair and balanced way, how Vodacom's sustainability practices seek to mitigate value destruction and create sustainable value and prosperity for our stakeholders.

The Social and Ethics Committee approved this report on 1 June 2022.

Khumo Shuenyane
Committee chairman

Leanne Wood

Nomkhita Ngweni

Sakumzi Macozoma
Group Chairman

Shameel Joosub
Chief Executive Officer (CEO)



Reporting suite

for the year ended 31 March 2022

For stakeholders to fairly assess Vodacom Group Limited's (Vodacom or the Group) financial and sustainability performance, we publish a range of reports to meet our stakeholders' diverse information needs.



Integrated reporting

The integrated report is our primary report to our stakeholders and is supplemented by content-specific disclosures.



Environmental, social and governance disclosures

- Sustainability report
- Environmental, social and governance (ESG) data addendum
- Governance report
- Remuneration report
- Tax transparency report
- Task Force on Climate-related Financial Disclosures (TCFD) report



Financial disclosures

- Annual consolidated financial statements
- Summarised annual consolidated financial statements
- Financial results booklet and results presentation

Shareholder information

- Notice of annual general meeting
- Form of proxy

About this report

Reporting period and forward-looking statements

This report covers the period 1 April 2021 to 31 March 2022 (FY2022). Any notable or material events after this date and up to the approval of this report are included and noted accordingly. Statements relating to future operations and the Group's performance are not guarantees of future operating, financial or other results. They involve uncertainty as they are based on assumptions of future developments, some of which are beyond our control. Therefore, the results and outcomes may differ.

Target audience and reporting frameworks

We acknowledge that a broad range of stakeholders have specific information requirements of our sustainability performance. In this report and other ESG-related disclosures in our reporting suite, we take guidance from various reporting regulations, standards, and frameworks to report on our material ESG impacts in a broadly accepted manner:

- South African Companies Act, No 71 of 2008, as amended (specifically the Social and Ethics Committee obligations)
- Global Reporting Initiative (GRI) Standards and the Greenhouse Gas (GHG) Protocol

We provide information in terms of the following within the various reports listed alongside:

- The King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)
- Task Force on Climate-related Financial Disclosures
- Broad-based black economic empowerment (BBBEE) and the Amended Information and Communications Technology (ICT) Sector Code¹
- United Nations Global Compact (UNGC)¹
- UN Sustainable Development Goals (SDGs)

The nature of ESG matters, frameworks and reporting obligations continue evolving, and we will continue refining our reporting approach over time.

1. ESG data addendum.



Disclosure process and assurance approach

Our reporting process began with reviewing our material matters for both integrated and ESG reporting. Content gathering for these disclosures included outputs from the Group's strategy review, drawing from Board and Board committee submissions and through engagements with and submissions from business units and operating entities.

We apply a risk-based combined assurance approach to the Group's operations. We ensure the accuracy of disclosures in published reports through internal controls, management assurance, and compliance and internal audit reviews, supported by independent external service providers.

In line with their respective mandates, the Social and Ethics Committee, Remuneration

Committee, Nomination Committee, and the Audit, Risk and Compliance Committee review and recommend specific reports to the Board for approval.

The British Standard Institute conducted an ISO 9001 Quality Management Systems certification:2015 surveillance audit for our South African operations and Bureau Veritas Certification conducted an ISO 14001:2015 Environmental management systems surveillance audit for our Midrand campus. Certification was retained for both.

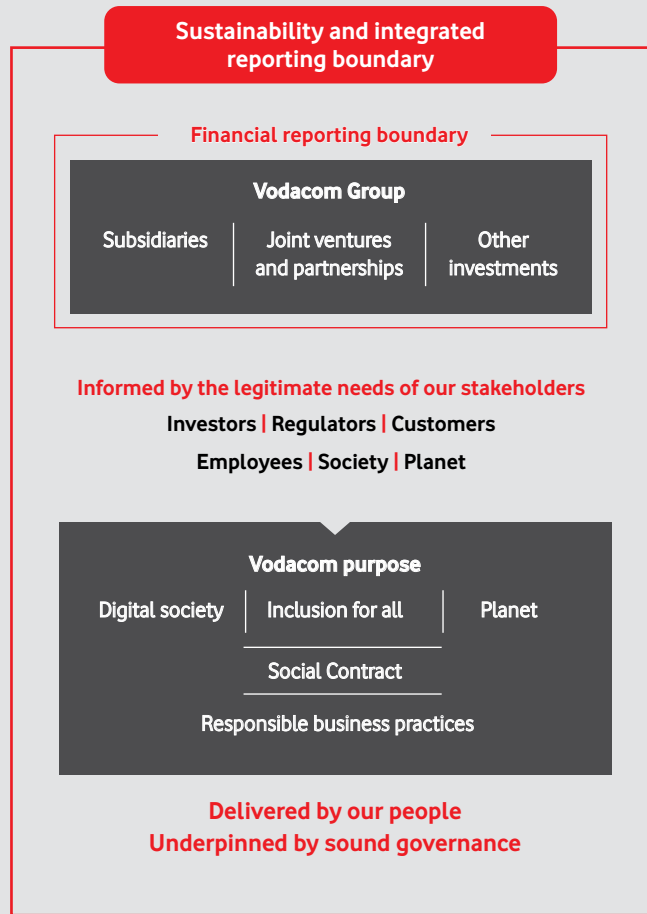
KPMG Inc conducted limited assurance on the carbon emissions of South Africa. Information relating to the scope and conclusions are in the independent limited assurance report in our ESG data addendum available on our Group website at www.vodacom.com. It is our intention to extend this scope to include our other operating entities over time.



Scope and boundary

This sustainability report, the ESG data addendum, and the TCFD, remuneration, governance and tax transparency reports, provide our stakeholders with a comprehensive view of the Group's ESG performance. Similar to our financial reporting boundary, disclosures are defined by control and significant influence over the entities.

We include information from our operations in South Africa, Tanzania, the Democratic Republic of the Congo (DRC), Mozambique and Lesotho. We reflect select Safaricom¹ information which is noted accordingly.



1. Vodacom owns 87.5% of Vodafone Kenya Limited which, in turn, holds 39.9% of Safaricom, giving Vodacom an effective holding of 34.9% in Safaricom.

Regulatory and reporting developments

The role of a business in society has changed, with greater expectations for companies to be purpose-led, embody stakeholder capitalism and measurably contribute to achieving the SDGs. This has accelerated due to the devastating impact of the COVID-19 crisis.

Requirements and expectations are evolving, becoming more targeted and specific, with companies called on to disclose their broader ESG performance in a more standardised way. Globally, there is a shift to increased guidance and regulation on ESG which we continue to monitor and respond to.

United Nations Global Compact

We subscribe to the UNGC's 10 universal principles on human rights, labour, environment and anti-corruption.

[ESG data addendum > UNGC communication on progress](#)

GRI

The GRI remains a key framework against which we benchmark our disclosures and we have sought to align to the revised Universal Standard released in FY2021.

[ESG data addendum > GRI index](#)

Task Force on Climate-related Financial Disclosures

We published our first TCFD report as part of our journey to understand the Group's most significant medium and long-term climate-related risks and opportunities and provide stakeholders with more consistent and comparable disclosures.

[TCFD report](#)

Emerging reporting developments

We monitor the following disclosure developments which will receive focus in FY2023:

- International Sustainability Standards Board proposed standards – General Sustainability-related Disclosures and Climate-related Disclosures.
- The JSE Limited (JSE) Sustainability and Climate Change Guidance.

Governance of ESG

The Board and committee responsibilities across ESG are defined below.

Board	
	Exercises ethical leadership and sound judgement to grow our business sustainably.
	Evaluates how our strategy supports the delivery of the Group's purpose and the associated ESG risks and opportunities that impact our business.
Social and Ethics Committee	Primary responsibility for overseeing the Group's ESG approach and the execution thereof.
	Oversight of the implementation against key policies of the ESG approach, for example Vodacom's code of conduct, stakeholder engagement and financial crime.
Nomination Committee	Oversees the application of good governance principles as defined by King IV and best practice.
Remuneration Committee	Oversees fair and responsible pay practices and monitors ESG performance measures for the senior leadership team.
Audit, Risk and Compliance Committee	Oversees the ongoing integration of ESG-related risks into the enterprise risk management framework.
	Considers ESG matters for investments and expansions into new countries of operation.
Executive Committee	
	Ultimate accountability for the execution of ESG action with accountabilities assigned to the relevant executive.
	Supported by the Group Executive ESG and Reputation Committee.



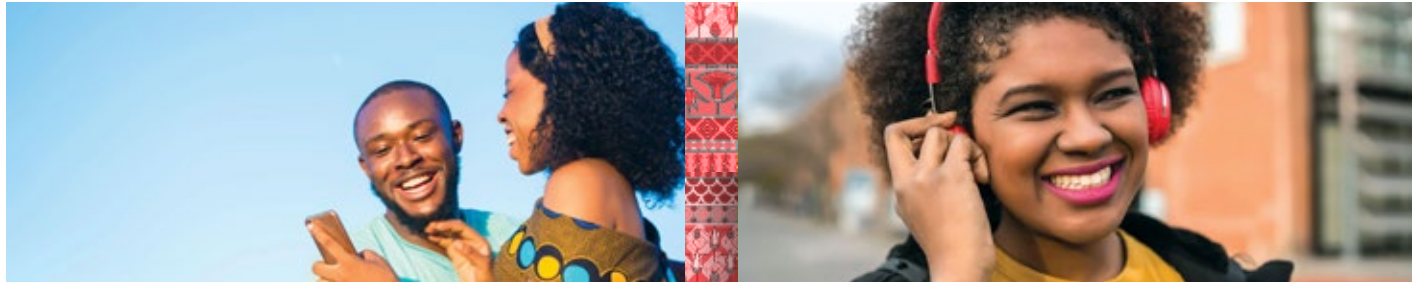


Materiality approach

We conducted an enhanced materiality determination process this year by adopting a double materiality approach. This comprised an inward lens (material matters impacting Vodacom's ability to create value) and an outward lens (material matters impacting society, communities and the environment).

Refer to page 5 of our integrated report for the process and the detail of the seven prioritised material matters.

- 01 Accelerating growth while enhancing returns
- 02 Complex regulatory environment
- 03 Competitive environment
- 04 Financial and digital inclusion
- 05 Network resilience and climate impact
- 06 Our employees
- 07 Economic and political landscape



Within each material matter we identified ESG-related sub-matters and topics that may not have a material financial impact (affecting enterprise value for the integrated report) but are deemed relevant for disclosure. Selected ESG-related matters, most notably governance, remuneration, climate change and tax transparency, are cross-referenced to disclosures in our reporting suite or to information on our corporate website.

Environment	Social	Governance
<p>05 Where our operations negatively impact the environment, we aim to mitigate these negative impacts</p> <ul style="list-style-type: none"> Energy supply security, consumption and transition to renewable energies e-waste and circular economy Business resilience and sustainable building management Climate change Water and biodiversity <p>01 We seek to provide digital solutions to help our customers manage their environmental impacts</p> <p>05 Environmental benefit from products and services such as reduced emissions and improved land use (agriculture)</p>	<p>01 The resilience of our network is critical to delivering customer service</p> <p>04</p> <p>05</p> <p>06 Our success depends on our employees' welfare, skills and attitude</p> <ul style="list-style-type: none"> Availability, quality, reliability and security of network Enabling a digital society Culture Employee rights/fair labour practices Development and empowerment Employee acquisition, retention and remuneration (scarce and critical skills) Health, safety and well-being 	<p>01 Accelerated growth of digital and financial inclusion will be delivered through ongoing innovation and partnerships, positively impacting communities and society; however, we remain mindful of potential negative effects</p> <p>04</p> <p>02 Ensuring that we comply with and keep abreast of local laws and regulations means we can continue operating ethically and responsibly</p> <ul style="list-style-type: none"> Innovation and Big Data Customer relationships, satisfaction and selling practices Affordability and accessibility of products and services Human rights Stakeholder engagements Diversity and inclusion Social benefit from products and services such as financial inclusion and digital inclusion such as access to education Corporate governance Business conduct and ethics Data privacy and use of customer data Cyber security Legal and regulatory compliance Tax Supply chain management (including disruptions)

Our responses

Planet page 32

TCFD report

Digital society page 16

Our people page 53

Inclusion for all page 23

Remuneration report

Responsible business practices page 39

Governance report

Tax transparency report



CEO, Shameel Joosub's reflections on ESG



“

We believe technology and connectivity can enhance the future and improve people's lives. Our strategy, which is informed by our operating environment and framed within the context of our purpose – connecting for a better future. This enables us to deliver future-ready products and services, contributing to digital and financial inclusion, while seeking solutions to preserve the earth's natural resources.

Underpinning this, we hold ourselves accountable to responsible business practices and undertake to measure our progress and provide transparent and balanced communication to our stakeholders.

– Shameel Joosub, Vodacom CEO

In the context of socioeconomic inequalities exacerbated by the COVID-19 pandemic, civil unrest and extreme weather events, the world is inarguably at a juncture where value creation and social responsibility are no longer considered mutually exclusive. At Vodacom, this intersection has long been recognised. By delivering against our purpose and following responsible business practices, we have a strong ESG track record, and we are committed to delivering greater impacts in the future.

Over the following pages, we describe how we think about ESG at Vodacom, including our contribution to the United Nations Sustainable Development Goals (SDGs), and how, through our footprint, mobile reach, products and services, and forward-looking strategy, we continue to deliver on our ESG ambitions.



See our integrated report

- Our Chairman's statement page 10
- Social contract pages 12 – 13
- CEO's statement pages 10 – 11

Africa, equality disrupted

The COVID-19 crisis, civil unrest, regulatory and political uncertainty, cyber security risks and extreme weather events continue to create considerable societal challenges, particularly in developing countries. These include increased poverty, inequality and unemployment, lower participation in education and business failures, to name a few. The Russia-Ukraine War and geopolitical tensions are driving inflationary pressures, food insecurity, and further supply chain interruptions, among others. The impacts are yet to be fully understood.

With these challenges in mind, we know that there has never been a more significant time for Vodacom to centre ourselves around our purpose and build a digital society accessible to all.

Connecting for a better future

Digital access and solutions bring the possibility of, and support economic transformation by enabling financial services, facilitating trade and strengthening the resilience of small and medium businesses. They can be used to deliver more inclusive access to education and government services while providing solutions aimed at protecting those most vulnerable.

Our purpose drives a powerful strategy that we believe can support economic recovery in the countries in which we operate, while enabling the Group to navigate macroeconomic uncertainties and creating sustainable value for our stakeholders.

Throughout this report, we reflect on our ESG progress. However, I would like to highlight that ESG delivery is not a standalone effort but rather one that is intricately interlinked to our strategy and impact going forward. Our multi-product strategy – the system of advantage – drives us to deliver future-ready products and services that contribute to sustainable socioeconomic development and better lives in all the countries in which we operate through three primary strategic ambitions.



Ambition 1: Africa's leading communications company

We understand the potential of internet access as a powerful enabler for economic and financial inclusion.

Our mobile networks connect 130 million customers and cover more than 300 million people – increasing to 500 million on completion of the Vodafone Egypt acquisition and launch of commercial operations in Ethiopia. We are scaling up our fibre offering through a proposed up to 40% strategic investment in Community Investment Ventures Holdings, thereby getting access to South Africa's largest open fibre access players. This combined scale and reach positions us to contribute towards bridging the digital divide and bringing transformative solutions to more of Africa's people.

In March 2022, we acquired 110MHz high-demand spectrum in South Africa. The 20-year licence allows for long-term investment into next-generation mobile infrastructure, including 5G, to broaden coverage, increase speeds and enhance network quality. In this way, we will enable South Africa's digital economy and reduce communication costs.

As part of the International Telecommunication Union's (ITU) Partner2Connect programme, Vodafone and Vodacom committed to investing over the next five years to increase 4G population coverage in Africa by 70 million people across our existing Vodacom footprint.

Recognising that 4G connectivity supports digital inclusion and can reduce the number of households in extreme poverty by increasing participation in the labour force, particularly for women. We are increasing 4G access through the sales of affordable feature phones and by providing innovative device financing.

We continue to grow digital inclusion by providing access to affordable products and services while working to reduce the cost of data. For instance, over the last two years we reduced our 1GB data bundle price by 43% in South Africa and we will strive to reduce bundle sizes to meet the challenges of rising inflation and pressure on consumer spend.



Our zero-rated m-mama provided over 1.9 million registered subscribers with educational information about maternal and child health and well-being.

We introduced discounted offers for poor communities, and we have various zero-rated platforms such as Mum & Baby, m-mama and ConnectU, which provide low cost bundles, free access to basic internet including news, educational resources and job sites. ConnectU will be rolled out to all our countries in the next financial year.

Further reading pages 38 – 41 of our integrated report



**Ambition 2:
Diversify and differentiate with our digital ecosystem**

We are constantly expanding our services and solutions, providing customers with ever-increasing access to telecommunications, financial services and information technology (IT), digital, and Internet of Things (IoT) solutions. We seek to create powerful partnerships with governments, like-minded businesses and civil society to further increase our scale and impact.

We have built a formidable financial services business, with customers reaching 60.6 million (including Safaricom on a 100% basis). Our financial services solutions include payments, lending, insurance and trading platforms. Through M-Pesa, Africa's largest payments platform, millions of individuals and small businesses, many of whom are unbanked, have access to financial services.

At 31 March 2022, including Safaricom, M-Pesa had been used by 41.7 million customers and processed over US\$324.6 billion in transactions.

M-Pesa is used by more than 2.6 million enterprises to collect and disburse payments, and over 401 000 retail and online merchants accept M-Pesa.

To further empower our customers and open up the financial services ecosystem, we launched our super-apps in the financial year.

Our super-app approach will change the paradigm for financial services from a few partners to thousands of service providers. Further, the super-app removes the

barrier of physical limitations for both consumers and merchants, which can then expand well beyond their geographic boundaries and their addressable markets.

Our SME solutions extend beyond financial services to address the needs of SMEs. Services include an SME platform, VodaTrade, merchant point of sale, cloud and our newly launched V-Hub – an online resource portal specifically designed for SMEs to unlock their full potential as they embark on a digital transformation journey.

Our Trading Bridge portfolio serves many enterprise and SME customers enabling annual trade of R270 billion. The VodaTrade SME supplier portal enables 88 small suppliers to transact with seven large retailers.

Further reading pages 42 – 55 of our integrated report



**Ambition 3:
Optimised, future-ready TechCo**

Our success in accelerating our transition to a future-ready TechCo depends on the skills and attitudes of our employees.

Through our company culture, the Spirit of Vodacom, we advocate for a culture that focuses on trust, drive, curiosity and belonging. We have embedded four pillars which encompass earn customer loyalty, create the future, experiment learn fast and getting it done together. Our ethos is that no matter where we work in Vodacom, we act as one and every action is rooted in our purpose.

We therefore continue to accelerate our employees' digital capabilities through various initiatives, including establishing a technology skills transformation team, ensuring targeted recruitment and supporting internal development through programmes such as the #1MoreSkill strategy.

We firmly hold that success should not come at the cost of business ethics or the environment. We therefore continue to invest in climate-smart networks and solutions to play our part in protecting the planet for future generations.



Acting ethically, lawfully and with integrity is critical to our long-term success. As such, responsible business practices support the delivery of our purpose while enabling us to create value. For us, operating responsibly means fostering business integrity, maintaining trust through protecting data, protecting our people's health and safety, respecting human rights, ensuring a responsible and inclusive supply chain and contribute to tax and the economy.

Health, safety, and well-being continue to be a priority and we are pleased to note that safety statistics demonstrated overall improving performance. Sadly the lives of two members of the public were lost as a result of a road accident in Mozambique.

We are implementing a strategy to introduce next-generation security technologies across the Group, enhance our current prevention and detection capabilities, provide data insights for real-time detection and response, and introduce a more secure and frictionless employee experience.

We have an extensive set of cyber security baseline and super controls in place, which are consistently measured and monitored to ensure they remain effective and efficient. Furthermore, the Group's incident detection and response capabilities are continuously enhanced through security orchestration, data visibility, endpoint detection and response capabilities.

Further reading pages 56 – 69 of our integrated report

Reflection and appreciation

It is imperative that we monitor the rapidly evolving developments in ESG as well as assessing our performance. We track our ESG progress through multiple mechanisms including direct stakeholder feedback, surveys, benchmarking to best practice and monitoring the outcomes of select local and global ESG ratings.

In October 2021, Sustainalytics ranked Vodacom first out of more than 200 companies in the Telecommunications Service Industry and we maintained our AAA rating from MSCI. Our CDP rating decreased to B from A- however we expect this to improve as we advance our climate change response. Overall we continue to make notable progress; however, we recognise that we must not stand still.

I extend my heartfelt thanks to the people who make this possible. Thank you to our employees, my executive team and the Board for their collective contributions. I wish to thank our business partners, shareholders, and other stakeholders for their ongoing support.

In conclusion

Our purpose-driven intent remains steadfast. We will continue to leverage our technological and communication capabilities to tackle the digital divide and improve people's lives by using connectivity, technology, and digital services as engines of growth for economic prosperity and sustainable development.

Shameel

Shameel Aziz Joosub

CEO

1 June 2022



Reflections from our Social and Ethics Committee



“

We remained steadfast in the execution of our purpose and responsible business practices to deliver an improving ESG performance.”

– Khumo Shuenyane, chairman, Social and Ethics Committee



Vodacom continued to contribute towards Africa’s economic recovery by focusing on relationships with all our stakeholders, and our business resilience in an ever-changing and, at times, volatile operating environment.

In the preceding pages, Shameel outlined how the delivery of the Group’s ESG ambitions is intricately linked to the strategy and in the pages that follow we describe how Vodacom thinks about and implements ESG. The Social and Ethics Committee plays a pivotal role in providing oversight of these efforts.

FY2022 focus areas

- The Group’s approach to ESG and ongoing progress as measured against best practice;
- Embedding the Spirit of Vodacom and overall employee culture outcomes;
- Improving customer experience;
- Business integrity focused on ethics, and combatting corruption and money laundering;
- Managing energy requirements; and
- Regulatory developments and associated stakeholder engagements.

Vodacom’s ESG approach

Within a rapidly evolving ESG environment, with increasing ESG-related governance expectations, we reviewed the committee’s terms of reference and workplan. We then refined reports to the committee to ensure appropriate coverage of ESG matters.

During the year under review, the committee remained appraised of management’s activities supporting the expanded remit, which included incorporation of ESG-related metrics into senior leadership’s long-term incentive plans, repositioning the Group Executive Reputation Committee to primarily focus on ESG, appointment of specialist resources and refinement of the Group’s ESG approach.

In October 2021, Vodacom was rated first globally in telecommunications in the Sustainalytics ESG risk assessment.

In deliberating the Group’s ESG performance, we reviewed the results of multiple ESG rating agencies, noting ongoing improvements management have made in outcomes.

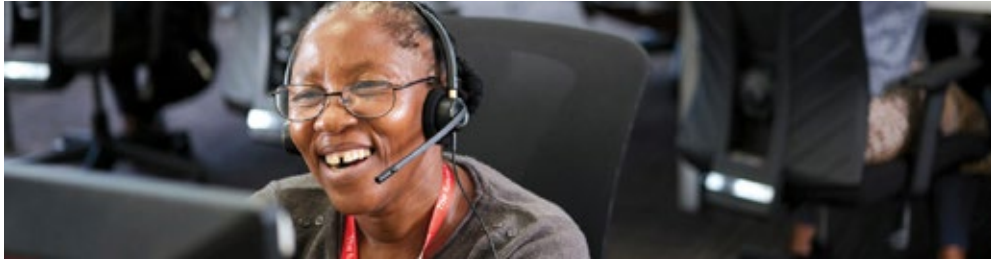
Energy, environment and climate change

Given the significant risk, the committee focused keenly on environmental impact and climate change. We were pleased to note management’s progress in several key areas as well as plans to address identified impediments. The committee considered a detailed review of the Group’s energy requirements and their implications for costs, customer service (network availability) and environmental impact. We reflected on challenges in transitioning to a low-carbon network, including the administrative complexities to purchase power from independent power producers using wheeling in South Africa. The Group’s revised energy strategy execution relies significantly on power purchase agreements and wheeling to power our entire operations in South Africa. Across the other countries in which we operate our strategy is to reduce our dependence on diesel generators as a technology of choice where grid electricity is unavailable or intermittent. Management continues engagements with organised business, government and regulators to balance support for current infrastructure while seeking to unlock the supply of renewable energy for all.

Considering these constraints, the committee noted that renewable energy certificates would have to be purchased to meet the Group’s public commitment to halve scope 1 and 2 GHG emissions by 2025 and to procure 100% of our electricity from renewable sources. We concurred with management’s ambition to further reduce emissions through power purchase agreements as larger-scale access to renewable energy through national electricity grids becomes available.

We reviewed the recommendations of the Financial Stability Board’s Task Force for Climate-related Financial Disclosures (TCFD) and management prepared a related report. Our review considered evolving guidance on board oversight responsibilities and increasing investor interest in ESG assessments as well as the global shift to include TCFD recommendations in public disclosures.

Acknowledging that this is a multi-year journey for all companies, the committee noted that the first phase of the Group’s formal TCFD programme would focus on South Africa as the most material contributor to the Group. Management will include other countries in due course.



Customer satisfaction

Our oversight focused on customer service with actions to make the Group's products and services more accessible by driving inclusion for all. This included regular reviews of customer survey results, and reports on service levels and complaints.

Of particular interest to the committee were actions taken by the Group to deliver more affordable data and smart devices, extending rural and 4G coverage, strategic investment in Community Investment Ventures Holdings, which will make fibre more accessible across South Africa, and expansion of the chatbot, TOBi, into Swahili and isiZulu.

We noted management's action to minimise service interruptions due to power and network outages, including significant investment in network infrastructure. This included R1 billion spent on providing batteries for mast power and enhanced security measures in response to escalating battery theft.

Code of conduct

Ethical conduct continues to receive significant attention globally. In South Africa, this relates to numerous corporate governance failures in recent years, and ongoing allegations of corruption in the public and private sectors. We received updates on the Group's Doing What's Right programme, including training and awareness activities, and an analysis of the queries and incidents submitted to our Speak Up whistleblowing and ethics advice line. Our Group Audit, Risk and Compliance Committee oversees internal and external fraud incidents.

Fighting financial crime

As the Group's financial service offerings grow, management of legal and regulatory compliance, financial crime, reputation and customer-related conduct risk remain top of mind. We reviewed the results of an independent assessment by PwC, which covered money laundering and terrorism risks across the Group, and relevant local regulations and international standards. The committee was pleased to note that key risks are well-managed and no significant issues of non-compliance were reported.

The committee considered the outcomes of an internal review of M-Pesa processes against equivalent traditional financial services – and found that M-Pesa has adequate controls to mitigate key risks. Nevertheless, management is pursuing opportunities to strengthen market conduct reporting.

Other activities monitored by the committee included:

- Implementation of a solution for real-time screening of mobile money transactions to comply with regulations in Lesotho, initially, and other M-Pesa jurisdictions over time; and
- Suspicious financial transactions in high-risk circumstances.

These initiatives will strengthen the Group's ability to proactively monitor and prevent financial crime.

Employees and culture

We engaged with management on their efforts to preserve the Group's culture in a remote working environment. The committee reviewed reports and surveys on employee productivity, performance management and the implementation of return-to-work practices. The shift from annual to quarterly performance reviews for all staff is indicative of management's conscious effort to support staff during transitional working arrangements while ensuring optimal performance.

The Spirit Beat survey revealed steady improvement in employee sentiment and management received numerous awards and recognition for employment practices.

For the sixth consecutive year, the Group was certified as one of Africa's top employers by the Top Employers Institute (placed third). Vodacom South Africa achieved gold status in the South African Workplace Equality Index Awards for supporting LGBTQ+ employees.

Health, safety and well-being

We considered regular reports on general employee well-being, COVID-19 incidents, vaccination rates and special leave uptake.

The committee noted pleasing progress in managing health and safety risks as well as ongoing supplier engagements and the introduction of limits on contractors to overcome the challenge of training in, and enforcing, health and safety measures.

In Tanzania, we reached the 10th year of zero fatalities. Regrettably, the lives of two members of the public were lost as a result of a road accident in Mozambique.

We monitored unrest in countries in which the Group operates, and risks related to employee well-being, human rights, business continuity and insurance. It was noted that Vodacom provided emergency relief in KwaZulu-Natal following the July 2021 riots and after the floods in April 2022.





Regulatory matters, reputation management and stakeholder engagement

Operating within a complex and sometimes volatile operating environment requires senior leadership to actively interact with stakeholders. Management invests significant time in supporting an effective market structure in each country through ongoing regulatory and industry engagements.

During the year, this included:

- The impact of money transfer and airtime levies in Tanzania, and the Central Equipment Identity Register mobile device tax in the DRC.
- The much-anticipated spectrum auction, critical to extending 4G and 5G coverage, in South Africa.
- The proposed acquisition of a majority stake in Vodafone Egypt and a significant minority investment in fibre provider Community Investment Ventures Holdings.

The committee received regular reports from management on ongoing engagements aimed at proactively identifying regulatory challenges and engaging with relevant stakeholders timeously, to reduce risks in the fiscal environments in which the Group operates.

Linked closely to our stakeholder relationships is the need for proactive reputation management. We deliberated with management on the outcomes of an independent reputation assessment benchmarking the Group against the industry and other top-performing companies. While Vodacom Group performed fairly overall, management set more ambitious targets to measure future performance.

Committee evaluation

Given the broad ambit of this committee, internal audit conducted a review of work performed against our terms of reference, and confirmed that all aspects were covered during the 2022 financial year.

Various topical issues were discussed with members during committee meetings throughout the year. Topics included the responsibilities of governing bodies in responding to climate change, corporate ethics and the impact of internet shutdowns on human rights.



Vodacom Foundations

We discussed the activities of the various Vodacom Foundations across the Group and employee volunteering. The committee is pleased that management continues to drive greater alignment of its social initiatives across the Group. Partnerships provide greater scale and impact for the foundations' initiatives.

Transformation and localisation

We monitored the Group's BBBEE performance with particular attention to subsidiaries that need to apply concerted effort to improve their status.

We monitored employment equity from race to gender and disability. Progress at middle and senior management levels was slower than desired; however, pleasingly Vodacom South Africa's executive committee comprises 50% black women.

We were encouraged by the outcomes of initiatives to improve procurement from exempted microenterprises and qualifying small enterprises, and the absorption of learners and interns into the business.

We continue to monitor localisation requirements in the other countries in which the Group operates.

Looking ahead

The committee's plans include:

- Executing our mandate as prescribed by the South African Companies Act and King IV recommendations;
- Focusing on ESG activities that enable the Group to lead with purpose, and deliver tangible social, economic and environmental benefits;
- Overseeing the outcomes of an ESG risk assessment, and embedding risk management of climate change and human rights, among others, with the Group Audit, Risk and Compliance Committee;
- Reviewing and approving a refreshed stakeholder engagement framework for the Group;
- Monitoring customer health and engagement to support ongoing improvements, focusing on financial services and fair treatment of customers;
- Ensuring business integrity in terms of the Group's code of conduct; and
- Monitoring key employee-related matters.

Khumo Shuenyane

Chairman: Social and Ethics Committee
1 June 2022



Our ESG framework

Vodacom’s purpose – connecting for a better future – means using our business services of providing mobile and fixed connectivity and digital services to enable individuals and enterprises to thrive.



ESG framework

Execution of our strategy enables us to deliver our targets across three purpose pillars: digital society, inclusion for all and planet. It ensures we act responsibly and ethically wherever we operate.

By delivering against our purpose, we aim to produce profitable solutions to challenges faced by society and the planet, while not profiting from those that have negative impacts. Vodacom strives to minimise the negative environmental impacts arising from our operations. We are mindful that the pursuit of sustainable development activities without consideration of profitability can detract from our purpose.

Our Social Contract, guided by the principles of trust, fairness, and leadership, serves to activate and accelerate our purpose initiatives.

Operating responsibly is essential to long-term sustainability and cultivating trust with our stakeholders. This means acting honestly, with integrity and maintaining robust ethics, governance and risk management processes.



Purpose pillars

Digital society

Connecting people and things and digitalising critical sectors.

Digitalising business

Providing products and services to support business, particularly SMEs.

Digitalising critical sectors

Supporting the digitalisation of education, healthcare and agriculture with specific products and services.

Digitalising government

Using our Internet of Things (IoT) platform and technology to amplify productivity and efficiencies and enable better connectivity with citizens.



Inclusion for all

Ensuring everyone has access to the benefits of a digital society.

Access for all

Finding new ways to extend our network and make connectivity more accessible to all.

Propositions for equality

Providing relevant products and services to address societal challenges such as gender equality and financial inclusion.

Workplace equality

Developing a diverse and inclusive workforce that reflects the customers and societies we serve.



Planet

Reducing our environmental impact and helping society decarbonise.

Climate change

Working to reduce our environmental impact.

Carbon enablement

Helping our customers reduce their carbon emissions.

E-waste

Driving action to reduce device waste and progressing against our target to reuse, resell or recycle 100% of our network waste.

Social Contract

To achieve our purpose, we aim to strengthen our reputation by safeguarding the trust of our stakeholders and ensuring that digital connectivity delivers on its full potential for responsible leadership and innovation. Our Social Contract is a pact to help strengthen trust across all stakeholder groups as we meet their expectations, while maintaining positive relationships. Our Social Contract guides our journey as a purpose-led company, and is built on three core principles

Trust

Building trust with our customers through simplified and transparent pricing, customer-orientated solutions and reducing our planetary impact.

Fairness

To ensure fairness and promote digital inclusivity through enhanced access to digital products, services and infrastructure.

Leadership

To demonstrate responsible leadership through innovation in IoT and mobile financial services, leadership in convergence and solutions that benefit society.

Responsible business practices

Protecting data

Customers trust us with their data and maintaining this trust is critical.

Data privacy

We want to respect the privacy preferences of our customers and help improve society through the responsible use of data.

Cyber security

As a provider of critical national infrastructure and connectivity that millions of customers rely on, we prioritise cyber and information security across everything we do.

Protecting people

Health and safety

Creating a safe working environment for everyone working for and on behalf of Vodacom and the communities we operate in.

Mobiles, masts and health

Operating our networks strictly within national regulations.

Human rights

Contributing to the protection and promotion of human rights and freedoms, and supporting socio-economic development.

Responsible supply chain

Managing relationships with our direct suppliers and evaluating their commitments to diversity, inclusion and the environment.

Business integrity

We are committed to ensuring that our business operates ethically, lawfully and with integrity wherever we operate.

Tax and economic contribution

As a major investor, taxpayer and employer, we make a significant contribution to the economies of all the countries we operate in.

Anti-bribery and corruption

We have a zero-tolerance policy on bribery and corruption. The policy details what constitutes a bribe and prohibits giving or receiving any excessive or improper gifts and hospitality.



Read about our social contract on pages 12 and 13 of our integrated report

Transparency and measurement

Transparency is essential to our ESG approach. We achieve transparency through comprehensive disclosure and measuring our ESG progress using multiple mechanisms such as ESG ratings, reputation tracking and stakeholder feedback.



Access our full reporting suite



We enable inclusive and sustainable digital societies

The UN SDGs represent a better and more sustainable future for all with countries across Africa committed to implementing the SDG-aligned African Union Agenda 2063 and in South Africa, the government's National Development Plan.

Our purpose is an enabler, and we are committed to delivering our strategy in a way that supports governments, communities, enterprises and individuals, and the achievement of the SDGs.

The COVID-19 crisis continues to create huge challenges to society, particularly in developing countries, and led to a reversal of progress on some SDGs. Digital technology is an essential tool to reduce these impacts and help progress towards delivering the SDGs.

Through our purpose-led strategy, we are committed to accelerating connectivity and digitalisation to enable impactful and lasting solutions to

social, economic and environmental challenges. This is achieved alongside delivering sustainable growth for the Group.

We want everyone – whoever they are and wherever they live – to have access to reliable and affordable internet. We will build digital innovations such as IoT solutions and digital platforms like M-Pesa to contribute to sustainable development across a range of sectors including manufacturing, transport, health, agriculture, education and energy.

By working with like-minded businesses, governments, and civil society, and we seek to build new models to deliver solutions at scale.

We positively impact the SDGs depicted below through the execution of our purpose and our commitment to operating responsibly. Within these, we have prioritised eight where we can make the most meaningful contribution.







Priority SDGs	Example of our initiatives aimed at the SDG targets
Good health and well-being Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> mVacciNation (See page 21) Mum & Baby and m-mama (See page 29) Health and safety: driver safety training (See page 49)
Quality education Ensure inclusive and equitable quality education and promote life-long learning opportunities for all.	<ul style="list-style-type: none"> e-schools, instant schools and instant network schools (See page 27) SA education ecosystem (See page 28) Learnerships and bursary programmes (See page 57)
Gender equality Achieve gender equality and empower all women and girls.	<ul style="list-style-type: none"> Women empowerment programmes and gender-based violence ecosystem (See pages 29 and 30) Mobile to more women (See page 29)
Decent work and economic growth Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ul style="list-style-type: none"> SME services and solutions including access to supply chains and e-commerce platforms (See page 17) Supporting agriculture as a labour-intensive industry (See page 19) Employment equity, fair pay and supply chain labour practices (See pages 31, 58 and 53) Transformation through BBBEE in South Africa and localisation in other countries (See pages 13 and 53)
Industry, innovation and infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	<ul style="list-style-type: none"> Inclusion through rural connectivity; access to smart phones and 4G connectivity; data costs and the expansion of fibre (See page 26) SME financial services (See page 17) Preferential/localised procurement (See page 53) Infrastructure expansion including more energy efficient technologies (See page 37)
Sustainable cities and communities Make cities and human settlements inclusive, safe, resilient and sustainable.	<ul style="list-style-type: none"> Solutions for smart buildings (See page 18)
Climate action Take urgent action to combat climate change and its impacts.	<ul style="list-style-type: none"> TCFD programme (See page 33) Carbon emissions management (See page 35)
Partnerships for the goals Strengthen the means of implementation and revitalise the global partnership for sustainable development.	<ul style="list-style-type: none"> Partnerships with Vodafone Foundation such as Instant Network Schools and m-mama Expansion to underserved markets with the support of global funding partners Partnerships with government, civil society and like-minded companies e.g. education ecosystem

Secondary SDGs	Example of our initiatives aimed at the DG targets
No poverty End poverty in all its forms everywhere.	<ul style="list-style-type: none"> Financial inclusion such as M-Pesa, microfinance and insurance (See page 26) Affordable devices, internet access (See page 24)
Zero hunger End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	<ul style="list-style-type: none"> Providing agricultural platforms such as Connected Farmer/AgroMwinda (See page 19) Skills capacity building through provision of agricultural ICT training (See page 20)
Affordable and clean energy Ensure access to affordable, reliable, sustainable and modern energy for all.	<ul style="list-style-type: none"> Onsite solar, self-powered masts and power purchase agreements (See page 37) Energy efficiencies (See page 37) Customer solutions such as MySol (See page 34)
Reduced inequalities Reduce inequality within and among countries.	<ul style="list-style-type: none"> Employment equity and fair pay (See pages 13, 32 and 58) Diversity, ethnicity and inclusion efforts (See page 31)
Responsible consumption and production Ensure sustainable consumption and production patterns.	<ul style="list-style-type: none"> e-waste, circular economy and waste reduction (See page 38) Consumer and employee education and services such as the eco rating (See page 34) Sustainability reporting (See page 2)
Peace, justice and strong institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	<ul style="list-style-type: none"> Strong corporate governance (See our governance report) Anti-money laundering and anti-bribery and corruption programme (See page 42)



Measuring our impact

Our strategy helps to deliver our targets across three purpose pillars: digital society; inclusion for all; and planet – and ensures Vodacom acts responsibly and ethically, wherever we operate.

	Focus areas	Some of the activities and outcomes (with additional information in each chapter)	
Digital society  Page 16	01 Digitalising business 02 Digitalising critical sectors 03 Digitalising government	<ul style="list-style-type: none"> Introduced our V-Hub platform with free online resources to empower SMEs R5.1 billion spent with 2 038 qualifying South African SME suppliers 235 000 small-scale farmers using our agricultural solutions in South Africa, Tanzania and DRC Accelerated support to governments with our mVacciNation platform R87 million pledged to support vaccine rollout in DRC, Lesotho, Mozambique, South Africa and Tanzania Partnered with United Nations International Children’s Emergency Fund and Africa Centres for Disease Control and Prevention to manage cold-chain technology for vaccine distribution 	
Inclusion for all  Page 23	01 Access for all 02 Propositions for equality 03 Workplace equality	<ul style="list-style-type: none"> Our mobile networks cover 300 million people (including Safaricom at 100%) serving 129.6 million customers Connected 95 deep rural sites and 61 rural communities previously without any coverage Added 6.2 million customers to serve 129.4 million customers 410 new 4G sites added across the Group 47.1 million M-Pesa customers (including Safaricom) and 13.5 million financial services customers in South Africa 22 million ConnectU unique visitors with 14 million sessions initiated monthly (zero-rated access) 1.9 million registered users on Mum & Baby (zero-rated access) Launched various handsets and financial propositions to support smartphone penetration Provided over 1.6 million learners across South Africa, DRC, Mozambique and Tanzania free access to digital education platforms Continued to drive an inclusive employee culture that fosters tolerance and embraces diversity 65.0% black and 42.8% female representation in senior management in South Africa Introduced a gender-neutral parental leave policy Received a Gold Tier ranking in the South African Workplace Equality Index 	
Planet  Page 32	Our climate change response is driven through: 01 Reducing carbon emissions including carbon enablement 02 Energy management 03 Reducing waste and helping build a circular economy 04 Responsible water practices	<ul style="list-style-type: none"> Issued our first TCFD report Energy consumption (excluding transport) decreased by 2.7% Scope 1 and 2 carbon emissions increased by 4.5% GHG emissions per terabyte of data reduced to 0.64 mtCO₂e, down 14.8% A 6 MWP solar installation approved for the Midrand campus 1 088 solar-operated sites 70 715 consumer devices refurbished or recycled, and 321266 customer devices repaired 311 tonnes of e-waste recycled Reduced water consumption by 76% in South Africa against a 2017 baseline 	

Measuring our impact continued

	Focus areas	Some of the activities and outcomes (with additional information in each chapter)
Responsible business practices 	01 Doing business ethically	<ul style="list-style-type: none"> Percentage of employees completing Doing What's Right training – 88% data privacy; 78% cyber security; 85% code of conduct; 86% anti-bribery and corruption; and 86% health and safety
	02 Protecting data	<ul style="list-style-type: none"> Implemented a technology resilience programme, ensured regulatory compliance and strengthened cyber security capabilities
	03 Protecting people	<ul style="list-style-type: none"> Zero employee fatalities with regrettably two fatalities of the public 0.0 lost-time injury frequency rate
	04 Responsible and inclusive procurement	<ul style="list-style-type: none"> Enhanced the maturity of our driver behaviour decreasing road risk R6.8 billion contributed to public finances
	Contributing to tax and the economy (Tax transparency report)	
Our people strategy 	01 Living the Spirit of Vodacom	<ul style="list-style-type: none"> Focused on creating an agile, future-focused organisation and accelerating digital skills through a targeted programme called #1MoreSkill
	02 Diversifying talent and developing future ready skills	<ul style="list-style-type: none"> 515 616 hours invested by employees in #1MoreSkill and other online training programmes Recognised as the third top employer in Africa, having been certified in the DRC, Lesotho, Mozambique, Tanzania and South Africa
	03 Our employee proposition	<ul style="list-style-type: none"> 6.0% voluntary employee turnover Hosted two Spirit of Vodacom days, where employees could focus on personal growth and development, well-being and connection, and launched the Spirited Leader series as the vehicle for future-ready Vodacom Introduced a digital employee experience

Benchmarking our performance

We monitor the rapidly evolving developments in ESG and track our ESG progress through multiple mechanisms including direct stakeholder feedback, surveys, benchmarking to best practice and monitoring the outcomes of select local and global ESG ratings.

Achieved

ESG Risk rating

12.0 low risk

Maintained

AAA

Constituent of the

We make it easier to invest in companies that invest in the future.

Constituent of

FTSE4Good

CDP

DRIVING SUSTAINABLE ECONOMIES

score of B

REFINITIV

ESG score 73

BBBEE results for Vodacom South Africa

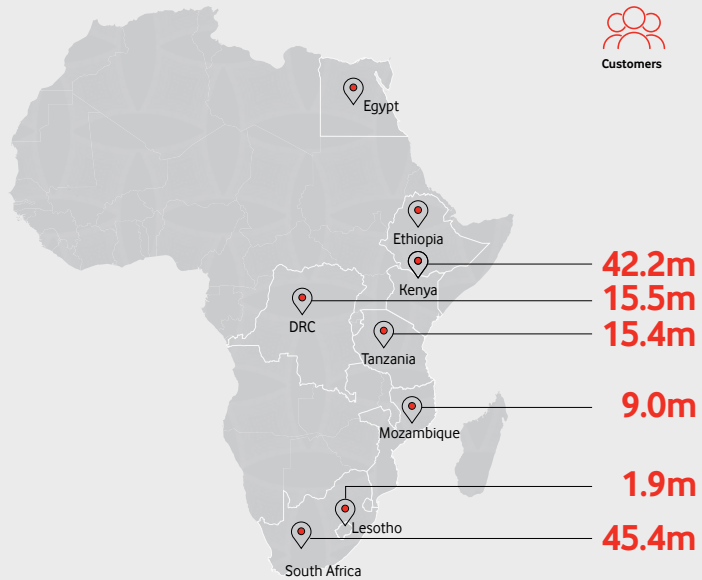
While Africa is seeing some economic recovery after the outbreak of the COVID-19 pandemic, the acceleration of per capita growth will not be able to eliminate poverty in many countries on the continent. South Africa, specifically, remains one of the most unequal countries in the world – 3 500 people in the country own more than the poorest 32 million people combined. Furthermore, the country's unemployment rate reached a record high of 34.5% in the fourth quarter of 2021, of which the not in education or training youth (aged between 15 – 24) account for 37%. Vodacom is committed to playing a part in transforming South Africa and driving financial inclusion, as demonstrated by our commitment to the fundamental principles of BBBEE, our diverse leadership team and Level 1 BBBEE contributor score.

Scoring element	Target points	Achieved points FY2022	Achieved points FY2021
Ownership	25	25.00	23.23
Management control	23	15.99	18.23
Board representation	8	6.83	6.83
Top management representation	5	2.73	4.90
Employment equity	10	6.44	6.50
Skills development	20	23.04	21.97
Enterprise and supplier development	50	48.55	47.98
Procurement	25	23.07	22.05
Supplier development	10	8.48	8.93
Enterprise development	15	17.00	17.00
Socioeconomic development	12	12.00	12.00
Total	130	124.58	123.42



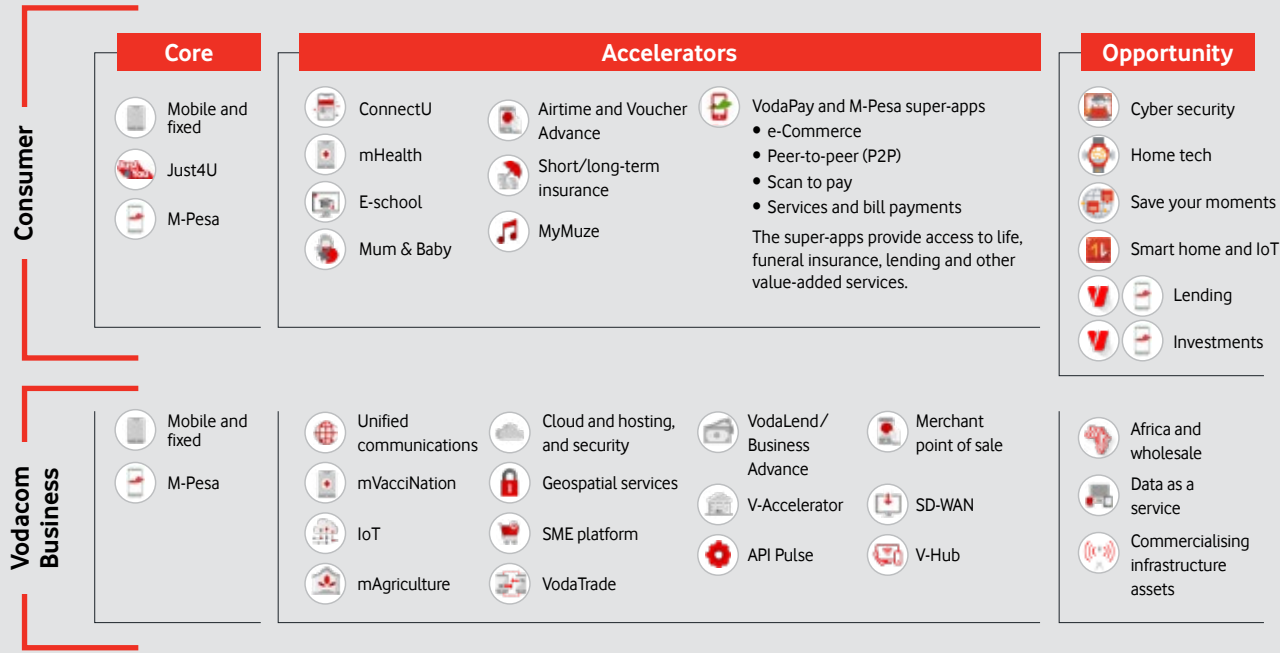
Delivering our purpose

Vodacom is a leading and purpose-driven African connectivity, digital and fintech operator. The Group serves 129.4 million¹ customers across consumer and enterprise segments.



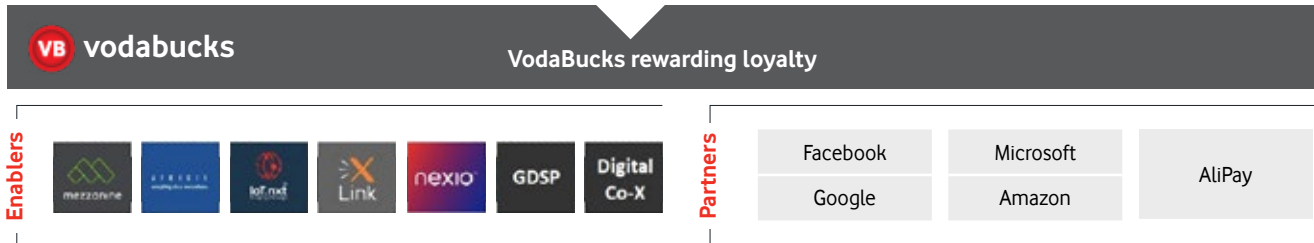
Driven by our commitment to digital and financial inclusion, we offer a range of services, including telecommunications, financial services and IT, digital and IoT solutions.

Our products and services



From our roots in South Africa, we have grown with operations in the DRC, Lesotho, Mozambique and Tanzania. We have a presence in Kenya through Safaricom and in 48 countries through Vodacom Business Africa. Our mobile networks cover more than 300 million people¹ which will increase in FY2023 to over 500 million on the conclusion of the acquisition of a controlling stake in Vodafone Egypt and the launch of commercial operations in Ethiopia.

1. Including Safaricom.





Vodacom's connectivity, digital solutions, and financial services

An ecosystem delivering a digital society and inclusion for all

A product set delivering digital solutions and inclusion

Connectivity

Mobile and fixed

Affordable devices

Financial services

Payments and e-commerce

- Services and bill payments
- Peer-to-peer transfers
- Scan to pay
- International money transfer
- Consumer to business
- e-commerce payments

Lending

- Pre-paid handset finance
- Airtime Advance
- Voucher Advance
- Microloans
- Overdraft facility
- Instant/virtual credit card
- Instalments

Insurance

- Short-term**
- Device
 - Home and road assist

- Long-term**
- Life and funeral
 - Group schemes
 - Contract cover

- Third-party**
- Car
 - Home

Savings and investments

- Savings
- Fractional ownership of shares and commodity
- Unit trusts
- Money market

Merchant services

- Online (e-commerce) and offline point of sale payments
- Business to business
- Business to consumer (e.g. salaries)
- Enterprise resource planning
- Invoice financing
- SME lending

Connectivity

	South Africa	Tanzania	DRC	Mozambique	Lesotho	Kenya
Mobile	●	●	●	●	●	●
Affordable devices	●	●	●	●	●	●
Fixed	●	●	●	●	●	●

Money transfer and basic services

	South Africa	Tanzania	DRC	Mozambique	Lesotho	Kenya
Cash in/cash out (including ATM)	●	●	●	●	●	●
Peer-to-peer transfer	●	●	●	●	●	●
GSM service top-up	●	●	●	●	●	●
Bank transfers/digital top-up	●	●	●	●	●	●
International money transfer	●	◐	◐	◐	◐	●

Consumer payments and enterprise services

	South Africa	Tanzania	DRC	Mozambique	Lesotho	Kenya
Consumer to business, e.g. bill payments	●	●	◐	◐	●	●
Business to consumer, e.g. salary disbursements	●	◐	●	◐	◐	●
Business to business, e.g. cashless distribution	◐	◐	◐		◐	

Financial services

	South Africa	Tanzania	DRC	Mozambique	Lesotho	Kenya
Microloans	◐	◐	◐	◐	◐	◐
Overdraft	◐	◐			◐	●
Insurance	●	◐				◐
Investments and savings	●	◐	◐	◐	◐	◐
Super-app mini apps	●	◐				◐

Merchant payments

	South Africa	Tanzania	DRC	Mozambique	Lesotho	Kenya
In-store merchant payments	●	◐	◐	◐	◐	●
e-commerce/online payments	●	◐				◐

Education

	South Africa	Tanzania	DRC	Mozambique	Lesotho
e-schools	●				
Instant schools		●	●		
Instant Network Schools			●	●	
Other	●				●

Healthcare

	South Africa	Tanzania	DRC	Mozambique	Lesotho
Mum & Baby	●	●	●	●	●
m-mama		●			●
mVacciNation	●				

Agriculture

	South Africa	Tanzania	DRC	Mozambique	Lesotho
MYFARMWEB	●				
Connected Farmer	●	●	●		

Circular economy

	South Africa	Tanzania	DRC	Mozambique	Lesotho
Good as New	●				
Device recycling	●	●			

SME

	South Africa	Tanzania	DRC	Mozambique	Lesotho
V-Hub	●	●	●	●	●

Smart solutions

	South Africa	Tanzania	DRC	Mozambique	Lesotho
Smart electricity meters	●				
Smart vehicle and logistics	●	●	●		



Digital society

We believe in the power of connectivity and digital services to strengthen the resilience of economies. Through our mobile and fixed networks, data flows at speed, connecting people and communities.

A digital society realises the benefits of communication, facilitates inclusion and enables access to other services through digital technology. We acknowledge the significant digital divide in Africa and believe that to benefit from a digital society, we must drive inclusion. This chapter should be read in conjunction with Inclusion for all on page 23.

Informed by our Social Contract, the digital society pillar focuses on digitalising businesses, critical sectors and government. Our focus this year was on SMEs, agriculture and health. Aligned with our planet pillar, our digital products and services enable customers to become more efficient and, in many cases, reduce their emissions.

We create digital societies by continuously developing our fixed and mobile network, relevant platforms and services. We aim to increase our impact through partnering with organisations or subsidiaries, such as Mezzanine (a digital technology company that cocreates digital solutions that enable productive societies) and IoT.nxt (a specialist IoT company) to leverage their specific specialisations.

Digital society requires tailor-making products and services for each market segment and where smartphone penetration is still low, creating and making available, innovative solutions that are not data driven to pivot the developmental agenda. For instance, short message service (SMS), interactive voice recognition (IVR), web address (URL) and unstructured supplementary service data (USSD)-based platforms that enable access to financial, healthcare, education and many other services.

See how we drive inclusion through connectivity, affordable access, digital solutions and financial services ecosystem on page 23



Focus areas at a glance

01 Digitalising business

We provide products and services to enhance enterprise processes and efficiency. We focus on SMEs with products and services specifically tailored to support small businesses.

- Supporting small business
- Digitalising enterprises

02 Digitalising critical sectors

We focus on digitalising critical sectors in line with our Social Contract and the broader impact these solutions can have on individuals, communities and the planet.

- Digitalising agriculture
- Digitalising healthcare

03 Digitalising government

We develop digital services, platforms and business solutions that amplify government productivity and efficiency and enable better connectivity with citizens.

- Facilitating digital systems for efficiency and administration
- Enhancing communication between government and citizens
- Creating smarter cities

Advanced over **R185 million** in funding to over 330 SMEs via VodaLend

R80 million transacted by over 2 000 merchants in a VodaTrade cashless solution pilot

Processed US\$324.6 billion M-Pesa transactions, a **29.2%** year-on-year growth

235 000 active registered users on agricultural platforms in South Africa, Tanzania and the DRC

21.4 million Connected lives through healthcare platforms

6 solutions with **187 435** users



01 Digitalising business

Digital technologies support a digital society as they enhance business by creating efficiencies, improving services and generating data from which decisions can be made.

We achieve this through

1.1 Supporting small businesses

- Providing digital platforms and solutions for small businesses
- Empowering start-ups and entrepreneurs through connectivity, training and support
- Small business in our supply chain

1.2 Digitalising enterprises

- Smart metering
- Smart building
- Smart asset management
- Fleet management
- Connected worker

Our goals



Train and develop

300

South African SMEs in various skills by 2025



1.1 Supporting small business

SMEs are a critical part of the economy and provide opportunities for socio-economic participation and social mobility for women, young people and ethnic minorities.

➔ See our connectivity, digital solutions and financial services ecosystem on page 23

Platforms and solutions

We support entrepreneurs and start-ups, small businesses and our SME suppliers by providing connectivity; tailored platforms, solutions, products and services; training and support; and financial support. Cloud technology, IoT and Big Data come together in digital solutions enabling enterprise customers to build connected supply chain networks. We connect SMEs through remote-working solutions, advice and best practice information. We guide them through technology choices and improving their digital readiness.

550 000 merchants through 510 000 agents use M-Pesa¹

Made over **R250 million** monthly payments through Kwika devices used by over 3 500 merchants²

Advanced over **R185 million** in funding to over 330 SMEs via VodaLend²

Extended over **R120 million** in credit for invoices on our new supply chain finance marketplace²

Over **R80 million** transacted by over 2 000 merchants in a VodaTrade cashless solution pilot²

Launched the VodaPay² and M-Pesa super-app in our fintech marketplace



401 000 active M-Pesa retail merchants

1. Including Safaricom.
2. South Africa.

88 SMEs

registered on the VodaTrade SME supplier portal, which digitises the SMEs supply chain interactions with seven national retailers²

M-Pesa SME solutions including the M-Pesa super-app (outside of South Africa) is a payment platform that offers access to personal services and e-commerce are widely used to manage business transactions and pay salaries, pensions, agricultural subsidies and government grants. These solutions reduce risks related to a cash-based society like robbery and corruption. The M-Pesa super-app (Tanzania and Kenya) connects various SMEs including retailers, restaurants and food delivery and transport services.

📺 Watch how M-Pesa Tanzania connects customers to diverse SMEs

The VodaPay super-app (South Africa) combines our capabilities across consumers and merchants in payments, lending, insurance and e-commerce, and provides exposure to new growth verticals such as savings and investments. Unique mini-apps provide VodaPay service and merchant offerings, and SMEs including Hannah Lavery, Michelle Ludek, Plakkie, Veldskoen, Wazoogles superfood, and Love Jacaranda use these. We enabled several SMEs looking to access the e-commerce market to be part of the ecosystem. At year end, we had over 85 external mini-app partners as part of the digital mall, with over 100 partners in the pipeline to join the ecosystem.

📺 Watch how the VodaPay super-app connects customers to diverse SMEs

VodaLend (South Africa) extends credit supporting SMEs in maintaining a reasonable level of financial viability.

VodaTrade (South Africa) consists of a core platform (hosting all major retailers and suppliers), a digital ordering solution, and a SME supplier portal which connects small suppliers with large national retailers. Orders to the value of R270 billion were transacted through the platform in FY2022. Supply chain finance will be made available to qualifying the SMEs in FY2023.

V-Hub provides access to online information such as detailed guides on key aspects of operating in a more digitalised world, covering topics such as web development, digital marketing, remote working and cyber security. V-Hub connects SMEs with experts who provide advice and support on developing business in an ever-changing digital world.



01 Digitalising business continued

Kwika (South Africa) is a mid-priced point-of-sale device enabling SMEs to process debit and credit card payments and enables them to offer value-added services to consumers. Kwika gives business owners access to an expanding range of Vodacom Financial Services' products and solutions, including merchant reporting through the online merchant portal. It will soon be accessible via the VodaPay super-app.

Nightbridge (South Africa) is a hospitality solution for SME guest houses and bed and breakfasts. The front desk digital solution manages real-time bookings and provides guests with internet connectivity.

The **health and safety management** system incorporates journey management plans, electronic submissions, and approval of health and safety plans and work permits.

Empowering start-ups and entrepreneurs

R5.1 billion

spent with 2 038 QSE and EME¹ suppliers (FY2021: R4.4 billion)^{1,2}

R1.6 billion

early payments for SME suppliers (FY2021: R1.1 billion)^{1,2}

103

Youth entrepreneurship programme beneficiaries (FY2021: 100)²

164

black-owned SMEs benefited from preferential payment terms (FY2021: >186)^{1,2}

102

SMEs using a health and safety management system since 2017 (2022: 52 with 13 in their third and final year)²

40

black-owned SMEs received supplier development vouchers (FY2021: 22)²

71

Innovator Trust black SME beneficiaries of which 27% are black-women owned (FY2021: 76 and 33% respectively)²

1. Qualifying small enterprises and exempted microenterprises. 2. South Africa.

The **Innovator Trust (South Africa)** drives enterprise creation, development and growth of small black-owned businesses in ICT through the supplier development programme; the youth entrepreneurship programme; the enterprise development programme; and #MyStartUpMyStory programme.

Deep rural lease programme (South Africa) provided black-owned SMEs with R16 million on a lease-back agreement for maintenance and construction of select base station sites.

Vodacom Puxap (Mozambique) was launched to support SMEs in technology and digital sectors to accelerate the market.

Small enterprises in our supply chain

Preferential payment ensures black-owned SMEs are paid within one to 15 days from invoice.

Through **supplier development vouchers**, SMEs have access to support ranging from business plans to legal or tax guidance based on their self-identified needs.

The Ithuba initiative (South Africa) focuses on building a marketing strategy for SME suppliers, equipping them with marketing tools and improving their sales team capabilities.

Tools include corporate branding, website design and development, and a basic social media package including Facebook and Instagram.

Driving **supplier localisation (Mozambique)**, over 200 suppliers registered on our newly launched supplier portal. Forty-five suppliers were invited to tender with 11 ultimately being taken on as vendors. SMEs will be provided with development support as we grow the share of local procurement.

Watch our Lesotho head supply chain management talk about how we think about supporting local suppliers

1.2 Digitalising enterprises

We partner with enterprises to accelerate their growth and transform their businesses through digital technology and IoT. Several of these are developed in partnership with our subsidiary IoT.nxt, leveraging their expertise. We offer digital solutions to sectors such as mining, fast-moving consumer goods, logistics, health, e-learning and agriculture.



265 000

movable and

120 000

assets are registered on smart asset management solutions

6.8 million

IoT connections (FY2021: 5.6 million)

9 182

commercial and

30 111

residential electricity smart meters¹

483 004

smart logistics and fleet management capabilities¹

IoT connections enabled

carbon savings of

1.6 mtCO₂e¹

1. South Africa.

Smart metering enables automated readings, billing integration, interface and consumption profiles through a cloud-based web platform. Impacts include reducing carbon emissions through efficiency, reducing revenue losses assisted by tamper protection management, improving energy theft reporting, and preventing leaks while ensuring the entities remain financially viable and stable. Vodacom trains and employs university graduates as installers and auditors of this solution. Vodacom installed smart metering solutions to collect revenue, and manage credit, theft and water leaks by remote control.

Smart asset management solution (South Africa) facilitates remote monitoring and the optimal management and maintenance of assets, while enabling compliance with accounting standards. Customers include asset-rich industries such as government, enterprises that own multiple assets such as transport and logistics companies, and farming and agricultural operations.

The fleet management solution (South Africa, Tanzania and DRC) monitors vehicles, driver behaviour and identification, and tracks stolen vehicles.

The connected worker safety wearable (South Africa) measures falls or movement of workers in dangerous areas in a defined period, allowing for quick responses from safety teams. In addition, it enables effective resource planning based on productive work zones and can be enhanced with sensors to measure hazardous gas leaks.

e-vouchers enable organisations to issue safe and verifiable subsidy programmes to large and often unbanked consumer bases at scale. e-vouchers are received via SMS, no data is required and all network operators are supported. e-vouchers are redeemed at verified and vetted participating businesses.



02 Digitalising critical sectors

A critical sector is deemed essential for the functioning of a society and economy. As such, digitalisation within these sectors benefits society. We have identified the agriculture and healthcare sectors due to the necessity of their products and services, and the impact they have on individuals, communities and the planet. We support these sectors by providing connectivity and platforms.

We achieve this through

We partner with our digital technology subsidiary, Mezzanine, to cocreate digital solutions.

2.1 Digitalising agriculture

- Platforms for smallholder farmers
- Support for larger commercial farmers

2.2 Digitalising healthcare

- Digital solutions for healthcare

Further critical sectors include education on page 27 and government on page 22

2.1 Digitalising agriculture

Agriculture is a pressing issue for society with an increasing need for sustainable and affordable food sources, more food for growing global populations and addressing the environmental impact of agriculture – such as GHG emissions, habitat loss and deforestation. According to the Food and Agriculture Organization, the world will need to produce 50% more food than current levels by 2050¹.



Platforms for smallholder farmers

235 000

active registered users on agricultural platforms in South Africa, Tanzania and the DRC

Digitised

2 500

DRC farmer associations through M-Pesa

140 000

registered M-Kulima users with payments made to over 13 000 farmers via mobile money

Provided agri technology skills training for

10 000

rural women and girls in DRC

Supported the Department of Agriculture, Land Reform and Rural Development and the Solidarity Fund to disburse 600 000 e-vouchers valued at R402 million to

80 000

small-scale farmers in South Africa

Connected Farmer is a digital agri-ecosystem that improves productivity, revenue and resilience for small-scale farmers. This is achieved by providing them with access to information on agricultural inputs, financial services such as credit and insurance, logistics suppliers, buyers and markets, and knowledge. The platform allows an ecosystem of partners to register, profile, communicate and transact (using M-Pesa in some cases) with each other on their mobile devices.

M-Kulima (Tanzania) connects smallholder farmers to a wealth of information and resources via SMS, USSD, and IVR. M-Kulima provides timely weather forecasts that help farmers plan around climate change and offers important market information to help farmers get the best price for their products. It is integrated with M-Pesa, providing a mobile-phone-based money transfer service and enabling payments with microfinancing and insurance planned.

The **AgroMwinda (DRC)** web-based platform has built-in M-Pesa capability for convenient payments. It provides climate and market information through a USSD short code to over 91 000 connected farmers. Training was provided to various farmers association on secure transactions and savings through M-Pesa.

1. Food and Agriculture Organization (FAO), 2017.

Our goal

Connect

two million

lives to our digital platforms by 2025





02 Digitalising critical sectors continued



Making agriculture more accessible and profitable for women

In South Africa, Vodacom partnered with UN Women and South African Women in Farming (SAWIF) to establish and drive a women farmers programme aimed at making agriculture more accessible and profitable for women by teaching them how to use apps to connect to potential customers and unlock enormous economic growth. The programme has so far trained 2 150 (750 in FY2022) women and the SAWIF database of farmers is now digitised and is easily accessible by all the women who have received computer literacy and basic business management training. Testimonials by the beneficiaries show how embracing technology has changed their approach to both technology adoption and farming. Examples like these highlight how mobile technology unlocks economic opportunities for the farmers and provides them with the confidence to use technology in other aspects of life, such as assisting their children with homework using technology.

[Watch Women Farmers: using tech to boost their farm businesses](#)

AgroMwinda (DRC) trained 10 000 rural girls in ICT and women on mobile solutions for smart agriculture.

Vodacom partners with the World Bank, the Food and Agriculture Organization of the United Nations, SNV Netherlands Development Organisation and Sustainable Business to **empower previously disadvantaged female farmers** through training. These women have access to Vodacom's digital agriculture solutions.

Support for larger commercial farmers

2.9 million

hectares of commercial farmland mapped (FY2021: R0.95 million)

8 500

MYFARMWEB users (FY2021: 3 600)

MYFARMWEB™ (South Africa) is a cloud-based web platform where producers can capture key agriculture data (physical, chemical and microbial soil analysis, pest presence, satellite and remote sensing information and data from various internet connected farming sensors) into a system that aggregates and calibrates the information to assist in decision-making. This helps increase yields while protecting the environment and reduce losses – all of which contribute to carbon savings in the production process. The platform allows farmers to use more productive and sustainable farm operation practices, which is becoming increasingly important.

South Africa's first smartphone only town – helping an agricultural community thrive

In 2019, Vodacom and BPG Langfontein, a farming business within Mpumalanga, began pioneering an innovative network model within the town of Wakkerstroom. Through this partnership, Vodacom successfully moved the entire town to 4G devices and built new base stations in the area, opening a new world of connectivity and creating the first smartphone-only town in South Africa. Providing network connectivity for people who reside in rural areas is a high priority for Vodacom and is part of our vision to make sure that everyone is connected, no matter where they live.

[Watch Connected Wakkerstroom](#)

[Read more about Wakkerstroom](#)






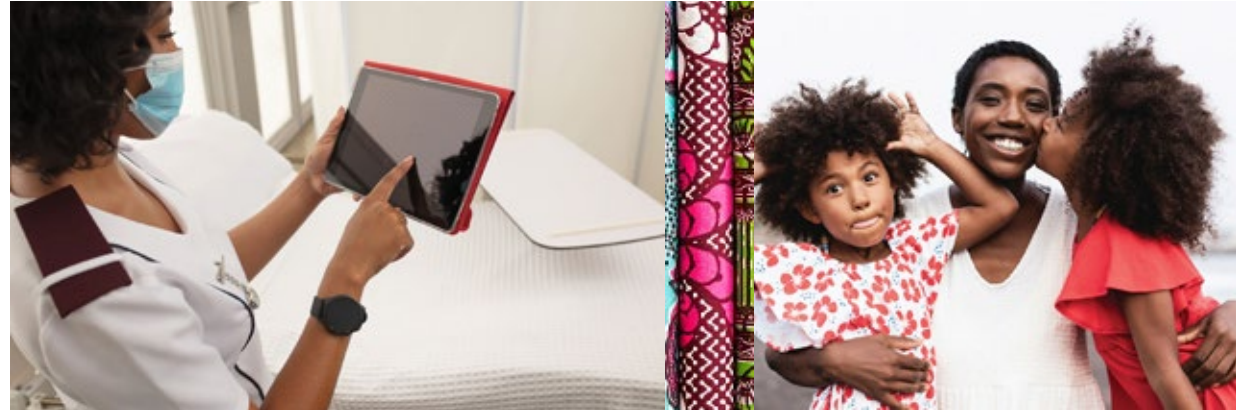
02 Digitalising critical sectors continued

2.2 Digitalising healthcare

The COVID-19 pandemic highlighted the importance of digital connectivity to deliver critical services, in particular healthcare. Technology can be used to make the delivery of healthcare services more efficient for providers and more inclusive for patients.

18.1 million people over 18 years of age fully vaccinated through mVacciNation ¹	1.5 million COVID-19 tests processed through eLABS (FY2021: 140 000) ¹	14 million stock updates by 3 260 public health facilities since 2014
3 260 community healthcare workers use AitaHealth (FY2021: over 2 000) ¹		339 229 households and 1.95 million individuals registered and screened on AitaHealth (FY2021: 571 000 and 1.6 million) ¹

1. South Africa.



We worked with the South African Department of Health to support health facilities through technical solutions, such as mVacciNation, eLABS and Stock Visibility Solution (SVS).

mVacciNation is an electronic vaccination data system, developed in partnership with the Council of Scientific and Industrial Research. It is a digital, cloud-based solution that connects all stakeholders engaged in the provision, management and monitoring of vaccines. We partnered with the African Union Development Agency to accelerate vaccine rollouts and pledged R87 million towards logistics support and cold-chain technology to deliver vaccines to underprivileged and rural communities in South Africa, Tanzania, DRC, Mozambique and Lesotho.

eLABS replaces paper-based pathology management and improves testing, analysing and reporting in laboratories with electronic monitoring of sample locations.

SVS addresses inefficiencies in medicine supply chains by providing digital data and real-time reporting of drug stock levels to reduce drug stock-outs. This enables pharmacy supply chain management to improve the accuracy and efficiency of stock distribution. SVS uses data aggregated from health clinic dispensaries to produce reports via SMS and email. Recently added is an occupational health and safety module. In Kenya, the World Food Programme used the SVS to monitor stock levels of food aid.

AitaHealth (South Africa) was developed in partnership with the University of Pretoria. It empowers community health workers to deliver preventative care services to communities on a home-base care level, supports administrative and clinical decision-making on a real-time basis and enables the capturing of registration and health assessment details of visited households.

Leap/Communicator (Malawi, South Africa, Uganda and Zambia), a partnership with AMREF, provides training to healthcare workers via text and audio messages on a feature phone and smart device, enabling students to exchange and/or share information.

The **mHealth platform** is a Tanzania Ministry of Health, Community Development, Gender, Elderly and Children initiative reaching over three million users since 2012 with over 100 million free health messages and reminders to visit a health facility. Free USSD sessions enable facility healthcare workers and community members to access the mHealth services such as the Electronic Integrated Disease Surveillance and Response System, Wazazi Nipendeni (Healthy Pregnancy, Healthy Baby), the National Blood Transfusion Services blood donor SMS, feedback mechanism, as well as tuberculosis screening and treatment literacy messaging services.



03 Digitalising government

By connecting people, places and things, Vodacom Business helps government succeed in a digital world.

Our expertise in connectivity, leading IoT platform and global scale provide solutions to governments for administration and efficiency, enhanced communication, service delivery and managing smarter cities.

We support a digital society through providing digital solutions to government. This contributes to inclusive growth, enhanced education and good governance within South Africa, by improving efficiency and doing it in the most cost-effective way.

We achieve this through

3.1 Facilitating digital systems for efficiency and improved administration

- SmartGov
- Smart electricity metering solution (page 18)
- Smart asset management system (page 18)
- Fleet management solution (page 18)
- Stock visibility solution (page 21)
- Technology within education (page 27)

3.2 Enhancing communication between government and citizens

- MySAPS
- Citizenship engagement solutions

3.3 Creating smarter cities

- Better management through data platforms and IoT solutions



3.1 Facilitating digital systems for efficiency and improved administration

Our digital solutions enhance business processes and efficiency and are used by government departments, state-owned entities and municipalities.

165 000

devices provided to Stats SA for the 2021 Census

SmartGov (South Africa) automatically responds to parliamentary questions and compliance obligations while improving accountability and the execution of director-general tasks. It has helped attain clean audits and improve automated performance.

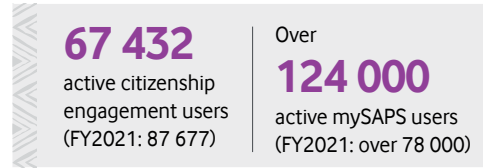
Smart electricity metering supports municipalities through meter installation and bill verification from bulk suppliers – improving revenue collection and overcoming legacy infrastructure, meter reading and incorrect tariffing issues.

Mobile device management (South Africa) devices were provided to Stats SA allowing real-time visibility of all its tables during census data collection for the 2021 Census.

Social welfare (Zambia), through Mezzanine we partnered with Africonnect, funded by the World Food Programme and the United Nations International Children's Emergency Fund, in a mobile solution that enables the Zambian social welfare programme to register and assess over 700 000 households and 2.2 million individuals.

3.2 Enhancing communication between government and citizens

Enhancing communication between government and citizens serves to support the public sector in engaging with stakeholders, understanding their needs and improving and managing service delivery



mySAPS app (South Africa), in partnership with the South African Police Service, enables citizens to report criminal activities in real time.

Citizenship engagement solutions (South Africa) are various government apps enabling residents to engage with citizens. These include:

- **Accident and incident management (South Africa):** citizens report traffic incidents such as motor vehicle accidents, road obstructions, dangerous goods spillage and reckless driving to the Department of Transport.
- **Sikuncede Njani:** Eastern Cape residents are able to report school-related issues such as teacher support material shortages and infrastructure problems and track the progress of matters reported. Users can find and communicate with Department of Education officials.
- **Satise Silalele:** Mpumalanga residents engage with government leaders and report issues and complaints.
- **Mpilo zero-rated:** patients, doctors and the Department of Health communicate through the app. This improves coordination in tracking issues logged by patients and hospitals. Healthcare workers can trace people who have tested positive for COVID-19.
- **CCMACconnect:** the app enables users to track and trace cases, lodge complaints and compliments, and has event information and contacts details.

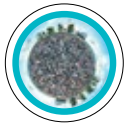


3.3 Creating smarter cities

With 55% of the world's population living in cities, digitalisation can play a key role in addressing their most pressing challenges¹. Acting as a close partner with municipal governments, Vodacom is transforming local government utility management through smart asset management solutions. Our data platform and IoT solutions help to make cities smarter by, for example, intelligently managing energy use and the community feel safer with installation of panic buttons.

- **Chimoio city (Mozambique)** will be the first Mozambican intelligent city using IoT solutions that include, among others, alert systems for security, digital parking systems, and panic buttons in establishments and homes.

1. World Bank, 2019.



Inclusion for all

Our inclusion for all pillar seeks to ensure no one is left behind. It focuses on access to connectivity, digital skills and creating relevant products and services, such as access to education, healthcare and finance. We are committed to developing a diverse and inclusive workforce that reflects the customers and societies we serve.

With more than 4.9 billion¹ people now online, the internet has become a vital part of our lives, enabling us to keep in touch and access government services, health information, banking and entertainment.

However, 2.9 billion people remain offline¹, 96% of whom live in developing countries. The UN designated Tanzania, DRC, Mozambique and Lesotho as least developed countries where just 27%¹ of people are online, and the challenges facing the unconnected are pronounced.

Through inclusion for all, we aim to help overcome the five key barriers that create the digital divide – coverage, access to devices, affordability, digital skills, and creating relevant products and services for those most at risk of being unconnected.

Inclusion for all requires tailor-making products and services for each market segment and where smartphone penetration is still low, creating and making available, innovative solutions that are not data driven to pivot the developmental agenda. For instance, SMS, IVR, web address (URL) and USSD-based platforms that enable access to financial, healthcare, education and many other services.

See our digital solutions and financial services ecosystem for SMEs and our work to digitalise critical sectors on page 16

1. International Telecommunications Union, 2022.
2. South Africa.

Our focus areas at a glance

01 Access for all

We invest in our network infrastructure and coverage to deliver a high-quality service that allows individuals and enterprises to connect anywhere, at any time. We are finding ways to roll out our network to rural locations and support access through making connectivity, devices and platforms affordable.

- Enabling connectivity
- Selling affordable devices
- Providing free access platforms
- Transforming pricing

02 Propositions for equality

Vodacom provides relevant products and services to help address specific societal challenges such as access to education, gender equality, financial inclusion and poverty.

- Providing platforms for financial inclusion
- Enabling quality education and digital skills
- Supporting jobseekers and disadvantaged groups
- Bringing mobile to more women
- Supporting customers with special needs

03 Workplace equality

The Group is committed to developing a diverse and inclusive global workforce that reflects the customers and societies we serve.

- Our people
- Driving diversity and inclusion

South Africa
26.2 million
smart devices on our network, up 13.1%

International business
12.0 million
smart devices on our network, up 8.9%

155 903
fibre to homes and businesses

9 637
rural network sites (FY2021: 9 280)

22 million
ConnectU visitors

Just4U affordable bundles usage
54% Tanzania, **27%** Lesotho,
28% Mozambique, **11%** DRC

1.6 million
users on educational platforms

Since 2018, **27 049**
completed their profiles and were matched to jobs of the future

28.12 million
female customers connected (FY2021: 28.07 million),
up **58%** since 2016

47.2 million
M-Pesa customers and
13.5 million
financial services customers

2.1 million
registered Mum & Baby users

8 150 employees and
3 154 contractors
(FY2021: 7 875; 3 307)

36.1%
of management roles held by women
(FY2021: 34.0%)

33%
of the Board are women
This will increase to
42%
from 19 July 2022



01 Access for all

We recognise that internet access is transformational, empowering people to meaningfully contribute and connect. There are many barriers preventing the use of 4G, including lack of awareness, digital skills, and the prohibitive upfront cost of smartphones. We aim to address these barriers and support an inclusive society by upgrading and expanding our networks.

There are many economic benefits from increased 4G connectivity. Research from the World Bank shows that it can reduce the number of households in extreme poverty by 4.3%, mainly due to increases in labour force participation, particularly among women¹. Expanding mobile broadband penetration across Africa by 10% could boost GDP per capita by 2.5%².

We achieve this through

- 1.1 Enabling connectivity
- 1.2 Selling affordable devices

- 1.3 Providing free access platforms
- 1.4 Transforming pricing

Our goals

Connect the next **100 million** by 2025



2017 to date

129.6 million

lives connected

1.1 Enabling connectivity

Connecting everyone to digital services, particularly across Africa, is a significant challenge as a large portion of the African population lives in rural areas. Expansion of rural networks can often be more challenging and have a lower return on investment due to lower population densities. New approaches, partnerships and a blend of technologies will help us overcome some of these barriers and deliver universal coverage.

%	SA	TZ	DRC	MZ	LS	KE ¹
2G	99.9	97.2	56.2	99.9	70.6	96.0
3G	99.9	55.7	33.6	99.9	61.0	95.0
4G	97.9	38.1	25.7	97.3	34.9	94.0
5G	13.5	0	0	0	0	0

1. Safaricom.

Our rural coverage acceleration programme prioritises the expansion of coverage to rural communities that have never been connected to the network. We increased the number of rural network sites to 9 637, up 4% (FY2021: 9 280). Of this, 95 were deep rural sites and 61 rural communities previously without coverage.

In partnership with Facebook through SIMBA, we upgraded 120 rural sites in Tanzania with 4G technology thus improving population coverage.

In March 2022, through International Telecommunications Union's Partner2Connect programme, we have committed to investing over the next five years to increase 4G population coverage across our footprint by an additional 70 million people.

With Vodafone, we continued to work with AST and Science LLC to develop the first space-based mobile network to connect directly to consumer 4G and 5G smartphones without specialised hardware. This partnership aims to provide mobile coverage in Tanzania, DRC, Mozambique and Kenya. The network will ultimately reach an estimated 1.6 billion people across 49 countries.

1.2 Selling affordable devices

Lowering the cost of devices is key to addressing the digital divide.

Device penetration

%	SA	TZ	DRC	MZ	LS	KE ¹
Smart	60.7	30.3	22.0	54.0	64.8	43.5

1. Safaricom.

South Africa

26.2 million

smart devices on our network up 13.1%

International business

12.0 million

smart devices on our network up 8.9%

18.5 million

4G/5G devices up 24%

6.7 million

4G/5G devices up 43%

We run a number of programmes designed to reduce the cost of smartphones, from applying subsidies, to offering financing to customers to shift from 2G to 4G handsets.

Affordable 4G smart feature phones include the Vibe and Nokia 215 (South Africa); Kitochi (Tanzania); ZTE S512 (Mozambique); and Kicka 5 Plus 4G (Lesotho).

We provide **pre-paid device instalment financing (South Africa)** for customers to pay for 4G devices.

Extended contracts (South Africa) ranging from zero-interest 12-month contracts to 36-month contracts.

Network-locked devices (South Africa) subsidise device prices for customers to migrate from 2G to 4G.

The **Smart Phone Town Device plan with Google (South Africa)** enabled distribution of 6 000 smartphones to poorer communities, allowing customers to shift to 4G. Vodacom partnered with Google on the Android Go operating system, a simple user experience to remove barriers to 4G adoption.



1. World Bank, 2020 | 2. International Telecommunications Union, 2019.



01 Access for all continued

1.3 Providing free access platforms

Providing free access to beneficial online platforms and resources drive digital access and inclusion.

Additional platforms include education on page 27 and digitising government on page 22

22 million

unique ConnectU visitors

14 million

sessions initiated each month

ConnectU (South Africa and DRC, expanding to other countries) has free online resources, access to job sites, educational content, and news and weather. Customers can access discounted voice and data offers and financial services such as airtime advance.

Ad-funded portals (South Africa) sees the Fuse and SAccess offering free premium content from, among others, Bloomberg and Daily Maverick.

EYANO (DRC) provides on-demand access to public service information via interactive voice response, SMS and USSD including health and well-being, agriculture, gender equality, water and sanitation, family planning, weather, finance and human rights, and connecting people, especially women living in rural areas.



1.4 Transforming pricing

We use Big Data analytics to deliver affordable personalised bundles for low-spend pre-paid customers. Our range innovative pricing and products includes cheaper short validity, smaller data and URL bundles.

4G targeted EverydayTa bundles (South Africa) is an affordable contract plan changing the way data is used. Customers receive a daily allocation.

South Africa reduced 1GB data bundle costs by 62% since 2018.

Tanzania reduced out-of-bundle rates per megabyte by 68% over the past two years.

DRC reduced data prices by 59.2% over the past three years, mainly due to the introduction of data share wallet which allows sharing by up to six customers, lower cost monthly bundles, USD1 for 1GB for 24 hours and USD1 for 2GB for 48 hours on Just4U.

Lesotho reduced data bundles prices down by about 7% in the last two years. From 2020, out of bundle data charges are not allowed unless the customers have opted in.

Just4U usage

54%

in Tanzania

28%

in Mozambique

11%

in DRC

27%

in Lesotho

Just4U provides affordable price packages with over 100 offers varying from day to day and customer to customer. Through usage pattern analysis, we create deals based on customer usage of data, SMS or calls.

Just4UTown (South Africa) uses census data to identify towns where the average annual income is below R14 196. It provides eligible customers with discounts based on area and income levels, and available network capacity.



02 Propositions for equality

We face increasing societal challenges such as access to education, gender equality, financial inclusion and poverty – many of which have been exacerbated by the COVID-19 crisis. Individuals, schools and communities are increasingly using and depending on digital technology.

To play our role in addressing these challenges and support an inclusive society, Vodacom provides products and services meeting various identified needs. Vodacom Foundations support our response to these challenges most notably in education, skills development, and gender and disability empowerment programmes.

We achieve this through

- 2.1 Providing platforms for financial inclusion
- 2.2 Enabling quality education and digital skills
- 2.3 Supporting jobseekers and empowering youth
- 2.4 Bring mobile to, and empowering more women
- 2.5 Supporting customers with special needs

Our goals

To connect **75 million** lives to our financial inclusion services by 2025

To increase digital literacy to **six million** lives by 2025
Connecting over six million lives through education by 2025¹



To connect over **four million** lives through our disability programmes by 2025¹

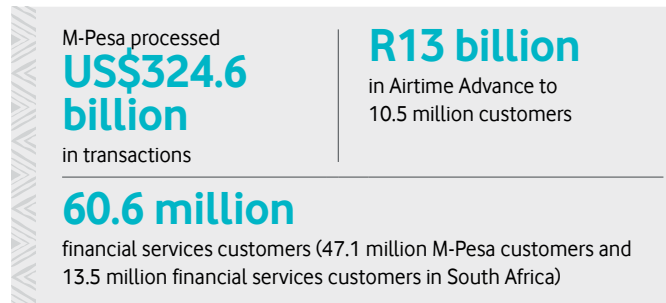


To connect over **nine million** lives through youth and women empowerment programmes by 2025¹

1. South Africa | 2. GSMA, 2021.

2.1 Providing platforms for financial inclusion

Two billion people remain unbanked globally². Digital services are key to helping people access safe, secure financial services. Without the ability to transfer money, people are limited in their ability to save, access loans, start a business and get paid. Many people, especially women, still lack access to financial services. Financial inclusion is key to reducing extreme poverty. We work with various licensed banking and financial services providers to provide solutions enabling people in remote areas to access payment, loans and savings on their mobile devices without travelling significant distances to traditional banking services.



M-Pesa (outside of South Africa) is the biggest financial services provider in Africa based on transactions processed. It provides financial services to people with a mobile phone but limited access to a bank account. Services include payments, local and international remittances, savings, lending, overdraft and foreign exchange. The virtual MasterCard enables M-Pesa customers to purchase from a range of international merchants and content providers. It offers personal services such as healthcare, education, employment, transportation and social protection. A sample of M-Pesa solutions includes:

- **Collective saving (Mokhatlo in Lesotho and Xitique Mozambique)** whereby community members collectively save for a common goal through controlled access to a shared account that pays for goods and services.
- **Halal M-Pesa solutions (Tanzania with Amana Bank and Kenya)** allows a customer to save conveniently and safely while contributing to various religious and social activities and earning Halal benefits in strict conformity with the precepts of Sharia law.

M-Koba (Tanzania), a group savings solution in partnership with the Tanzania Postal Bank, allows community members, particularly women, to mobilise savings, investments and microloans. Vodacom Tanzania made the product interoperable so that subscribers from other mobile network operators can save through M-Koba as well.

Remittances and foreign exchange solutions are available in Lesotho with Hello Paisa and in DRC with Equity Bank.

Lending solutions include, among others:

- **Airtime Advance (South Africa and expanding to other countries)** allows customers to get airtime or data which is paid for when the customer next recharges.
- **Songesha (Tanzania)** is an overdraft facility in partnership with Tanzania Postal Bank.
- **Microloan and savings (DRC)** are products developed with microfinance FINCA Bank. Customers can save and earn interest via M-Pesa and get microloans through VodaCash. Loans are repayable weekly or monthly based on customers' credit scores.
- **VodaLend Compare (South Africa)** allows customers to get quotes for personal loans from up to 11 different lenders through one seamless process.
- **Ntlatse overdraft (Lesotho)** is a collaboration with Redeem Financial Services offering an overdraft facility.

Insurance solutions include, among others:

- **Vodasurance (Mozambique)** provides free funeral cover for customers reaching a monthly spend threshold.
- **VodaBima (Tanzania)** enables customers to access insurance products through the M-Pesa super-app for the first time.

VodaPay super-app (South Africa) and M-Pesa super-app (Kenya) combines payments, lending, insurance and e-commerce, and provides exposure to new growth verticals like savings and investments.

- [Read more about M-Pesa and how it supports financial inclusion and economic growth](#)
- [Watch how VodaPay super-app connects customers to diverse SMEs](#)



02 Propositions for equality continued

2.2. Enabling education and digital skills

Prior to the COVID-19 crisis, 258 million children around the world were not in school. The pandemic impacted nearly 1.6 billion learners in over 190 countries. Vodacom's educational support initiatives are delivered indirectly through providing devices and connectivity to students and growing our educational platforms, and directly through our digital skills and education initiatives.

Growing our existing education platforms

Students and teachers have access to learning resources and classroom collaboration software through learning platforms. We have school management platforms and solutions driving efficiency in these institutions.

Over

1.6 million

registered e-school users

64 814

active e-school users in South Africa

146 704

users of VodaEdu with 100 university scholarships

Some of our initiatives, among others include

Vodacom Instant School (Tanzania, DRC and Mozambique) provides free access to online learning material, particularly for science, technology, engineering and mathematics.

Through **e-school (South Africa)**, learners, teachers and parents access Grade R to 12 content, and educators have access to learning materials on their smartphone with no data charges.

VodaEduc (DRC) is a zero-rated e-learning platform for mobile devices and laptops in partnership with the Ministry of Education supported by the Bouse Exetat scholarship programme.

Vodacom's school management solution (South Africa) is used by oversight groups to improve education and in quality education input and supplier management. The solution informs policy makers' transformative standards.

Instant Network Schools (Mozambique), in partnership with the Vodafone Foundation and the United Nations High Commissioner for Refugees, established two new schools in the Maratane Refugee Settlement and the city of Nampula. These have transformed existing classrooms into multimedia hubs for learning, complete with internet connectivity, sustainable solar power and a robust teacher training programme.

Providing devices and connectivity to learners, schools and teachers

Some of our initiatives, among others include:

Teacher centres (South Africa) free connectivity for 92 teacher centres in South Africa.

Student bundles (South Africa) are longer validity URL and usage restricted data bundles provided at discounted rates.

Chimbo La Vijana (Tanzania) provides affordable access to education, entertainment, discounted data and customer care for young customers.

Uni Offers (Tanzania) provides discounted social, data and text bundles to university students via the MyVodacom app and payments can be made using M-Pesa.

Free schools' internet (Lesotho) to 300 schools in rural areas in partnership with the Lesotho Communications Authority (FY2021: 160).

Faz Crescer – bringing digital inclusion and literacy to public secondary schools

Implemented in partnership with the Ministry of Education and Human Development, Faz Crescer has reached 50 schools of which 64% are in rural areas. We have delivered 1 000 computers and 27 000 GB of free internet and in FY2022, we reached 33 520 people, of which 24 638 are direct beneficiaries. We have reached almost 70 000 learners and teachers since 2018. Within this programme, we drive environmental awareness and with our partner, Fundação Sergio Gago, a recycling point is operational at each school.



Direct education

1 494

girls trained in Code Like a Girl programme

146

Youth Academy graduates

1 094

girls digital skills training in Tanzania, DRC, Mozambique and Lesotho

Digital skills development includes Code Like a Girl in all our operating countries and tailored programmes such as Kinshasa Digital Academy in the DRC reaching 200 youth.

CODE LIKE A GIRL

📱 Watch our chief technology officer discussing the importance of promoting diversity and inclusion within technology, in order to encourage fresh approaches to problem solving and technological innovation #CodeLikeAGirl

The Code Like a Girl programme covers basic knowledge of computer languages such as HTML and CSS as well as development programmes including GitHub and Version control.



02 Propositions for equality continued

Vodacom Foundation education ecosystem (South Africa)

Our education ecosystem supports the South African government’s comprehensive approach to delivering on its Education Vision: 2030. The ecosystem supports the provision of quality education through six pillars, considering all levels of education, from early childhood development (ECD) to adult education. It encompasses learners, teachers, parents and communities. The Vodacom education ecosystem comprises 15 ECD centres, 13 schools of excellence and 10 youth academies, and models a comprehensive approach to support curriculum, infrastructure upgrades, computer centres, connectivity, upgraded security and the eradication of pit latrines.



Pillar 1

ECD centres

We have provided tablets on trolley solution, teacher laptops, multi-functional printers, routers, educational DVDs with player, mobile libraries, televisions and a Memeza policing system with an indoor hidden camera. Infrastructure upgrades included electrical upgrades, painting, carpets and ceiling replacements among others.

Youth development programme

We recruit volunteers from Vodacom’s Youth Academy programme and place them in Vodacom-supported schools of excellence, non-profit organisations, early childhood development centres and community centres to assist with all ICT-related issues at the organisations and schools. In FY2022, the placement of 75 ICT volunteers has changed the operations of the non-profit organisations, contributing to them becoming more agile and responsive to the needs of communities.

Pillar 2

Infrastructure and ICT

We have connected and equipped 3 000 mainstream and 149 special needs schools across South Africa. In the 13 schools of excellence and youth academies, we have provided laptops, multi-functional printers, interactive white boards, 3G routers, data projectors and connectivity to zero-rated sites. Annually, we refresh the equipment in several schools to encourage continuous use by the learners and educators.

Pillar 3

Teachers

We collaborate with the Department of Basic Education, Microsoft and other organisations in training teachers to integrate ICT in the classrooms with 92 teacher centres having been refurbished and maintained with unlimited connectivity. We conducted site inspections at all Vodacom-supported teacher centres and the 13 schools of excellence to ensure compliance with COVID-19 health and safety regulations. Over 390 000 teachers have been trained in the teacher centres to date.

Pillar 4

Communities

The teacher training centres serve as technology hubs for communities to access the internet. We invested in these community development centres with the objective of addressing the absence of digital skills in communities. The centres contribute to ICT transformation and e-learning for teachers, learners, education officials and community members at large. Since 2009, 496 697 individuals have benefited from community development centres include 395 051 teachers, 97 500 community members, 1 480 youth academy students, 2 000 (750 in FY2022) female farmers on ICT skills and code like a girl learners. Vodacom continues to provide ICT skills training to young and unemployed youth through the Youth Academy with over 1 480 trained and 100 youth recruited to join the academy.

Pillar 5

Partnerships

We have invested more than R90 million in 14 non-profit organisations and improved the lives of more than 83 800 people since 2000, focusing on education and gender empowerment.

Race and philanthropy research

The Vodafone Foundation, Vodacom Foundation and Safaricom co-commissioned a research study to investigate the reasons local African civil society organisations find it harder to access global donor aid. The report titled *Barriers to African Civil Society: Building the Sector’s Capacity and Potential to Scale up* was released in September 2021. The research highlights the multiple barriers preventing African civil society organisations from operating at the same scale and capacity as international led non-governmental organisation based in country. It provides recommendations for a framework of engagement among different stakeholders to strengthen local civil society organisations in Africa. While international donors must take concerted action to work with African civil society organisations more fairly and effectively, the report calls for local organisations, research institutions and the business sector to be more supportive in empowering civil society organisations.

Pillar 6

Learning materials

In 2014, we launched our e-school portal, an online learning platform with free Internet access to basic education content to Grade R to 12 learners, teachers and parents. This platform was instrumental in supporting government in providing access to education to communities during the pandemic. The platform has over 1.3 million registered users (73 744 registrations in FY2022) of which 64 814 were active users in the year.



02 Propositions for equality continued

2.3. Supporting jobseekers and empowering youth

We support this through affordable connectivity, job platforms and work experience activities.

8.3 million

registered users on NXT LVL (FY2021: 7.4 million)

Since 2018, 27 049

users completed their profiles and were matched to jobs of the future with Future Job Finders

75

Youth Academy graduates in our youth development volunteering programme (FY2021: 16)

NXT LVL (South Africa) is a solution for youth younger than 25, offering affordable connectivity and preferential rates on value bundles and devices, digital skills, and lifestyle and entertainment services. Vodacom has zero-rated the National Mentorship Movement and Youth Employment Service (YES) – a joint initiative between government and businesses to employ one million youth.

Future Jobs Finder empowers young job seekers with no technology background to identify transferable skills, giving recommendations on suitable technology professions and e-learning. Users can upload their career profiles, access information on institutions that offer digital skills training, and search and apply for jobs.

ConnectU job portal enables people to access different job search websites, with over a third of users being in the low-income group.

Youth development volunteer programme enables Youth Academy graduates to gain work experience in Vodacom-sponsored non-profit organisations, schools of excellence or teacher centres.

2.4 Bring mobile to, and empowering, more women

Mobile technology enables access to essential services such as maternal healthcare, financial services and education. However, the gender gap for internet usage is substantial with over 300 million fewer women than men accessing the internet on a mobile phone¹. We use mobile technologies to enhance women's quality of life through programmes that enable financial inclusion, improve health and well-being, and build education, skills and entrepreneurship.

2.1 million

registered Mum & Baby users

38%

estimated decrease in maternal mortality in Tanzania through m-mama

10 000

female farmers trained in digital literacy and using the Connected Farmer app in the DRC

Key barriers preventing women in emerging markets from using the internet include relevance of services, cost and adequate digital skills. We focus on relevance of services as a strategy to increase women's access. In many African countries, gaining access to quality health information and antenatal care can be challenging. Information delivered by mobile can help bridge some gaps.

Our solutions include, among others:

Mum & Baby, in partnership with the Vodafone Foundation, a zero-rated mobile health service provides information on maternal, neonatal and child health and well-being in Mozambique and South Africa (available in isiZulu, Sesotho, isiXhosa, English and Afrikaans).

[Read more about Mum & Baby South Africa DRC](#)

1. GSMA 2020.



m-mama (Lesotho and Tanzania), in partnership with the Vodafone Foundation, uses mobile technology and M-Pesa, to connect pregnant women and new mothers to emergency transport, and empowers a network of local taxi drivers to act as "taxi ambulances" in places where ambulances are rarely available.

[Find out more about m-mama](#)

[Connecting mothers with health services in Africa](#)

Wazazi Nipendeni (Healthy Pregnancy Healthy Baby) (Tanzania) is a text-to-treatment (SMS) programme that provides Vodacom subscribers with real-time health information.

Mum & Baby and Nutrition (Mozambique) provides free access to information on maternal health, pre and post-natal care and nutrition, through SMS to 196 558 subscribers.

Nokaneng app (Lesotho) informs users in Lesotho about the different forms of gender based violence, their rights and the available support services, as well as protection tools such as a sound alarm and emergency SMS. The app provides a safe space for conversation, support and advice, including from counsellors linked to the Lapeng Centre – the government's safe house and one-stop centre for survivors of gender based violence. This is a joint initiative between the Lesotho Ministry of Gender, Youth, Sports and Recreation, GenderLinks Lesotho, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Vodacom Lesotho.

Rise & Shine (Mozambique), an initiative by the Girl Move Academy, aims to empower a new generation of women leaders, through role models, education and networks for mutual help and cooperation. Delivered online, 750 girls from different parts of the country successfully completing the training.

Agromwinda (DRC) trained 10 000 rural girls in ICT and women on mobile solutions for smart agriculture.

[Read about our support for women farmers on page 19](#)

Bringing mobile to more women

Communications technology plays an important role in empowering women in many of our markets to overcome everyday barriers and improve their lives and livelihoods. Mobile technology can enable access to essential services from maternal healthcare to agricultural information for smallholder female farmers. Through connectivity, we seek to support positive outcomes for women in education, skills and jobs, health and well-being, safety, and economic empowerment.

28.12 million

female customers connected (FY2021: 28.07 million), up 58% since 2016

[Find out more on how Vodacom is Enhancing the quality of women's lives](#)





02 Propositions for equality continued

Gender-based violence ecosystem

Gender-based violence (GBV) has become more pronounced, especially during the national COVID-19 lockdown period when GBV survivors were confined in their homes with the perpetrators. Vodacom Foundation's approach to GBV ecosystem has two pillars: prevention and response; and victim support and empowerment.

Pillar 1

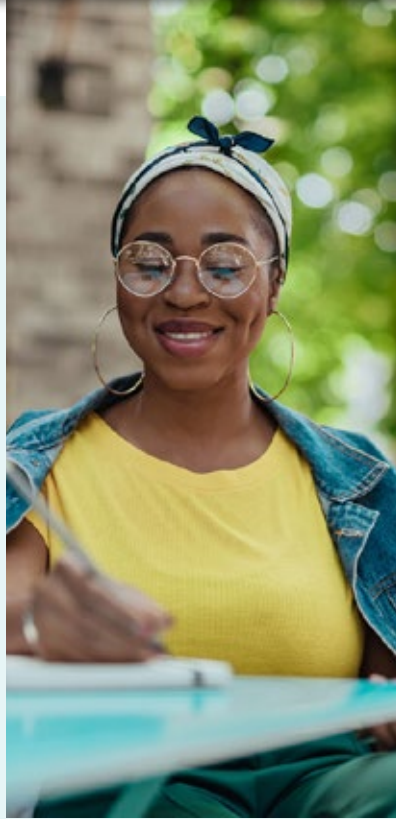
Prevention and response

01 The Gender-based Violence Command Centre (GBVCC) is an integral part of our prevention and response pillars, where individuals can call the GBVCC and speak to a counsellor. The counsellor will help the caller identify symptoms of abuse and assist perpetrators in understanding and changing their behaviour. The centre serves as a response mechanism where the police can be dispatched if the life of the caller is in danger. This is made possible through a technological capability that allows the counsellor to geo locate the caller and alert the community social worker or the police.

02 The Bright Sky mobile app provides information on GBV and information on support services. The Bright Sky #See Red Flags campaign was launched during the 16 Days of Activism against GBV on all social media platforms and formed part of the narrative of a local soapie. The campaign increased the Bright Sky downloads from 100 on average per month to more than 9 000.

03 In partnership with the Department of Basic Education, we implemented a programme to address psychosocial issues faced by learners in schools. We placed 20 psychosocial professionals in six Vodacom-supported schools of excellence. These social workers are working across 17 schools, reaching approximately 14 000 learners. The individual intervention sessions focus on specific modules that cover GBV, bullying, the dangers of substance abuse, self-esteem and violence in general, among others.

04 Ongoing dialogue is vital and we continue to encourage active and robust conversations that aim to address the drivers of GBV. We invite various experts through the year to engage with employees in tackling some of these issues, such as when Justice Edwin Cameron addressed employees on the rehabilitation of GBV perpetrators and discussed whether prisons are an effective means of rehabilitation.



Pillar 2

Victim support and empowerment

To drive victim support and empowerment, through Vodacom Foundation we empower survivors of violence by providing ICT training in shelters across South Africa. To date, we have trained more than 1 400 survivors. Vodacom pledged R10 million to the Gender-Based Violence and Femicide (GBVF) Response Fund established by the President of South Africa in February 2021.

GBVF Response Fund – Together we can take action against GBVF

2.5 Supporting customers with special needs

We enable people with disabilities to stay connected, live a better life today and build a better tomorrow. A dedicated team, led by people with disabilities, and organisations for disabled persons, focuses on meeting the needs of senior citizens, persons with visual impairments, and persons who experience communication barriers (deaf, hard of hearing, hearing impaired, deafblind, and those with speech impairments).

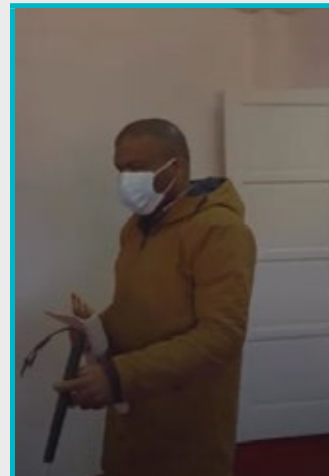
Vodacom is a signatory to the Global System for Mobile Communication Association's (GSMA's) principles for driving digital inclusion of persons with disabilities.

We established the Africa Accessibility Forum across seven markets. The forum aims to drive the digital inclusion of disabled persons by providing accessible products – ensuring that disabled persons are able to participate in a digital society.

We provide discounted contract deals at selected stores and online for people with disabilities.

Accessibility includes training, support and adaptations to standard phone features for hearing disabled and elderly customers. Our accessibility products and services include:

- Text-based emergency services for deaf customers using emergency SMSs and Vodacom's 112 emergency app.
- An interactive voice recognition voicemail option allows callers to send a detailed SMS to a deaf/hard of hearing customer instead of leaving a voice message.
- A dedicated call centre for disabled people reachable via SMS, email, a free phone call using a Vodacom SIM, the Vodacom app and website where users can log queries, and social media platforms (Facebook and Instagram using #specificneeds).
- Alcatel 2019 phone with a large, easy-to-use keypad for voice calls and SMS.
- Information about accessible products and services are available on the TOBi WhatsApp platform.
- Smart digital training centres ensure that people with disabilities receive training in use of devices.



Digital inclusion for the blind and visually impaired

For the blind and visually impaired, having access to essential information through specialised services, books, and appropriate media is one of the major challenges that they face daily. Vodacom Lesotho launched the Insight Centre, a library situated at the State Library, supported by 4G technology, that provides visually impaired persons with equal access to information, enabling them to lead independent, autonomous lives.

Watch Insight Centre

Read more about the centre Vodacom Lesotho digital library for the visually impaired



03 Workplace equality

As part of our purpose, we are committed to making the world more connected, inclusive and sustainable, where everyone can truly be themselves and belong. We bring the human touch to our technology to create a better digital future for all, starting with our people.

Our diversity and inclusion focus is on removing barriers to workplace equality by accelerating momentum on gender equality, accelerating racial transformation in South Africa, sustaining focus on lesbian, gay, bisexual, transgender and queer people and those with gender expressions outside of traditional norms (LGBTQ+), and ensuring our physical and digital workplace is fully accessible.



3.1 Our people

We are developing a diverse and inclusive workforce that reflects the customers and societies we operate. Where relevant, we consider local regulatory requirements.

	2022	2021
Headcount	11 304	11 182
of which: Permanent employees	8 150	7 875
of which: Contractors	3 154	3 307
Number of countries where we operate	5	5
Employee nationalities	31	31

Employees and contractors across the Group	%	%
South Africa	57	56
Tanzania	5	5
DRC	10	12
Mozambique	24	24
Lesotho	3	4

Employee experience		
Employee engagement index	77	77
Alignment to purpose	76	75
Voluntary turnover rate	6.3	3.7
Involuntary turnover rate	0.9	0.4

3.2 Driving diversity, ethnicity and inclusion

Vodacom strives for an inclusive, diverse and gender-balanced culture that celebrates differences, institutionalises support for LGBTQ+, maintains an ethnically diverse environment and ensures accessibility for employees with disabilities. Vodacom has a zero-tolerance approach to harassment, discrimination and any abuse. We hosted several unconscious bias workshops across the organisation. Embedding inclusion to enable diversity is critical to achieving these goals in a sustainable way.

Policies, initiatives and targets

Our commitment to diversity and inclusion is reflected across our policies and principles, such as the code of conduct and our fair pay principles. Achieving our diversity targets depends on the attraction, engagement and retention of diverse talent and skills. To support this, we have inclusive initiatives such as hybrid and flexible working, parental leave, mental health support, targeted learning and development programmes, and allyship training, reinforced by the work of employee networks. Programmes are designed to help employees through all life stages and challenge societal norms so everyone can be themselves at work and belong.

Women in management

We work to ensure there is gender diversity when resourcing for senior leadership roles. Our leadership team is accountable for maintaining diversity and inclusion in their teams. Women in management targets are embedded in our long-term incentive plans.

	2022	2021
Women on the Board	33.3	33.3
Women on the Executive Committee	20.0	20.0
Women in management and senior leadership roles ¹	36.1	34.0
Women as a percentage of external hires	40.6	35.1
Women as a percentage of internal promotions	44.4	42.1
Women as a percentage of graduates	61.0	39.8
Women as a percentage of the overall workforce	38.9	34.3

1. Percentage of women in our 606 management and leadership roles (FY2021: 608).

We achieve this through

3.1 Our people

3.2 Diversity, ethnicity and inclusion

- Women in management
- Domestic violence policy
- Parental leave policy
- Embedding inclusion
- Race, ethnicity and cultural heritage
- Physical and digital accessibility

Our goals

To have **36% women** in management roles by 2023



We are committed to creating a workplace where women can truly be themselves and belong. Through a range of policies designed to support and empower women – from leadership targets to menopause advice – we want to BreakTheBias and help them thrive.

Watch Gender equality in the workplace

Read more on our approach to Workplace equality





03 Workplace equality continued

Domestic violence policy

The policy sets out comprehensive workplace resources, security and other measures for employees at risk of experiencing and recovering from domestic violence and abuse. In South Africa, the Gender-Based Violence Policy reinforces our commitment against violence and harassment against individuals on the basis of their gender identity and, in addition to the mechanisms to protect employees, makes provision for action to be taken against any employee who is alleged to be a perpetrator of any incident of violence, harassment, bullying, threatening behaviour, criminal conduct or intimidation that has occurred inside or outside of the place of work. When such incidents are brought to the attention of Vodacom as an employer, investigations will be conducted and may result in disciplinary action being taken against an employee, where this is warranted and appropriate.

Maternity and parental leave policy

The maternity and paternal leave policies provides 16 weeks of fully paid leave with flexibility in how the leave is taken. These policies are open to all employees regardless of gender, sexual orientation, length of service, and whether their partner is having a baby, or they are welcoming a new child through surrogacy or adoption. This year, 166 men took parental leave, with 45% taking the full 16 weeks.

Embedding inclusion

We support those living with disabilities and the LGBTQ+ community. We actively support employee networks, including the Disability Employee Forum, the LGBTQ+ Network, the National Consultative Committee and the Women's Network Forum. Global Withstander training has been rolled out to upskill employees on how to become active allies by challenging negative and inappropriate behaviours when they witness them.

We engage with employees and raise awareness on why inclusion matters through multiple platforms such as webinars for International Women's Day, International Day of Elimination of Racism, LGBTQ+ Pride and International Day of People with Disabilities.

Race, ethnicity and cultural heritage

We continuously improve our workforce capability in holding conversations on race, ethnicity and cultural heritage. #CountMeIn encourages employees to voluntarily disclose their diversity demographics including race, ethnicity, disability, sexual orientation, gender identity and caring responsibilities, in line with local privacy and legal requirements. These insights inform various activities.

In South Africa, Vodacom promotes racial transformation and employment equity in the workplace. Black representation in the workforce was 78%, 62% at senior management level and 56% at Executive Committee level.

Physical and digital accessibility

We aim to create a physically and digitally accessible environment. Various events, such as the Vodafone global event on International Day of People with Disabilities, featured initiatives that help create an inclusive workplace for customers and employees with visible and invisible differences. Our Disability Awareness Forum participated in various leadership events including CEO's Fireside Chat, Vodacom South Africa MD's townhall and a Disability Rights Awareness Month webinar on the intersectionality of LGBTQ+ and disability supported by the Vodafone Global Diversity and Inclusion Head. Through strategic partnerships with South African youth development academies, such as Harambee, EduPower and Student Village, we provided skills development opportunities for disabled learners who received full-time employment in the contact centre and retail industry. VodAbility is a job shadowing programme in Mozambique linked to a broader recruitment and inclusion workplace programme. Ten contractors are participating in the programme with the ambition to place some into permanent employment.





Planet

We believe business success should not come at the cost of the environment, and we are committed to reducing the impact of our activities. Our digital networks and technologies can play a key role in mitigating climate change. Digitalisation is key to saving energy, using natural resources more efficiently, and creating a circular economy.

The 2022 Intergovernmental Panel on Climate Change report notes that digital technologies have significant potential to contribute to decarbonisation due to their ability to increase energy and material efficiency.

Climate change poses several physical risks (increased frequency and severity of extreme weather events) and transition-related risks and opportunities (economic, technology or regulatory related to transitioning to a low-carbon economy). As part of our commitment to operate ethically and sustainably, we pledge to:

- Understand climate-related risks and opportunities;
- Embed responses to these into our business strategy and operations;
- Reduce our GHG emissions through energy efficiency and technology; and
- Use technology to assist our customers to reduce their emissions.

Vodacom's TCFD programme

A cross-functional taskforce, led by the sustainable business team in Vodacom South Africa, commenced work on the Group's response to the Financial Stability Board's TCFD recommendations. While this process has begun with South Africa, we will include our other countries in coming years.

The first phase focused on identifying climate change risks and opportunities through scenario-based risk and opportunity assessment. Analysing financial impacts will start in the next phase. Insights from this process will be used to identify new opportunities for application in our operations and solutions for our customers, while informing mitigating controls and ways to embed climate risk into our risk management system and processes.

We published our first TCFD report, recognising that meeting TCFD recommendations is an intensive process and this is the first step on our journey. We are monitoring global disclosure developments including the International Sustainability Standards Board.

See our

ESG data addendum for detailed planet data and the independent limited assurance report for South Africa scope 1, 2 and 3 emissions

Read our TCFD report for more on our climate change response

Our focus areas at a glance

01 Managing carbon emissions including carbon enablement

As digital demands increase, we continue investing in energy efficiency measures and technologies to reduce GHG emissions and play our role in the response to climate change.

- Managing our emissions
- Working with partners to reduce scope 3 emissions
- Enabling our customers to reduce their emissions

02 Managing energy usage

We monitor how efficiently we use energy, invest in efficiencies, and seek to source renewable energy.

- Managing consumption
- Pursuing efficiencies and investing in on-site renewable energy
- Purchasing renewable energy through power purchase agreements and renewable energy certificates

03 Reducing waste and helping to build a circular economy

We are focused on reducing e-waste, implementing practices for the reuse, resale or recycling of our network waste, and driving action to reduce device waste.

- Managing e-waste
- Managing general waste

04 Using water responsibly

Operating in countries with water scarcity or inconsistent supply, we work to reduce our consumption and develop measures to help customers manage their water use.

- Reducing our consumption
- Enabling customers to reduce their consumption

0.64 mtCO₂e

GHG emissions¹ per terabyte of data, down 14.8% (FY2021: 0.75 mtCO₂e)

1.49

energy intensity (MWh per terabyte of data) (FY2021: 1.87)

70 715

consumer devices reused or recycled (FY2021: 63 434)
96% of network waste reused or recycled (FY2021: 99%)

76%

reduction in water consumption in South Africa since 2017

1. Scope 1 and 2.

Environmental education and awareness

We raise awareness of environmental matters and share good practice across Vodacom, among our customers and communities to inspire active participation in reducing environmental impact

Reached **4.0 million** people digitally

Environmental management and compliance

Vodacom continues to ensure compliance with relevant environmental legislation

Zero fines for non-compliance with environmental regulations
Zero major environmental incidents
2 minor incidences (spillage and theft of diesel)



RedLovesGreen

Our RedLovesGreen journey aims to bring Vodacom, our customers, and our partners together as we connect for a better future



MySol, affordable solar power for last mile communities in Mozambique

Engie Energy Access and Vodacom Foundation offer a lease-to-own solar home system, with two LED bulbs and phone charging, for the price of a candle, using M-Pesa. This partnership enables both companies to bring high-quality energy, connectivity, and inclusive financial services to rural Mozambique. Engie has reached 49 000 new households and almost 250 000 people.



Helping customers make informed choices

The Eco Rating initiative aims to improve transparency, help raise awareness of the environmental impact of the phones that consumers choose and inspire the whole industry to accelerate its transition towards a more circular model for mobile phones.

Following a detailed assessment, each mobile phone handset is given an overall Eco Rating score out of a maximum of 100 to signal the environmental performance of the device across its entire life cycle. The Eco Rating label highlights five key aspects of mobile device sustainability, providing information about durability, repairability, recyclability, climate efficiency and resource efficiency.

[Read more on the Eco Rating](#)



Protecting biodiversity

While the impact of our business on biodiversity is relatively low, we aim to understand whether the activities of our value chain contribute to the loss of biodiversity in any way. We work with conservation agencies to explore the role of technology in minimising biodiversity loss.

We incorporate natural habitats within our infrastructure, including wetlands, nesting for birdlife and planting indigenous vegetation at our office buildings. Where possible, towers and masts are in the guise of trees that blend into the natural environment. Our approach to siting and constructing new base stations includes exploring cosharing opportunities with other TelCos.

Through our membership of the WWF, we continue to leverage technology to support various conservation efforts.



In Lesotho, we collaborated with Limomonane Trust in the implementation of a sustainable urban greening and forest restoration project. Marking the Lesotho National Tree Planting day and International Forests Day, we planted 10 000 indigenous trees in March.

Supporting sustainable fishing

By supporting the WWF – South African Sustainable Seafood Initiative (WWF-SASSI), we aim to increase the understanding and appreciation of the importance of healthy oceans, the impact of seafood choices and the role of sustainability in building resilient oceans. Vodacom has directly contributed to the establishment of the SASSI project office, field work, the development of the FishId app and provided devices, airtime and data. The SASSI FishId app was developed to help fishermen, chefs and others working in the seafood industry make informed choices about sustainably sourced seafood to help safeguard our oceans. The SASSI programme aims to promote ocean conservation, sustainable seafood consumption and ocean literacy.

Reforestation tackling climate change impacts

Climate change has impacted more than 60% of Tanzania. The country's Dodoma region has been particularly susceptible to extreme weather, deforestation, desertification, loss of biodiversity and crop failure, putting the majority of people who live off the land at risk. Working towards overcoming these devastating effects, Vodacom Tanzania Foundation has partnered with the WWF, the Tanzania Forest Service and the Tanzania government to plant 150 000 at Kisarawe, Mkuranga and Dodoma. By the end of FY2022, 80 000 trees had been planted.

Further, we aim to raise awareness to combat impacts of climate change by facilitating climate change communication messages to the public using Vodacom corporate SMS platform, and supporting the creation of employment opportunities among youth and women through environmentally friendly initiatives.

[Watch Inclusive climate action in Tanzania](#)





01 Managing carbon emissions

Using Fossil-fuel based sources of energy results in carbon emissions, which directly impact climate change. We implement energy efficiency measures to reduce carbon emissions, support a sustainable planet and global efforts to address climate change, reduce energy waste and save money.

Managing our energy use and the source thereof is vital to reducing our carbon emissions. We measure our carbon footprint according to the GHG Protocol Corporate Accounting and Reporting Standard.

We achieve this through

- 1.1 Managing our scope 1 and 2 emissions
- 1.2 Working with partners to reduce scope 3 emissions
- 1.3 Enabling our customers to reduce their emissions

Our goals

50%
reduction in our scope 1 and 2 GHG emissions by 2025



1.1 Managing our scope 1 and 2 emissions

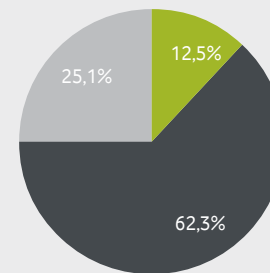
Vodacom's primary source of carbon emissions is our electricity consumption from access (75%), technology centres (21%) and buildings (4%). As our largest operation South Africa, is the main contributor of carbon emissions using electricity and accounts for 82.3% of Group emissions.

Despite our ongoing focus on energy efficiency and governance, our total scope 1 and 2 emissions have increased by 4,5% (FY2022: 714 mtCO₂e; FY2021: 693 mtCO₂e), mostly due to an increase in data traffic, extended outages due to load shedding resulting in a notable increase in diesel use, and our efforts to improve energy reporting.

We are committed to improving the energy efficiency at our base station sites and technology centres, which together account for 96% of our total energy consumption. We invested R49.3 million in energy efficiency projects which will deliver annual energy savings of 7 GWh (FY2022: 3.4 GWh). We are focused on increasing our renewable energy supply and have several initiatives in progress.

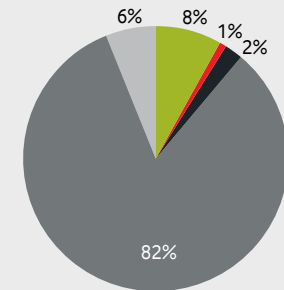
[Read about our energy management and efficiency initiatives on page 36](#)

In our ongoing efforts to improve reporting and identification of energy reduction opportunities, we will implement the ISO 50001 energy management system across the Group.



GHG emissions per scope FY 2022

- Scope 1
- Scope 2
- Scope 3



GHG emissions per country FY 2022

- DRC
- Lesotho
- Mozambique
- South Africa
- Tanzania

[See our ESG data addendum for further information](#)

[See our ESG data addendum for further emissions disclosures](#)



01 Managing carbon emissions continued

1.2 Working with partners to reduce scope 3 emissions

Scope 3 emissions are indirect GHG emissions that we cannot control but could influence. The main sources of our scope 3 emissions are fuel- and energy-related activities. Our estimated scope 3 emissions were 239 mtCO₂e.

We engage with suppliers in the procurement process on energy efficiency improvements in hardware and software solutions. A 20% weighting for environmental and social criteria is included in our supplier evaluation request for quotation processes.

The supplier performance management programme covers environmental factors, and suppliers' GHG performance is one of the factors considered. Vodafone benchmarks key global suppliers, which are used by Vodacom. Select global suppliers provide details of their GHG emissions and management programmes through CDP.

➔ For more details, refer to responsible and inclusive supply chain on page 52

1.3 Enabling our customers to reduce their emissions

We aim to enable our customers (enterprises and governments) to reduce their environmental footprint using our digital technologies and services. Our IoT services, including logistics and fleet management and smart metering, are underpinned by a strong commercial rationale with three main opportunities for customers.

Increased efficiency and reduced wastage

IoT enables organisations to monitor operational processes, identify waste and address the cause. This improves cost-efficiency and carbon savings.

Using IoT to deliver cost-efficiency

Connectivity can allow products and services, such as shared distribution networks and vehicle sharing, to be automated and shared, reducing the cost and carbon impact.

Changing customer behaviour to promote long-term sustainability

IoT products can enable a direct connection to each customer allowing trends to be monitored, for example shifting demands for public transport or energy.

1.6mtCO₂e avoided emissions¹



02 Managing energy usage

Managing our energy use is vital to contributing to a low-carbon future and support a sustainable earth. We seek innovative ways to reduce our energy consumption without impacting on network quality.

We invest in and implement energy efficiency and renewable energy projects to reduce operating costs, secure clean and reliable energy, build resilient and sustainable operations, manage energy-related expenses and reduce our carbon emissions. We consider energy performance when designing, building and managing our infrastructure.

We achieve this through

2.1 Measuring consumption

2.2 Pursuing efficiencies

- Managing network consumption
- Managing building and data centre consumption
- Investing in on-site renewable energy

2.3 Purchasing renewable energy

- Pursuing power purchase agreements
- Purchasing renewable energy certificates

Our goal

ISO 50001 certification in all countries by FY2024

📖 ESG data addendum for detailed energy data

📖 See our ESG data addendum for further energy disclosures



2.1 Measuring consumption

Our access network of base stations, data centres, our offices and warehouses, and in some countries our retail stores, are largely powered by grid electricity which is supplemented with diesel generators. Most of the energy across our businesses is consumed across thousands of sites that individually consume relatively small amounts of energy.

Energy consumption² decreased by **2.7%**
827 GWh (FY2021: 848 GWh)

R2.44 billion energy costs³ (FY2021: R2.41 billion)

<1% of consumption from renewable resources

1.49 energy intensity (MWh per tarabyte of data) (FY2021: 1.87)

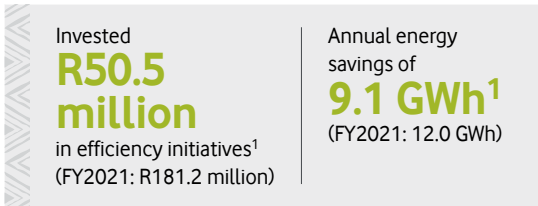
1. South Africa.
2. Excludes transport
3. Network-related electricity and fuel costs.



02 Managing energy usage continued

2.2 Pursuing efficiencies

We invest in energy efficiency programmes including sourcing and implementing more efficient network equipment, reducing energy demand by installing lower energy use equipment, components and cooling technologies. We reduce energy usage by decommissioning and upgrading legacy equipment.



1. South Africa. Updated.

We create awareness and train our employees on energy efficiency through targeted campaigns.

Our investments in energy efficiency programmes over the years are yielding results and should be viewed within the context of increasing demand for our digital services and growth strategy.

Managing network consumption

Energy-saving initiatives in larger facilities include electricity use optimisation, generator fuel run time reduction and replacing old, inefficient systems such as uninterrupted power supply systems.

We installed adiabatic cooling panels on airconditioning chiller plants to pre-cool ambient air used by chiller coils, and replaced water-cooled chillers with air-chillers.

For our base stations, initiatives include the Raptor technology, operating in 7 313 base stations in South Africa (FY2021: 7 232), which can realise energy savings by monitoring operating conditions and automatically switching off air-conditioning when not needed.

Managing building and data centre consumption

Ongoing energy efficiency initiatives include installing inverter air-conditioners, LED replacements, geyser management (decommissioning or replacement with solar), and linking heating, ventilation and air-conditioning and plant and equipment to building management systems. These manage run times and heating and cooling set points.

Investing in on-site renewable energy

On-site renewables reduce grid electricity consumption and increase energy security. These are feasible where we have large buildings and infrastructure to install solar panels such as our offices and data centres. With the vast footprint of our towers or masts spread across multiple geographies, on-site solar can be challenging due to limited physical space, site accessibility, theft and vandalism. On-site renewable electricity is less than 1% of our overall renewable energy consumption due to space constraints on our infrastructure. However, we continue testing new approaches and technologies to find sustainable solutions, such as renewable hybrid systems that use various renewable energy sources such as wind and hydrogen to provide further system efficiency.

A 6 Mwp solar installation with an estimated energy yield of 10.8 GWh (11 448 mtCO₂e savings) at our Midrand campus will be operational in FY2023. Further opportunities are being pursued.

2.3 Purchasing renewable energy

Our energy strategy prioritises energy-efficient practices, followed by on-site renewable energy generation, then power purchase agreements (PPAs) and lastly renewable electricity certificates (RECs).

Pursuing PPAs

PPAs typically provide electricity at a discount to current wholesale electricity prices, reducing costs, providing more economic certainty against current volatile wholesale electricity prices and helping create new generation capacity through higher demand. Access to PPAs in South Africa is limited due to administrative constraints in relation to our extended network of sites and footprint spanning majority of the local government authorities (municipalities).

We actively engage governments and local municipalities to facilitate developing renewable energy infrastructure.

We have an active PPA across 36 sites with the Nelson Mandela Bay Municipality.

Purchasing renewable energy certificates

Purchasing RECs will be an element of our energy management strategy. The incremental cost of RECs (or their equivalent) is small for our overall energy spend. Where possible, we will seek to source RECs from the countries where we operate.





03 Reducing waste and helping to build a circular economy

Aside from carbon emissions, electronic waste is the largest material environmental issue for our business. We consistently seek to manage our own impact responsibly and support our customers' efforts.

We prioritise the reuse, resale or recycling of unwanted equipment and aim to keep using resources for as long as possible, extracting the maximum value from equipment and recovering and reusing materials responsibly.

Our waste management policy prioritises safe and responsible reuse and recycling, and our waste hierarchy embeds sustainable practices throughout our operations and supply chain activities.



3.1 Managing e-waste

As we continue investing in high-quality networks, we reuse, recycle or resell 100% of our network waste, strengthening our approach to the circular economy. We use certified local service providers to dispose of our telecommunication equipment and batteries when the useful life is exhausted.

310.5

tonnes equipment recycled (FY2021: 451.8)

38.3 tonnes

of equipment redeployed in the network (FY2021: 201.1 tonnes)

197.7

tonnes of batteries incinerated (FY2021: 1 066.3)

111.7

tonnes of batteries rejuvenated (FY2021: 132.5)

Reducing network waste

In 2016 we implemented a programme to extend the useful life of redundant network equipment and to rejuvenate batteries which are then redeployed to other sites.

Recycling obsolete equipment

When reuse options are exhausted, we recycle obsolete equipment responsibly using approved recycling agencies. Network waste is never sent to landfill sites.

Incinerating obsolete batteries

Obsolete batteries, classified as hazardous waste, are moved to a licensed facility for incineration. Vodacom Tanzania has a battery recharge centre for rejuvenation and reuse of returned batteries.

Giving waste new life in the DRC

Under the supervision of our partner, Benelux Afro Center, 52 tonnes of waste was directed into an innovative recycling process, whereby pupils and students recycle waste equipment and office supplies into metal doors, tables, art objects, signboards, cupboards, shelves, wheelbarrows, school benches and flower posts. This is supported through an environmental awareness programme.



Handset repair and recycling

We continue to implement several initiatives to increase the useful life of devices. We encourage our customers through our RedLovesGreen campaign, to return their devices to one of our 37 repair centres. Depending on the make, model and condition of a returned phone, it may be repaired, refurbished, resold or sent for recycling. Our refurbished devices are either repackaged, certified Good as New and sold with a six-month warranty or donated to a Vodacom-supported school. If the device is not in suitable condition it is sent to a Vodacom-approved recycling agency.

6 398

phones recycled (FY2021: 6 538)

321 266

devices repaired (FY2021: 330 112)

We achieve this through

3.1 Managing e-waste

- Reducing network waste
- Recycling obsolete equipment
- Incinerating obsolete batteries
- Handset repair and recycling

3.2 Managing general waste



Our goals

100%

reuse, resell or recycle of our network waste by 2025

200 000

(400kg) customer devices refurbished and recycled

80%

reduction of single-use plastic waste by 2025¹

100%

recycling of paper waste in offices by 2025¹

90%

conversion of food waste to compost by 2025¹

1. South Africa; against a 2017 baseline.

03 Reducing waste and helping build a circular economy continued

3.2 Managing general waste

Our general waste management programmes involve reviewing our consumption choices, making more sustainable decision and working with suppliers to reduce environmental waste.

1 Operations

Reducing paper consumption, and single-use plastics.

Using eco-friendly products.

Managing waste through paper recycling and food waste composting.

2 Retail and warehouse

Digitalising branch processes towards being completely paperless.

Introducing Ecosim, a half-sized SIM made of recycled plastic that reduces packaging materials used and lowers transportation impacts.

Replacing plastic bags with reusable eco-friendly paper bags; reducing packaging sizes with less void; replacing plastic bubble filling with paper; replacing plastic tape with recyclable paper tape.

Pursuing green lease agreements for stores including water, waste and electricity management targets.

04 Using water responsibly

According to the World Health Organization, sub-Saharan Africa remains vulnerable at a low 60% water coverage. Although sub-Saharan Africa has a plentiful supply of rainwater, it is seasonal and unevenly distributed, leading to frequent floods and droughts.

While we are not a water-intensive user, we operate in some of the driest countries in the world. We aim to reduce our consumption and support a sustainable earth.

We achieve this through

4.1 Reducing our consumption

4.2 Enabling customers to reduce their consumption

Our goal

75%
reduction in water consumption by 2025¹



1. South Africa; against a 2017 baseline.

4.1 Reducing our consumption

Water-saving measures include waterless urinals, chemical toilet flushing, waterless hand sanitising stations and aeration taps with reduced water flow, efficient use of borehole water, rainwater harvesting and implementation of water wise gardens. We replaced the water fountains at our Midrand head office with recreational spaces for employees.

In South Africa, 100 smart water consumption meters provide real time analytics, which enables proactive action and continued optimisation of resource consumption. Maintenance teams receive instant alerts via email or SMS about faults reducing turnaround times for corrective action affected immediately to safeguard water loss.

We promote responsible water consumption through targeted campaigns such as World Water week.

4.2 Enabling customers to reduce their consumption

Our digital solutions and IoT capabilities assist government and businesses in reducing their water consumption. They help local municipalities monitor and manage water leaks through early detection.





Responsible business

Acting ethically, lawfully and with integrity is critical to our long-term success. As such, responsible business practices support the delivery of our purpose while enabling us to create value.

We are able to address the urgent need to merge financial performance with ethical conduct, balancing the needs of people and the planet with profit.

Operating responsibly means we:

- Foster business integrity;
- Maintain trust through protecting data;
- Protect our people's health and safety;
- Respect human rights;
- Ensure a responsible and inclusive supply chain; and
- Contribute to tax and the economy.

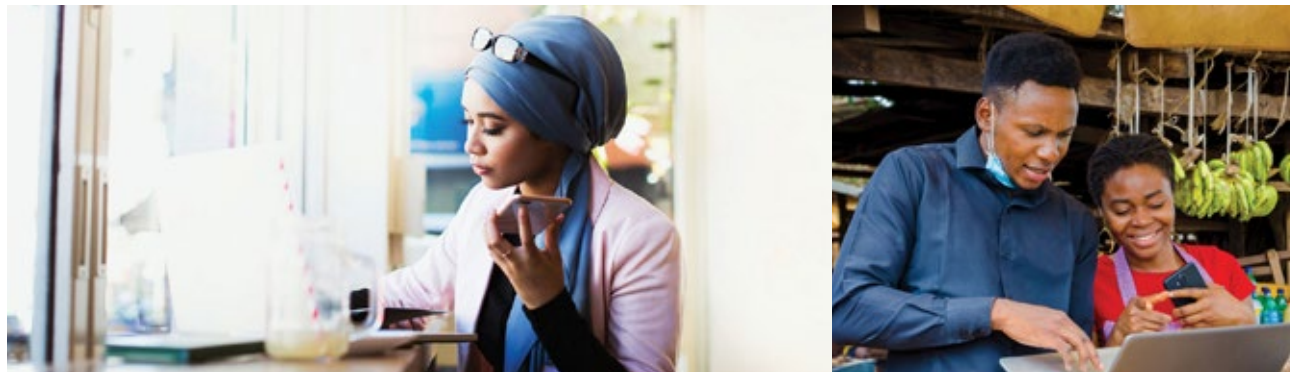
We deliver on these focus areas through our compliance with legal and regulatory standards, and ensuring employees, business partners and suppliers adhere to internal codes, policies and programmes that govern our behaviour. We continuously offer training and create awareness to enable a deep understanding of the behaviour we expect.



Our anchor Doing What's Right programme includes training modules that employees and contractors must complete:

- DWR 2.0 – Anti-bribery
- DWR 2.0 – Code of conduct
- DWR 2.0 – Privacy
- DWR 2.0 – Security
- DWR 2.5 – Health and safety

These form part of new employees' induction and current employees complete refresher training at least every two years.



Focus areas at a glance

01 Doing business ethically

We are committed to business integrity wherever we operate.

- Promoting ethical conduct
- Managing conflicts of interest
- Complying with policies and controls
- Managing disciplinary and grievance processes

02 Protecting data

Millions of people communicate and share information over our networks, enabling them to connect, innovate and prosper. Customers trust us with their data and maintaining this trust is critical.

- Managing data privacy
- Managing cyber security

03 Protecting people

Ensuring the health and safety of our employees, contractors and suppliers is a top priority.

- Managing health and safety
- Masts, mobile phones and towers
- Human rights

04 Responsible and inclusive procurement

We aim to ensure integrity in our supply chain processes by identifying and managing related risks.

- Managing our supply chain
- Supporting local economic development

282
employees received advice through the ethics advice line (FY2021: 169)

Adopted a risk-based approach to privacy, with a dedicated security team that deploys world-class cyber security solutions.

1 711
employees completed health and safety courses (FY2021: 514)

0.0
Lost-time injury frequency rate per 1 000 employees

Worked with **9 804** suppliers (FY2021: 9 495) and spent over R62.3 billion



01 Doing business ethically

As part of our employee experience, we ensure pay and benefits are competitive and fair, and attract, retain and develop future talent. Our reward approach demonstrates the Spirit behaviours to encourage collective performance, strategy execution and increase focus on recognition.

We achieve this through

1.1 Promoting ethical conduct

- Defining our code of conduct
- Enforcing our code of ethical purchasing
- Delivering training and awareness
- Providing advice and confidential reporting

1.2 Managing conflicts of interest

1.3 Complying with policies and controls

1.4 Managing disciplinary and grievance processes

Speak Up

Website:

Click [HERE](#) to report an incident

Vodacom SA Speak Up Hotline:

Call 0800 728 625

Group ethics advice line:

EthicsAdviceLine1@vodacom.co.za



1.1 Promoting ethical conduct

Defining our code of conduct

Our code of conduct sets out what we expect from our employees drawing from the Vodacom business principles. This is supported by a comprehensive framework of policies and activities to ensure we manage our responsibilities.

Individual conduct

Bribery and improper payments; conflicts of interest; gifts and hospitality; travel and expenses; managing our information and documents; security; information classification and protection; our brand; and intellectual property rights.

Compliance with the law

Insider dealing; competition laws; anti-money laundering; and sanctions and trade controls.

Health and safety

The absolute rules; electromagnetic fields; and drugs and alcohol.

Financial integrity

Committing to contracts and expenditure; and operating a responsible supply chain.

Public policy and communications

Speaking on behalf of Vodacom and using social media.

Privacy

Privacy principles and how to apply these principles.

Employees

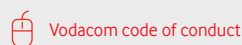
Diversity and inclusion, preventing harassment and bullying.

Communities

How we engage with local communities.

Environment

Efficient resource use and minimising negative environmental impacts.



Enforcing our code of ethical purchasing

We expect our suppliers and business partners to uphold the same standards and comply with our code of ethical purchasing. This code is based on international standards including the Universal Declaration of Human Rights and the International Labour Organization's Fundamental Conventions on Labour Standards. The code outlines our social, ethical and environmental standards, including areas such as child and forced labour, health and safety, working hours, discrimination and disciplinary processes.

For more details, refer to responsible and inclusive supply chain on page 52

Code of ethical purchasing

Training and raising awareness

We provide training and ongoing awareness on our code of conduct, ethics and ethical decision-making through our Doing What's Right programme, reaching employees, contractors, business partners and suppliers. Training creates awareness of the behavioural standards expectations of our employees, contractors, business partners and suppliers. Various communication campaigns are implemented on high-risk activities including gifts and hospitality, conflict of interest policy, data privacy, cyber security, anti-money laundering, competition law, and health and safety – all of which require us to uphold the highest standards of ethics.

Activations include webinars, leadership conversations, direct emails and screen savers. Focus is given to promoting the ethics advice line and the Group's whistleblowing mechanism (Speak Up).

85%

of employees assigned the code of conduct training had completed it by 31 March 2022

Completion rates at year end are influenced by the implementation timing of new modules and new joiner start dates.



Group Chairman's ethical leadership webinar

1 037

employees attended the Group Chairman's annual ethical leadership webinar where our guest speaker, South African whistleblower Mosilo Mothepu, was later joined by members of the Vodacom senior leadership team to tackle employees' ethics-related questions, including the Speak Up policy, employees' ethical and legal responsibilities in reporting unethical conduct and the role of customers in identifying and reporting unethical practices at Vodacom.

UN International Anti-corruption Day

Group Ethics and Group Risk and Compliance hosted a webinar titled Recovery with Integrity given the losses that enterprises suffered during the COVID-19 pandemic. Guest speaker, Dr Achieng Ojwang, Executive Director of UNGC Network South Africa, discussed the UN's efforts to combat corruption, particularly in Africa. Joined by the Chief Risk Officer and Managing Executive: Compliance, Head of Risk and Compliance Tanzania, they responded to questions from 1 041 employees in attendance.



01 Doing business ethically continued

Seeking ethics advice and confidential reporting

Employees can request advice through our ethics advice line, an anonymous platform managed by Group Ethics.

282

employees sought advice through the ethics advice line (FY2021: 169)

Requests related primarily to conflicts of interest, policy clarification and perceived favouritism in the workplace

46

grievances were reported of which 25 were substantiated, Ten related to bullying and harassment, one to sexual harassment, five to code of conduct breaches, seven to breach of policy and two to unfair labour practices

Employees, contractors and business partners can report suspected breaches of our code of conduct anonymously to our Speak Up whistleblowing line. Speak Up is available in English, French and Portuguese and is operated by NAVEX, an independent company, giving whistleblowers an added level of comfort and security that reports are confidential.

Our Speak Up protection policy ensures that employees and third parties will be protected from retribution or reprisal.

Speak Up reports are grievances or complaints lodged outside Vodacom's internal process and investigations are managed by Vodacom Forensic Services. From 1 April 2021 to 31 March 2022, the Group's corporate security divisions investigated over 6 083 (FY2021: 8 012) cases of alleged fraud or irregularities, of which 5 553 (FY2021: 7 680) related to external cases and 530 (FY2021: 333) to internal cases. These cases were reported through various channels, including direct reports received from customers, service providers, online reports, referrals from business and external whistleblowing. Over the same period, 652 (FY2021: 352) reports were received via the formal whistleblowing line of which 190 (FY2021: 152) were customer-related issues.



1.2 Managing conflicts of interest

We encourage employees to be transparent about potential and actual conflicts of interest. Improved processes and ongoing education have resulted in an improvement in the number and quality of declarations.

Conflicts of interest

1

Having a personal financial interest in a Vodacom business partner, supplier, customer or competitor, which could compromise loyalty to Vodacom, adversely affect judgement regarding day-to-day responsibilities, or cause reputational damage.

2

Receiving any incentive directly from a Vodacom supplier or other third party, unless such incentives were approved under the relevant policies of that company.

3

Using non-public information obtained by virtue of their position for personal financial gain.

Mechanisms for dealing with conflict of interest

1

Requiring directors and employees to declare potential and actual conflict of interests.

2

Prohibiting directors and employees from being involved in recommending, deliberating or making business decisions when they are conflicted.

3

In some difficult cases where directors or employees are conflicted, requiring them to choose between disposing of a particular asset, standing down from a post, or ending a particular relationship. Another solution is reassigning an employee to another division if a position is available and they are suitably qualified.

Our due diligence process for suppliers and business partners incorporates conflicts of interest to ensure we identify potential risks upfront and manage these risks appropriately.

1.3 Complying with policies and controls

Vodacom continues complying with the relevant laws, regulations and policies across our operations. Our compliance programme is guided by an overarching compliance management framework which provides guidelines for implementing, managing and monitoring internal controls. It focuses on high-risk compliance areas such as competition law, anti-bribery and anti-corruption, anti-money laundering and terrorist financing, and privacy law.

Our CEO and Executive Committee oversee these efforts, supported by specialists. Reporting is provided to the Group Audit, Risk and Compliance Committee and the Social and Ethics Committee.

Trade control and sanctions

We continued monitoring and analysing our internal environment against the changing trade control obligations, with implementation of the required mitigating actions and control enhancements.


Anti-money laundering

We continue enhancing our anti-money laundering programme by deploying a solution across the Group. The solution is customised for each of our operations where M-Pesa is active to ensure we manage our financial crime risks effectively. We continue building on our artificial intelligence and data analytics capabilities to enable proactive risk management in line with our risk-based approach.

Anti-bribery and corruption

Our anti-bribery policy is applicable across Vodacom's operations, providing consistent rules to prevent bribery and corruption. Our employees, subsidiaries, vendors and high-risk sales intermediaries regularly complete training to ensure they uphold the applicable policy requirements. The anti-bribery policy guides our due diligence processes, the approval process for charitable contributions as defined in the charitable donations policy, and prohibits Vodacom operations from funding or contributing to political party activity.

Our anti-bribery and corruption programme focuses on reviewing and enhancing our processes related to third-party relationships.

 [Vodacom anti-bribery policy](#)

 [Anti-bribery and corruption \(vodafone.com\)](#)



01 Doing business ethically continued

Media and advertising ethics

Our media policy promotes Vodacom's transparency and guides our corporate communications. We ensure that our communications are accurate and concise, and support the Group's core messages. Our media ethics policy governs internal and external communication procedures across platforms. Vodacom equips authorised spokespeople within the Group with the required media skills and exposure to comply with the policy.

Vodacom subscribes to the codes and guidelines issued by the Advertising Regulatory Board of South Africa. We are committed to clear and ethical communication on our products and services that supports our customers, employees and communities in connecting for a better future. We advertise our products and services with integrity, sensitivity towards society and respect for human rights. This approach builds trust among customers, business partners and our local communities.



1.4 Managing disciplinary and grievance processes

All breaches of the code of conduct are investigated and, where substantiated, applicable disciplinary measures are taken, and sanctions are imposed as appropriate. To ensure breaches do not reoccur and to mitigate this risk, among others, we:

- Limit users' access rights on impacted systems;
- Implement internal awareness campaigns and control measures in affected business areas; and
- Educate dealers, service providers and vendors.

81

external people and contractors arrested

267

employees and contractors dismissed for breaches

02 Protecting data

Technology is core to Vodacom's business and key focus is given to addressing the rapid advances in technology, increasing regulations associated with using data, and its potential to result in significant disruption, opportunities and risks.

We believe that everyone has a right to privacy wherever they live in the world, and our commitment to our customers' privacy goes beyond legal compliance.

Through our privacy and security programmes, we continue to create a strong culture and practice of protecting the privacy, security and confidentiality of customers' personal information. We ensure that personal information is used responsibly in an ethical manner. Data protection and security of information are critical disciplines throughout the life cycle of data.

Cyber security and data protection are embedded in Vodacom's enterprise risk management framework.

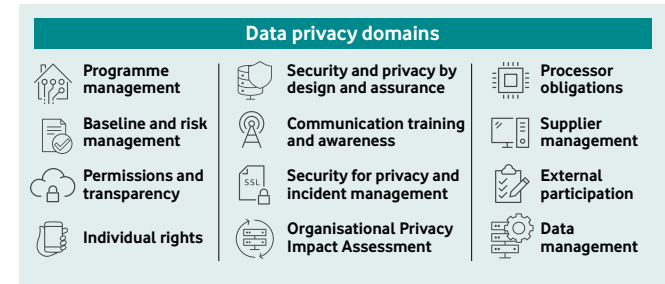
We achieve this through

2.1 Managing data privacy

- Understanding privacy risks
- Adhering to privacy principles
- Using customer data responsibly
- Operating soundly
- Ensuring governance oversight
- Monitoring privacy incidents

2.2 Managing cyber security

- Identifying vulnerabilities and risks
- Implementing controls
- Assessing new technologies
- Supporting business customers
- Operating soundly
- Ensuring governance oversight
- Monitoring cyber incidents



2.1 Managing data privacy

We align to the global Vodafone privacy management policy which is based on the European Union General Data Protection Regulation. The policy establishes a framework within which local data protection and privacy laws are respected and are incorporated. It sets a baseline for those countries where there are no equivalent legal requirements.

Our data privacy programme ensures that we meet the requirements of the Protection of Personal Information Act in South Africa and various privacy regulations in Tanzania, DRC, Mozambique and Lesotho.

We always seek to respect and protect the right to privacy, including our customers' lawful rights to hold and express opinions and share information and ideas without interference. At the same time, as a licensed national operator, we are obliged to comply with lawful orders from national authorities and the judiciary, including law enforcement.

Watch one of the Group's privacy specialists summarise our approach to data privacy

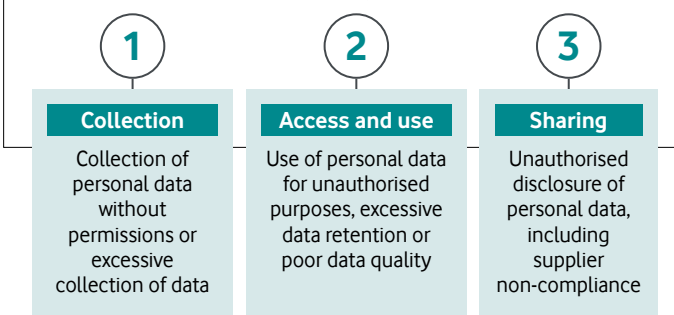


02 Protecting data continued

Understanding privacy risks

As data volumes continue to grow and regulatory and customer scrutiny increases, it is important to be clear on the privacy risks we face, and how our policies and programmes can mitigate these risks.

Three main categories of risk

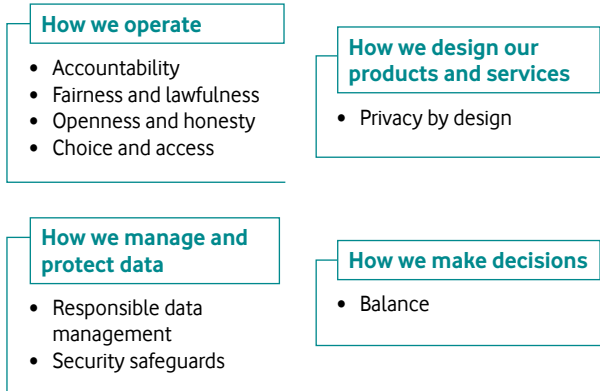


To help us identify and manage evolving risks, we evaluate our business strategy, new technologies, products and services, and government policies and regulation.

Adhering to privacy principles

Our privacy programme governs how we collect, use and manage our customers' personal data to ensure we respect the confidentiality of their communications and any choices that they have made regarding the use of their data.

Our privacy programme principles



Using customer data responsibly

We want our customers to get the most out of our products and services. To provide these services, we need to use our customers' personal information.

We are committed to protecting our customers' data and using it for a stated and specific purpose. We are always open about what customer data we collect, and why we collect it (see key uses alongside).

Each country publishes a privacy statement to provide clear, transparent and relevant information on how we collect and use personal data, what choices are available regarding its use and how customers can exercise their rights. Our privacy notices include details relating to a particular product.

We provide our customers with access to their data through online and physical channels. These channels can be used to request the deletion of data that is no longer necessary, for correction of outdated or incorrect data, or for data portability. Our customer privacy statements and other customer facing documents provide comprehensive information on how these rights can be exercised and how to raise complaints or contact the relevant data protection authority. Our frontline retail and customer support employees are trained to respond to customer requests.



Uses of customer data

Provision of services

We process customer personal data to provide our customers with the products and services they have requested, to fulfil our contractual and legal obligations, and to provide customer care. To provide our services and charge our customers the correct amount, we must process communications metadata regarding calls, texts and data usage.

Quality, development and security of services

We monitor the quality and use of our connectivity and other services so that we can improve and optimise them. This information helps detect and prevent fraud, and keep our networks and services secure. We do not sell data tied to specific individuals to third parties.

Marketing

With customer permission, we use data to market our products and services and provide more accurate recommendations. This means we can present our customers with offers when they need them most, for example when they are about to run out of airtime.

Permissions

Our multi-channel permission management platforms, which are deployed across all our channels, allow customers to control how we use their data for marketing and other purposes. For example, customers can express their opt-in consent to the use of their communications metadata for marketing purposes or for receiving third-party marketing messages, or they can opt-out from marketing entirely. All permissions can be revoked and choices can be changed at any time.

Rights of individuals

Our businesses provide their customers with access to their data through online and physical channels. These channels can be used to request deletion of data that is no longer necessary, or for the correction of outdated or incorrect data. Our customer privacy statements and other documents provide information on how these rights can be exercised and how to raise complaints. Our frontline staff are trained to respond to customer requests.

Sharing of data

Where we rely on external suppliers and service providers to process data on our behalf, they are subject to security and privacy due diligence processes, and appropriate data processing agreements govern their activities. We do not share customers' personal data otherwise, unless required by law or with the customer's consent.



02 Protecting data continued

Operating soundly

An experienced privacy specialists team is dedicated to ensuring compliance with data protection laws and our policies in the countries where we operate. We apply a process-based approach to managing privacy risks across the data life cycle and teams from across Vodacom ensure end-to-end coverage. Dedicated security teams ensure appropriate technical and organisational information security measures are applied to protect personal data against unauthorised access, disclosure, loss or use during transit and at rest.

All products, services and processes are subject to privacy impact assessments as part of their development and throughout their life cycle. We maintain personal data processing records, supplier privacy compliance, data breach management and individual rights processes, as well as internal and international data transfer compliance frameworks, and training and awareness programmes.

Our teams monitor and influence regulatory and industry developments and work to build and maintain relationships with local data protection authorities and other key stakeholders.

Vodacom South Africa engages with the South African Information Regulator to discuss topical matters such as the processing of children's information and prior authorisation. Vodacom Tanzania and Vodacom Lesotho held workshops with the local telecommunications regulators to brief them on our privacy practices.

Our privacy control frameworks are subject to continuous risk-based improvements. In addition to introducing updates to our privacy controls, we require every employee, and where possible contractors, to complete Doing What's Right privacy training within six weeks of joining and at least every two years. We have targeted training for high-risk roles aimed at teams with a key role in personal data processing. With this approach, we aim to achieve a 90% completion rate in training. Completion rates at year end are influenced by the implementation timing of new modules and new joiner start dates.

88%

of assigned employees have completed Doing What's Right privacy training

The effectiveness of control implementation is subject to quarterly reporting and annual evidence-based testing by the privacy teams and internal audit. All countries conduct an annual evidence-based self-assessment exercise. The exercise is overseen by Vodafone.

Control implementation is reviewed by country managing directors, the Group Risk and Compliance Committee and the Audit and Risk Committee of the Vodafone Group. The outcomes of a groupwide internal audit conducted during the year were presented to the Vodacom Group Audit, Risk and Compliance Committee.

The findings are subject to remedial actions by the responsible control operator, and completion of these projects is monitored by the CEO and the Group Audit, Risk and Compliance Committee.

Ensuring governance oversight

Accountable Executive Committee members	Board oversight
Chief information officer Chief officer: commercial operations Chief officer: legal and compliance	Group Audit, Risk and Compliance Committee

The privacy officer, reporting to the accountable executive, manages and oversees privacy programmes daily. They provide regular status reports to the chief officer: legal and compliance, and updates to the Group Audit, Risk and Compliance Committee.



While each employee is responsible for protecting personal data, accountability for compliance sits with each operating company. A member of the local executive committee oversees the local implementation of our privacy programme. Each operating company has a dedicated privacy officer, privacy legal counsel and other privacy specialists. Local privacy officers report to the Group privacy officer.

The Vodacom privacy office approves new standards and guidelines, and monitors the implementation of global privacy plans. Operating companies maintain privacy steering committees that bring together privacy and security teams and senior management from relevant business functions.

Monitoring privacy incidents

We have a strong culture of data privacy and our assurance and monitoring activities are designed to identify potential issues before they materialise.

Zero
privacy fines

10
privacy complaints

For detail on how we respond to a data breach, refer to the cyber security section on page 48



02 Protecting data continued



2.2 Managing cyber security

Our role is to enable connectivity in society. As a provider of critical national infrastructure and connectivity that millions of customers rely on, we prioritise cyber and information security across everything we do. Our customers use Vodacom products and services because of our next-generation connectivity and because they trust that their information is secure.

Cyber attacks are part of the technology landscape today and will be in the future. No organisation, government or person will ever be fully immune to the effect of cyber attacks. The telecommunications industry is faced with a unique set of risks as we provide connectivity services and handle private communication data.

Our approach to managing cyber risk is based on international best practice, a good understanding of the threat landscape and leverages the global scale of Vodafone.

We do more than just comply with local requirements or certification. We actively contribute to consultations and debates on laws and regulations. We support level playing fields across regions and seek harmonised regulatory environments that provide strong security and societal benefits at a reasonable cost.

Identifying vulnerabilities and risks

Cyber security is a principal risk. We understand that if not managed effectively, there could be major customer, financial, reputation or regulatory impacts. Risk and threat management are fundamental to maintaining the security of our services across every aspect of our business.

Read more on our principal risks on pages 32 to 35 of our integrated report



To help us identify and manage emerging and evolving risks, we evaluate and challenge our business strategy, new technologies, government policies and regulation, and cyber threats.

We conduct regular reviews of the most significant security risks affecting our business and develop strategies and policies to detect, prevent and respond to them. Our cyber security strategy focuses on minimising the risk of cyber incidents that affect our networks and services.

More broadly, ransomware remains a significant threat to all companies. Threat actors are changing their tactics to include data extortion or destruction without using malware. In these cases, the cyber criminals compromise internal accounts and tools, and

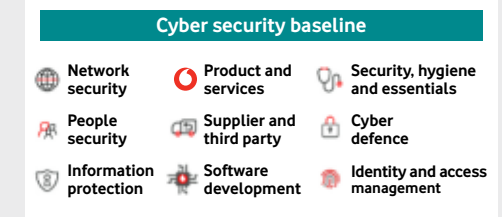
use these for criminal activities. User awareness and good security hygiene, such as that required by Vodacom's cyber code, are critical to managing these threats.

In December 2021, a new critical vulnerability in the widely used log4j software code was identified. This vulnerability could be used to steal data, introduce malware or take over systems. The log4j software is used as a building block within many applications and services, and as a result almost all companies were impacted. The collective Vodafone and Vodacom response included blocking over two million attacks which were attempting to exploit this vulnerability. We scanned and patched our systems and those supplied to us by third parties to rule out compromise and reduce the risk level.

Implementing controls

Controls can prevent, detect or respond to risks. Most risks and threats are prevented from occurring and most will be detected before they cause harm and need a response. A small minority will need recovery actions.

Vodacom aligns to the Vodafone global framework called the cyber security baseline controls. The baseline is based on an international standard and includes key security controls that significantly reduce cyber security risk by preventing, detecting or responding to events and attacks.



We have targets for the key controls that are monitored with monthly reporting to senior management. The framework is reviewed annually considering changing threats and creates new or enhanced controls to counter these. In FY2022, we introduced new controls to strengthen protection against phishing and ransomware; increased requirements for privileged access and authentication; and defined stronger security controls in our agile development life cycle.

A dedicated Vodafone assurance team reviews and validates the effectiveness of our security controls, and our control environment is subject to regular internal audit. Our network security is independently tested every year to ensure we are maintaining the highest standards and our controls are operating effectively.



O2 Protecting data continued

Assessing new technologies

We adopt new technologies to better serve our customers and gain operational efficiency. For every technology programme, new or existing, we follow our security by design process, evaluating suppliers' hardware and software, modelling threats and understanding the risks before designing, implementing and testing the necessary security controls.

Every new mobile network generation has brought increased performance and capability, along with new opportunities in security. During the year, we began deploying 5G core networks alongside our 5G radio networks, often described as 5G standalone, in South Africa and Lesotho. As we roll out 5G standalone, we have updated our security standards to implement the latest 5G features in our core networks. We test security in our radio network using independent testing companies.

OpenRAN is a new way of building and managing Radio Access Network (RAN) components within telecommunication infrastructure. Instead of purchasing all the components from one supplier, we rely on software to implement many of these functions connected through open interfaces. Over time, this will create a more competitive landscape for telecommunications equipment. We identify and mitigate security risks by following our secure by design process. We participate in the O-RAN Alliance and security working groups to standardise and strengthen the industry approach.

Supporting business customers

We provide cyber security integrated solutions and support to our business customers through Vodacom Business. Our solutions and services help our business customers protect themselves from the evolving cyber threat landscape and adapt to a new model of security necessitated by the adoption of hybrid working and remote, cloud-based environments. With our proactive security incident and event monitoring offered within our security operations centre, we enable enterprise to proactively assess, detect, prevent and the respond to security anomalies, potential hacks and breaches.

We leverage the global Vodafone network and partnerships, such as those with Accenture, Palo Alto Networks, Trend Micro, and VMWare, to make enterprise-grade security services accessible.

SME

Click-to-buy services covering mobile, endpoint and network security through cyber-as-a-service marketplace.

Mid-market business customers

Vulnerability assessments; penetration testing and cyber exposure diagnostics; firewall management and phishing awareness campaigns; full-scale managed detection and response, breach response and forensic services with our security professional and managed services capability.

Larger and multinational organisations

Network, endpoint and managed security solutions to enhance mobile and fixed portfolios.



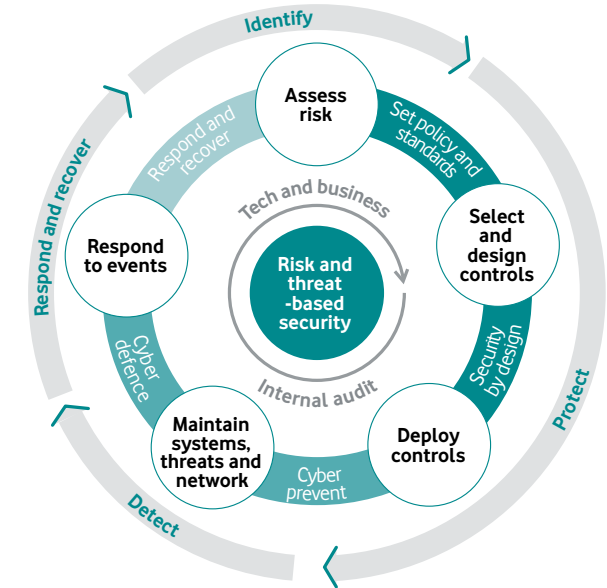
Helping customers manage cyber risk

Vodacom Business and cyber security software provider, Trend Micro, offers easy-to-install and simple-to-use security services that eliminate security gaps across user activity from anywhere in any business. Trend Micro Worry-Free Services are designed to learn, adapt and share intelligence in real time. The solution offers protection against crypto, malware and other advanced threats while data security is achieved through integrated data loss prevention, encryption management and device control capabilities.

Operating soundly

Vodacom is part of the Vodafone operating model, which is based on the leading industry security standards published by the US National Institute of Standards and Technology. We have a team monitoring, protecting and defending our systems and customers' data. We work with third-party experts and consultants to maintain specialist skills and continue to follow leading practice.

As a member of Vodafone, Vodacom benefits from global collaboration, technology sharing, deep expertise and ultimately have greater visibility of emerging threats. Although the cyber team leads on detect, respond and recover, preventive and protective controls are embedded across our technology and throughout the business.





O2 Protecting data continued

Every employee is responsible for cyber security and must follow the Vodacom cyber code, be sensitive to threats and report suspicious activity. Embedded in our code of conduct, the cyber code is the cornerstone of how we expect all employees to behave when it comes to best practice in cyber security. It consists of seven areas where employees need to follow security good practice.

[Read more about our cyber code within the Vodacom code of conduct](#)

Cyber security awareness is delivered digitally via our internal social media platform, videos and webinars. With Vodafone, we participate in phishing simulations to raise awareness and train employees.

Cyber security is included within our Doing What's Right programme and our latest module was launched to all English-speaking countries with translations for other countries planned during FY2023. Completion rates at year end are influenced by the implementation timing of new modules and new joiner start dates.

78%

of employees assigned the training had completed it by 31 March 2022

We ran incident simulation training in each country during the year. The simulations used a common platform to provide managing directors and their teams a realistic experience of managing a cyber incident and exercising their responsibilities in accordance with our common approach.

Ensuring governance oversight

Accountable Executive Committee member	Board oversight
Chief technology officer	Group Social Audit, Risk and Compliance Committee

The managing executive: cyber security manages and oversees the cyber security programme daily and reports to the chief technology officer. The country cyber security leads are part of their local management teams and responsible for the cyber agenda in their country.

Key risk indicators for our most important controls and our security baseline are reported to senior management and the Executive Committee monthly. Reporting provides a granular view of progress and risk reduction. The reports include detail on the threat landscape, policy and risk updates, vulnerability and incident data, and programme status.

Cyber threats and information security are a major area of focus for the Board's Audit, Risk and Compliance Committee. Detailed updates including threat landscape, risk position and security programme progress are provided at least twice a year, most recently in March 2022. The Audit, Risk and Compliance Committee reviews deep dives into significant incidents.

The Vodacom managing executive: cyber security and country leads attend the monthly meetings of the Vodafone Cyber Risk Council (CRC) which is chaired by the Vodafone cyber security director. The CRC approves policies and standards, monitors cyber risk and threat and oversees key programmes. The CRC is part of a wider Vodafone governance structure which includes the Group Technology Audit and Risk Committee and the Board Audit and Risk Committee.



Managing cyber incidents

We experience cyber threats, which we work to identify, block and mitigate with our robust control environment without any impact. Where a security incident occurs, we have a consistent incident management framework and an experienced team to manage our response. The focus of our incident responders is always fast risk mitigation and customer security.

We classify security incidents according to severity, measured by business and customer impact. The highest severity category corresponds to a significant data breach or loss of service caused by the incident.

We disclose any cyber breaches in line with local regulations and laws such as the Protection of Personal Information Act and the Cybercrimes Bill in South Africa, and based on a risk assessment considering customers, law enforcement, relevant authorities and our external auditors. Our suppliers and contractors must report any cyber incidents, which we track and manage internally.

Vodacom holds cyber liability and professional indemnity insurance policies. These policies may cover some or all costs of an information security breach.



South Africa's leading telecommunications operators joined forces to establish the Communications Risk Information Centre (COMRiC). The non-profit organisation's primary focus is on the collective identification, mitigation and prevention of common risk issues such as critical infrastructure network vandalism, commercial crimes and cyber security. COMRiC serves as a platform to engage with society at large on issues of related crime and to support the government in the overall fight against crime in South Africa. COMRiC collaborates with the South African Police Service and other sector organisations such as the South African Banking Risk Information Centre.



03 Protecting people

Wherever we operate, we have an opportunity to contribute to advancing the fundamental rights of our customers, colleagues and communities.

We are conscious of the risks associated with our operations and we work hard to mitigate negative impacts, ensuring we keep people safe.

We achieve this through

3.1 Managing health and safety

- Managing health and safety risks
- Leadership engagement
- Ensuring governance oversight
- Delivering training
- Measuring our performance
- Responding to the COVID-19 pandemic

3.2 Masts, mobile phones and towers

- Science monitoring
- Operating soundly

3.3 Human rights

- Conducting due diligence
- Managing human rights risks
- Ensuring governance oversight
- Leveraging Vodafone leadership

This section should be read with employee wellness on page 56



3.1 Managing health and safety

Keeping people safe is one of the most important responsibilities we hold as an employer. We focus on creating a safe working environment for everyone working for and on behalf of Vodacom and the communities in which we operate.

Our health and safety framework provides a consistent approach to safety, planning, performance monitoring, governance and assurance. Our commitment to safety does not differentiate between employees, contractors, and suppliers, all of whom benefit from the same focus on preventing harm on worksites and when working or moving between sites.

Managing health and safety risks

Key health and safety risks account for most of reported incidents, namely occupational road risk, falls from height and working with electricity.

1 711

employees completed various health and safety courses (FY2021: 514)

Road safety and driver behaviour remain a key focus of our health and safety strategy and annual objectives. Road risk controls are reviewed as part of our internal assurance plans.

Vodacom Absolute Rules

These rules focus on risks that present the greatest potential for harm for anyone working for or on behalf of Vodacom.

- We have a zero tolerance approach to unsafe behaviours.
- They apply to employees and contractors, and suppliers' employees and contractors.

Always wear seat belts when travelling in or operating vehicles.

Always use suitable personal protective equipment, a safety harness and fall protection equipment when working at height (harnesses must be attached at all times when working at height).

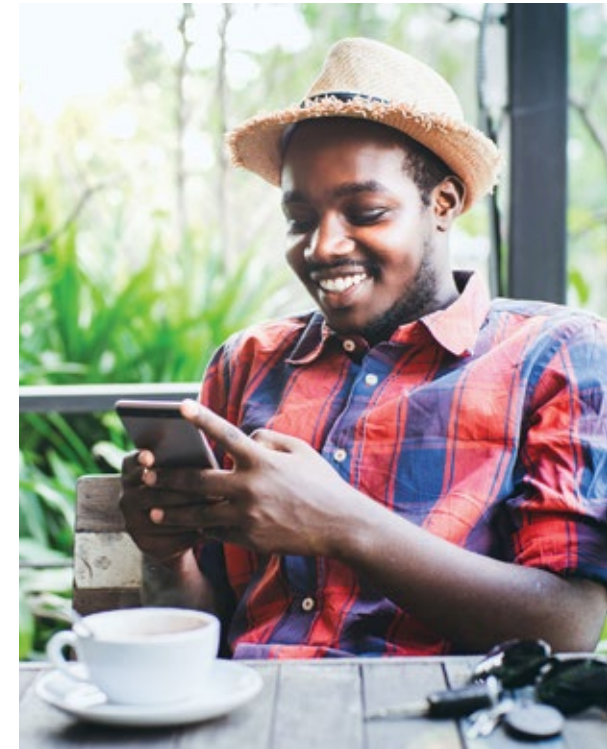
Never execute electrical work on electrical equipment, circuits and gear if you are not qualified.

Never exceed speed limits or travel at speeds which are dangerous for the type of road, vehicle or conditions.

Never use a handheld phone while driving and only make calls by pulling over or using hands-free devices when it is safe to do so.

Never work under the influence of substances (alcohol or drugs) which are illegal or in excess of legal levels or where this impairs your ability to perform tasks.

Never undertake any street or underground work activities unless competent to do so.



Leadership engagement

Leadership and commitment are key to our approach. Despite COVID-19 restrictions, our senior leaders maintained their visibility and engagement by carrying out regular tours, virtually when necessary, recognising the importance of connecting with teams and critical workers.



03 Protecting people continued

Ensuring governance oversight

Accountable Executive Committee member	Board oversight
Chief officer: human resources	Group Social and Ethics Committee

We adhere to the Vodafone health and safety framework, which includes monitoring and assessing risks, setting targets, reviewing progress and reporting performance. The safety framework is based on international standards for occupational health and safety, aligns with internationally recognised best practice, and always meets or exceeds local requirements. Vodacom South Africa is ISO 45001 occupational health and safety certified.

All incidents relating to key risks and breaches of the Absolute Rules are reported and investigated in adherence with timescales in our Incident Reporting Standard. We investigate incidents according to their severity, take appropriate remedial actions, and identify and implement improvements. We strongly believe in the importance of prevention; however, every incident is treated as an opportunity for learning and improvement.

Employee engagement and consultation in arrangements for health and safety are a foundation of our approach and all markets have health and safety consultative committees that meet regularly.

Health and safety is a high-risk policy and included in our risk and compliance governance programme. Due to COVID-19 restrictions, Vodafone was not able to undertake in-country audits, including those of Vodacom countries. However, an updated risk control matrix enhanced the effectiveness of assurance, ensuring one set of standards and mandatory controls that countries self-assess against. This self-assessment process was completed with independent oversight and a quality review by Vodafone to ensure consistency and effectiveness.



Delivering training

We include a health and safety module as part of our mandatory Doing What's Right training. The training module includes a video from our chief human resources officer demonstrating senior-level support for the Vodacom Absolute Rules. Every employee must complete the training within six weeks of joining and at least every two years. Completion rates at year end are influenced by the implementation timing of new modules and new joiner start dates.

86% of assigned Vodacom employees have completed the health and safety module

Contractors complete separate training relevant to their role and position

Each country is responsible for delivering health and safety training that supports the development of appropriate safety leadership skills, behaviours and identification of health and safety risks. Additional training is specific to the criticality of an individual's role and aligned to each country's local safety legislation.

Measuring our performance

Key performance indicators are reported monthly to the Executive Committee and biannually to the Board. Indicators include the top safety risks, including breaches of our Absolute Rules, employee lost-time incidents (LTIs) and fatalities.

After a thorough investigation, we record all fatal incidents related to our operations where we conclude that controls in place were not operating as effectively as required and may have prevented the incident. We consider circumstances where, if controls could have reasonably been enhanced, the outcome could have been different. Each fatality is presented for review at a Vodafone Fatality Review Board chaired by the chief human resources officer and supported by the global head of health and safety. The presentation is given by the country, led by its CEO. We share any lessons learned from each fatality across the relevant Group functions.

Any injury is one too many and any loss of life related to our operations is unacceptable. It is with great regret that we lost two lives determined to be within Vodacom's control. In Vodacom Mozambique, a road traffic collision between a Vodacom sub-contractor vehicle and a third-party vehicle resulted in the deaths of two public citizens in the third-party vehicle.

We track and investigate incidents relating to our top risks and breaches of the Absolute Rules. We recorded 154 breaches of Absolute Rules and 237 incidents relating to our top risks. Each incident is investigated at a scale proportionate to the indicative level of risk. We seek to identify the root cause and ensure suitable corrective action is taken where necessary.

	FY2022	FY2021
Work-related injuries or ill health (excluding fatalities)		
Employees	171	114
Suppliers' employees/contractors	121	282
LTIs		
Number of employee LTIs ¹	2	7
LTI rate per 1 000 employees	0.00	0.00
Total recordable fatalities		
Employees	0	0
Suppliers' employees/contractors	0	1
Members of the public	2	0

1. When an employee is injured while executing a work-related task and is consequently unable to perform regular duties for a complete shift or period of time after the incident.

Of the LTIs recorded, zero occurred working from home, two occurred in Vodacom offices, and zero occurred on work sites. Combined, these incidents account for seven and a half lost workdays. We continue to reinforce the requirements of respective safe home working policies and guidance across all countries to avoid at home incidents.



03 Protecting people continued

Responding to COVID-19

Our response to the COVID-19 pandemic prioritised employee's safety and well-being from the outset and continued throughout the pandemic as we responded to the emergence of new variants and the impact of cases varying across our footprint.

The COVID-19 business continuity programme management team, chaired by the chief human resources officer, coordinated an agile approach to the changing situation. The team took guidance from World Health Organization and industry best practice.

We review incidence rates to identify any locations or functions requiring focus to ensure controls are adequate or determine if they require strengthening.

We supported employees by ensuring:

- Plans were in place to ensure all employees had a safe place to work, whether on site or at home. We supported employees to access offices whenever possible.
- We maintained guidance for employees with underlying health conditions. They could engage and connect with their teams productively.
- Access to physical, mental health and well-being support.
- Digital learning was available to all employees and their families.
- We continued to support return to our office plans.
- We continued to be flexible with policies as required by local conditions while exploring other policies that we could adjust/implement.

Our focus has shifted to ensuring our hybrid working plans are safe and effective, and mental health and well-being is supported.



3.2 Masts, mobile phones and health

The health and safety of our customers and the wider public has always been, and continues to be, a priority for us. Our masts fully comply with national guidelines, which are typically based on, or go beyond, international guidelines set by the independent scientific body, the International Commission for Non-Ionizing Radiation Protection.

There has been scientific research on mobile frequencies for decades, including those used by 5G. If exposure is within national guidelines, the scientific consensus is that there is no adverse impact on health.

We monitor and evaluate our mobile networks, and test our products, to ensure we meet all regulations and they comply with international safety guidelines.

We implemented a Smart PowerLock (SPL) at 5G sites; one of many software features that are routinely activated when a new 5G site is commissioned. SPL has adaptive antennas used for 5G that keep transmitted radio frequency power of the antenna below a threshold when averaged over a pre-defined time window. This guarantees compliance with electromagnetic field (EMF) regulations under all possible operating conditions for 5G sites. SPL includes counters, so it is possible to retrieve them to build evidence of compliance over several past days/weeks for a given site if needed by regulators. Regulators have accepted this feature as effective.

[Read more about mobile masts and health](#)

[Watch Cellphones, base stations and you How your mobile works How science works](#)

Science monitoring

Scientific reviews have contributed significantly to establishing industry guidelines and standards. We follow the results of these independent expert reviews to understand developments in scientific research related to mobile devices, base stations and health.

The European Union funded a scientific study measuring the effect of mobile phone use on children and young people, the results of which were published in February 2022. The case study was conducted between 2010 and 2015 across 14 countries with more than 2 000 participants aged between 10 and 24. The study found no evidence of a causal association between wireless phone use and brain tumours.

Vodafone funds research into mobile devices, base stations and health through funding bodies such as national governments to ensure that the research remains independent of industry influence, including our own. We respond to requests from bodies conducting research by providing technical advice and information on mobile device usage. This gives scientists access to the best quality information available.

COVID-19

In the past year, we experienced no instances of damage to masts and base stations incited by unproven, unsubstantiated theories alleging links between COVID-19 and 5G. We used a common strategy to rebut the misinformation and condemn arson attacks. In partnership with other operators and via COMRiV, we have provided clear messages that there is no scientific evidence to link the spread of COVID-19 to 5G.



Operating soundly

We have robust governance mechanisms in place and conduct regular compliance assessments to ensure that our masts and devices meet the standards set by Vodafone policy and national regulations. We conduct network measurements and calculations of EMF exposure from the network masts and review the test reports we receive on EMF testing on devices. Vodacom participated in a Vodafone compliance self-assessment programme with assurance provided by the Vodafone compliance team.



03 Protecting people continued



3.3 Managing human rights

Respecting human rights across our operations ensures we can positively impact people and society. Vodacom is a member of the United Nation’s Global Compact Network and follows the guiding principles on business and human rights.

Vodacom implements human rights in accordance with Vodafone’s approach and policies that include:

- The human rights approach.
- Policy statement.
- Handling law enforcement demands.
- Conflict minerals.
- Artificial intelligence framework.

The Vodafone Human Rights Policy Statement and internal human rights policy sets out how our employees must ensure we respect human rights, including steps in other aligned policies, such as child protection, conflict minerals, health, safety and well-being, human resources, privacy management and law enforcement assistance.



Conducting due diligence

Due diligence helps ensure that we respect human rights and it comes in various forms and at different moments in our operations. It may be an independent human rights risk assessment for a new country entry as for Ethiopia, a thematic impact assessment such as the child rights assessment conducted by Vodafone in FY2021, or it may be ongoing assessments.

We follow up assessments with mitigating actions, such as contractual commitments to respect human rights in our partner market agreements and enterprise customer contracts.

In response to the recommendations from the child rights assessment, the child protection policy for the digital world was updated to a broader children’s rights policy.

Speak Up (our whistleblowing line) can be used to raise concerns about human rights issues.

Managing human rights risks

Right to privacy and freedom of expression

Risks relating to customer data that we safeguard and customers’ access to information through the connections we provide.

As Vodacom transitions from a traditional telecommunications company (TelCo) to a fully fledged digital technology company (TechCo), we must deliver on our multi-product strategy – what we call the system of advantage – to provide diversified, differentiated offerings to customers. By leveraging Big Data analytics, machine learning and world-class technology, we can distinguish ourselves from competitors and provide superior returns to shareholders – and, ultimately, become an integral part of our customers’ lives, homes and offices.

Supply chain

Our supply chain management programme assesses suppliers for indicators such as forced labour, excessive work hours and freedom of expression.

Although we do not source minerals ourselves, the Group follows the best practice of the Organisation for Economic Co-operation and Development due diligence guidance to understand whether manufactured products include minerals sourced from smelters responsibly.

Other broader reaching risks

Risks relating to designing and deploying artificial intelligence, children’s rights, data ethics and risks we may become connected with through our broader value chain, such as enterprise customers or partner markets.

Ensuring governance oversight

Accountable Executive Committee member

Chief officer: external affairs

Board oversight

Group Social and Ethics Committee

Vodacom works closely with the Vodafone senior human rights manager, supported by a cross-functional internal human rights advisory group, comprising senior managers responsible for privacy, security, responsible sourcing, and diversity and inclusion, among others.

Vodacom, with the support of Vodafone, initiated a comprehensive human rights review programme to be implemented in FY2023 with the endorsement of the Group Executive ESG and Reputation Committee. Updates will be made to the Group Board Social and Ethics Committee.

Leveraging Vodafone leadership

Vodafone plays an active role in developing the global understanding of what businesses should do to respect human rights. This it achieved through its Global Network Initiative membership and other initiatives such as the UN B-Tech Project, which convenes business, civil society and government to advance implementation of the UN guiding principles in the tech sector. Vodafone was recognised as a leader and the top scoring company in the technology and telecommunications sector in the Global Child Forum Benchmark and the State of Children’s Rights and Business 2021.





04 Responsible and inclusive procurement

Vodacom encourages suppliers and business partners to adopt sustainable business practices. We want to ensure safe and fair working conditions, along with responsible management of environmental and social issues across our supply chains.

Our suppliers share our values and strive to meet our mandatory ethical, labour and environmental standards. We want to work with those suppliers that are most closely aligned with our purpose.

We expect our suppliers to be accountable for managing risk in their operations and hold their suppliers accountable to the same high standards.

Vodacom procurement is executed in accordance with Vodafone approach and policies:

- Code of ethical purchasing
- Slavery and human trafficking statement

Responsible supply chain

ESG data addendum > Responsible supply chain



4.1 Managing our supply chain

Supply chain management

We spent R62.3 billion with 9 084 suppliers to meet our business and customers' needs. Our most significant areas of spend are network infrastructure, IT and services related to fixed lines, mobile masts and data centres that run our networks. The next largest area of spend is the products we sell, including mobile phones, tablets, SIM cards, routers, and IoT devices.

The majority of our external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. Therefore, we have a consistent approach to supplier management, from onboarding and vetting a supplier to raising orders and paying for delivered goods and services.

When new suppliers tender for work, they are asked to demonstrate policies and procedures that support safe working, diversity in the workplace and to address carbon reduction, renewable energy, plastic reduction, circular economy and product life cycle, which account for up to 20% of the overall evaluation criteria. Commitments made by our suppliers are assessed against our purpose strategy regarding diversity and inclusion (5%), the environment (5%) and health and safety (10%) in categories where there is a safety risk.

Our requirements are backed by risk assessments, audits and operational improvement processes, which are included in suppliers' contractual commitments. Some site audits are conducted under the Joint Audit Cooperation (JAC) initiative. JAC is an association of telecommunications operators established to improve ethical, labour and environmental standards in the technology supply chain, which Vodafone chairs. This year, 71 site assessments were conducted (either by Vodafone or through the JAC, with several supplying to Vodacom).

Managing supply chain risks

The main risks in our supply chain relate to health and safety matters; excessive working hours compounded by COVID-19 disruption; and environmental matters related to non-compliant chemical storage and lack of carbon reduction programmes. Suppliers that do not meet our standards are provided with a corrective action plan to address any areas for improvement and are required to submit evidence of completion.

Refer to page 48 for information of our approach to health and safety which includes our suppliers

Supplier audits examine contractual requirements according to their underlying risk profile. Those who do not meet our standards must present evidence of a corrective action plan and progress updated until completion.

Vodacom conducts audits of local suppliers when we evaluate their compliance against the Group's health, safety, environment and quality requirements.

3

supplier audits (FY2021: 4)

Top areas of non-compliance

Deviations from contractual requirements

Non-compliance with health and safety, quality and environmental standards

Complying with policies

Every supplier must comply with the code of ethical purchasing. In turn, a supplier with a direct contractual relationship (Tier 1 supplier) must ensure compliance across its direct supply chain (Tier 2 supplier from Vodacom's perspective) and beyond.

The code of ethical purchasing is based on international standards, including the Universal Declaration of Human Rights and the International Labour Organization's Fundamental Conventions on Labour Standards. It contains social, ethical, and environmental standards, including areas such as child and forced labour, health and safety, working hours, discrimination and disciplinary processes. All vendors are subject to BBBEE, anti-bribery and corruption, sanction controls, cyber security and privacy requirements.

Ensuring governance oversight

Accountable Executive Committee member	Board oversight
Chief financial officer	Group Social and Ethics Committee

Reporting to the chief financial officer, the managing executive: supply chain is responsible for implementing our code of ethical purchasing. Specific country legislation and risks are considered, and, in some countries, procurement committees provide additional oversight.

Procurement is a highly centralised function in the business and approximately 66% of our external spend is managed by Vodafone Procurement Company to maintain a consistent approach to supplier management, including monitoring and improving supplier performance.

4.2 Supporting local economic development

Our centralised procurement approach is blended with a Vodacom-driven localisation approach to contribute to the economic growth of the countries where we operate. Supporting local enterprises is pivotal for economic empowerment and contributes to the creation and endurance of employment and socioeconomic development opportunities.

In South Africa, BBBEE is an integral part of our business and supplier strategy. We prioritise purchasing from SMEs, especially black-owned and black women-owned entities. Suppliers can be qualified by Vodacom as an SME with preferential payment terms.

These diversity and inclusion efforts extend across our footprint with focus on women-owned and small enterprises.

Read about how we support SMEs, including our suppliers, on page 17

BBBEE scorecard on page 13



Our people

We are transforming to become a new generation connectivity and digital services provider for Africa. The people strategy accelerates this transformation by creating an inclusive environment for growth, where everyone has the opportunity to thrive.

Our people strategy is based on an appropriately skilled and motivated workforce. We aim to provide our employees with the environment and tools they need to succeed in their roles and actively engage with them to gain insights to inform our employee experience.

This strategy involves transforming our culture (the Spirit of Vodacom) to be that of a TechCo, enabling an agile and efficient operating model, and building our internal and pipeline of future-ready talent and skills. The strategy aims to ensure our employees have a positive and motivating working environment – our people experience – which encompasses our collaborative hybrid working model, benefits, well-being and engagement. Execution of all these elements is supported by Vodacom’s digital tools and systems.

For details on the size and structure of our workforce as well as diversity and inclusion information, refer to inclusion for all on page 31

Refer to responsible business practices for human rights on page 51 and employee health and safety on page 48

Read TechCo organisation and culture on page 62 of our integrated report



Focus areas at a glance

01 Living the Spirit of Vodacom

Our culture outlines the key behaviours enabling our strategy and purpose while providing an attractive and technology enabled working environment.

- Powering the Spirit journey
- Delivering a digital and personalised experience

02 Diversifying talent and developing future ready skills

We focus on developing diverse talent for the future and accelerating reskilling and upskilling our workforce.

- Developing future ready skills
- Managing talent and succession planning
- Developing leaders
- Developing tomorrow's talent

03 Our employee proposition

We have a robust employee value proposition underpinned by fair pay principles to keep employees motivated on our transformation journey.

- Delivering our value proposition
- Delivering fair pay and benefits
- Enabling work environment
- Supporting employee well-being
- Promoting skills development



86%
purpose index

Employee Spirit Beat survey scores

Team Spirit **76%**

Purpose **86%**

Employee engagement **77%**

515 616
online training programmes completed

141 669
hours of learning

Vodacom Group Certified as one of Africa's top employers, for the sixth consecutive year

Vodacom South Africa achieved gold status in the South African Workplace Equality Index Awards



01 Living the Spirit of Vodacom

The Spirit of Vodacom galvanises our culture. Introduced in 2020, it outlines the beliefs we stand for and underpins the successful delivery of our transformation from a TelCo to a TechCo. The Spirit, centred around four key behaviours, will create a better future for customers, encourage collaboration and enable innovation.

We achieve this through

- 1.1 Powering the Spirit journey
- 1.2 Delivering a digital and personal experience
- Creating future ways of working
- Delivering a digital experience
- Providing dynamic office space
- Supporting employee well-being
- Hosting employee forums

Our Spirit values and behaviours

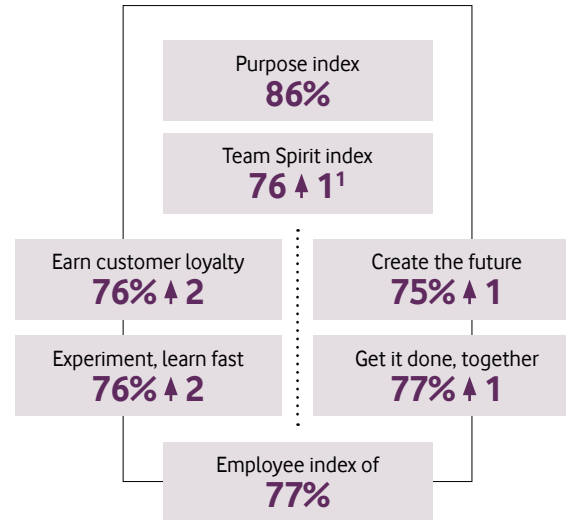
- Earn customer loyalty**
We foster customers' trust, provide brilliant, simplified experiences and satisfy their needs daily.
- Create the future**
We break new ground, nurturing a healthy curiosity to build amazing products and services for our customers. We work towards a better future for all.
- Experiment, learn fast**
We constantly learn. We experiment, measure our results and build on successes. This is how we rapidly grow ourselves and our business.
- Get it done, together**
We leverage our colleagues' many talents. We trust their competence and motivation to do what needs doing. We all have a role to play.



1.1 Powering the Spirit journey

Our culture outlines the beliefs we stand for and the behaviours that enable our strategy and purpose. We continue transforming our culture through addressing habits, leadership, systems and processes.

We measure our culture and its impact through Spirit Beat surveys. The results show adoption level of our Spirit beliefs and behaviours, and outline strengths and areas of focus to embed our culture further. Following each survey, we offer personalised coaching tips to support behaviour change and the creation of new habits. These personalised nudges create a feedback loop. Three Spirit Beat survey cycles have been completed with an average 85% participation.



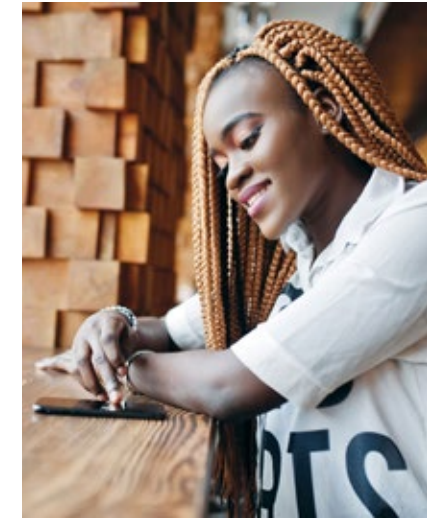
Positive themes from surveys

- New employees resonate strongly with our purpose.
- Satisfaction with a hybrid working model.
- Learning new skills and abilities.

Improvement areas from surveys

- Employee recognition.
- Increased focus on robust and regular feedback.
- Working effectively across the Group to find the best solutions for customers.

1. The overall Spirit index reflects the average of the four Spirit behaviour scores.



Our senior leadership is accountable for our culture transformation. The Board Social and Ethics Committee reviews progress on employee engagement and Spirit regularly, and the Executive Committee monitors key achievements in embedding Spirit and considers further opportunities to drive growth and transformation.

Leadership is essential for driving our culture and transformation. We invest in developing inclusive leaders who drive growth and innovation, act as role models, coach and empower teams, and lead with Spirit behaviours. Our global leadership development suite supports leaders to role model Spirit behaviours.

The Spirited Leader series drives high-impact actions through toolkits, sharing best practice and peer support from Group leaders.

The Senior Leadership Team Spirit Accelerator is a series of leadership talks and virtual coaching. Talks cover various topics, including resilience, psychological safety, adaptability, the future of work and growth mindset.



01 Living the Spirit of Vodacom continued



Sustaining employee engagement

We continuously engage with our employees through various platforms to bring our Spirit to life, and because we value employee feedback.

Spirit initiatives included townhalls, workplace campaigns, hall of fame awards; quarterly meeting-free Spirit of Vodacom days; and nudges. **Spirit of Vodacom days** provide a dedicated space for personal growth, well-being and connection.

LaunchPad is a global employee-led innovation platform that helps create the future.

Fireside chats with our CEO keep our employees updated on significant corporate developments, COVID-19-related and other critical business announcements. The sessions include question-and-answer segments with business leaders.

Employee circles enhance engagement bringing together employees through diverse activities including cooking, golf, running, travel and toastmasters.

1.2 Delivering a digital and personalised experience

Creating future ways of working

Our remote ways of working policy contains the standards and principles that enable a flexible working framework and offer benefits for remote and office-based work. It includes an expected average of three days a week working from the office (depending on the role) and the option to work from another country during the year for a maximum of 20 days. Flexible working policies will be reviewed regularly.

We support flexible working arrangements as an alternative and encourage managers to access flexible and alternative ways of working. Flexitime is permitted, subject to operational requirements and country-specific rules. We agree the implementation of flexitime with employees – there is no general entitlement to these arrangements. Where appropriate, our remote hiring policy allows teams to source skills irrespective of location.

Delivering a digital experience

Our people experience is informed by employee insights and guided by our culture. Grow with Vodacom is an integrated talent marketplace, skills and learning platform that aims to enhance the recruiting and learning experience while giving employees greater ownership of their individual learning and career development.

The platform provides three main features:

1

Grow your skills

Enabling individuals to build a unique skills profile for personalised learning and career recommendations, and supporting upskill opportunities.

2

Grow your learning

Smart technology drives personalised learning recommendations to help each employee achieve their career goals while driving a culture where growing never stops.

3

Grow your career

Provides role recommendations based on skills and experience, offering optimised recruiter and hiring manager experience by prioritising the most suitable applications.

Providing a dynamic office space

The shift to hybrid working has redefined the role of the office and inspired us to create an office design primarily for collaboration and connection. We are implementing a booking system for desks and collaboration spaces to help transition to the new ways of working and gather information about employees' behaviours in the hybrid model.

Supporting well-being

We remain focused on physical and mental well-being, with a variety of training and services. Provision of employee assistance programmes and psychological support services continued to grow.

Refer to page 48 for our health and safety approach

Hosting employee forums

We have employee forums where elected representatives represent their colleagues' views. During the year, the South African employee forum met four times. The Vodafone Plc Board's workforce engagement lead, Valerie Gooding, attended one meeting to gather employee views. Key discussion topics from the meetings included future-ready ways of working, our response to the COVID-19 pandemic and progress on our fair pay agenda.





02 Diversifying talent and delivering future ready skills

As we evolve the operating model and execute the strategy, we are focused on developing diverse talent for the future and building future skills.

Our transformation into a new generation connectivity and digital services provider requires new skills and capabilities, such as software engineering, automation and data analysis.

We achieve this through

- 2.1 Developing future-ready skills
- 2.2 Managing talent and succession planning
- 2.3 Developing leaders
- 2.4 Developing tomorrow's talent



2.1 Developing future-ready skills

1MoreSkill allows employees to develop new critical skills in agile, software engineering, cyber security and IoT. Of Vodacom South Africa's employees, 21% completed training in one of these skills and 55% were redeployed to new roles.

R483 million

invested in skills development (FY2021: R471 million)

141 669

hours of online training (FY2021: 26 023)

95%

of employees completed at least one programme (FY2021: 96%)

515 616

online training programmes completed (FY2021: 61 555)

R395 million

invested in black employees, of which R190 million for black women and R16 million for black youth living with disabilities (FY2021: R324 million; R141 million; R18 million)



2.2 Managing talent and succession planning

We have talent and succession pools for our most senior roles and female talent. These pools are reviewed and updated through an annual talent review and are considered by the Board.

Our talent brand campaign on external platforms focuses on appointing employees with the digital and technical skills required to deliver our strategic ambitions. We seek to employ people who are intentional about where they choose to build a career – those who are excited about working with impactful products and being challenged.

2.3 Developing leaders

As part of the Global Leadership Development framework, we piloted three new future leaders programmes. The new people leaders, experienced people leaders and enterprise leaders programmes aim to embed leadership shifts and standards. During the year, 38 managers and executives participated.

We provided coaching to 16 senior executives and 24 middle management as part of succession planning. Qualified middle management employees provided monthly coaching to 51 junior employees over 12 months.

Additional leadership development examples include, among others:

- 42 middle managers received a post-graduate diploma in digital business (FY2021: 40).
- 126 employees participated in Servant leadership training (FY2021: 51).
- 10 executives completed advanced executive programme training in theoretical and practical experiences for business strategy and operational sustainability (FY2021: 18).
- 110 middle managers were trained in digital leadership essentials (FY2021: 52).

2.4 Developing tomorrow's talent

Local talent pools are critical to our business's sustainability and growth. We have various fit-for-purpose programmes that fast-track the readiness of emerging talent to feed into broader pipelines, strengthening the organisation's digital, technical and leadership skills bench.

111

interns and learners, of which 64 disabled youth (FY2021: 198 and 71)¹

80

full-time STEM bachelor bursaries (FY2021: 80)¹

35

bursars graduated at the end of 2021 and have been placed as interns

41

discover graduates, of which 24 women, in calendar year 2022 (FY2021: 36 and 20)

10

WeThinkCode bursaries towards an NQF 5 qualification in software engineering and coding

1. South Africa.

Vodacom Youth Council

The Vodacom South Africa Youth Council is an initiative where young employees shadow our Group Executive Committee and are exposed strategy formulation and implementation, and decision-making at the highest level. Council members, operating independently of management, explore disruptive ideas in the digital economy and conduct research.



03 Our employee value proposition

As part of our employee experience, we ensure pay and benefits are competitive and fair, and attract, retain and develop future talent. Our reward approach demonstrates the Spirit behaviours to encourage collective performance, strategy execution and increase focus on recognition.

We achieve this through

3.1 Value proposition

3.2 Delivering fair and responsible pay

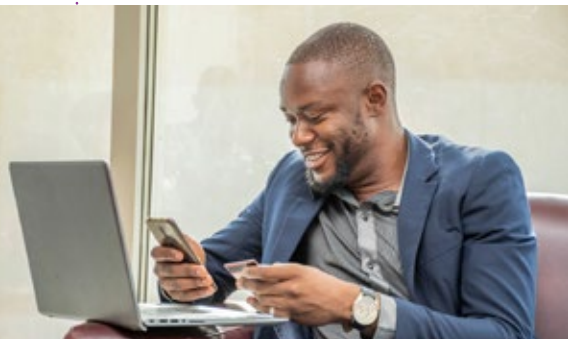
- Delivering competitive remuneration
- Ensuring fair pay
- Offering benefits
- Managing performance and recognition

3.3 Providing an enabling workplace (page 56)

3.4 Supporting well-being

- Employee assistance (page 56)
- Responding to the COVID-19 pandemic (page 50)
- Support for victims of abuse (pages 30 and 32)

3.5 Promoting skills development opportunities (page 56)



3.1 Vodacom's employee value proposition

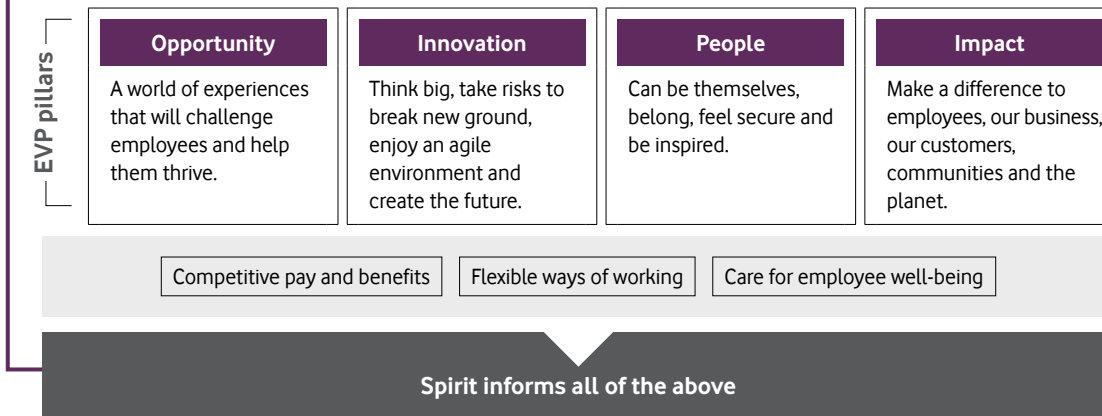
Our purpose, connect for a better future

Further together – we can create a better future.

We are passionate about making the world more connected, inclusive and sustainable.

Our human spirit – together with technology – enables us to achieve this.

At Vodacom, employees can be themselves and belong. All employees are empowered to embrace new opportunities, be inspired, thrive and make a real difference.



3.2 Delivering fair and responsible pay

This section should be read with our remuneration report in which we disclose full details of the Group's remuneration approach including our pay and benefits, short and long-term incentives, malus, clawback and executive share ownership.

Remuneration report
ESG data addendum > Remuneration

Delivering competitive remuneration

Our remuneration is structured to include guaranteed pay, benefits, short-term incentives, long-term incentives and lifestyle benefits.

Ensuring fair pay

Our total reward framework is underpinned by our commitment to fair pay. It encourages and rewards our Spirit, which is essential for our digital transformation. Vodacom seeks to eliminate discrimination in our remuneration – whether direct or indirect based on race, sex, gender or disability – by applying the principle of equal remuneration for work of equal value. We pay competitive salaries, rewarding individuals based on their skills, experience and external market positioning.

We review our internal pay ranges annually and apply them consistently throughout the organisation. Our operating companies conduct an annual fair pay analysis to identify any possible instances where pay requires attention and remedial action is implemented. We analysed if pay is market competitive, discrimination-free, provides a good standard of living, creates shared successes, provides benefits for all, and is open and transparent.

As a result of this analysis, we believe our reward decisions are based on merit and do not discriminate based on gender, race, religion or belief, disability, age, sexual orientation, or gender identity and expression.



Group remuneration ratio



Men



women

General Staff

1 : 1,2

Middle management

1 : 1

Top management

1 : 1

Our transition to a TechCo requires unique skills including Big Data and artificial intelligence, predictive analytics and business intelligence. This is typically a male-dominated field and commands higher pay due to skills shortages.



03 Living the Spirit of Vodacom continued

Benefits

Each operating entity provides benefits in line with local country practice and legislative requirements. We offer permanent employees a range of benefits including retirement funding, insured benefits and medical cover. Contractors make their own arrangements for these benefits.

Retirement funding – In South Africa, the Vodacom Group Pension Fund – a defined contribution pension scheme – is compulsory for all permanent employees. Employees at management level must participate in the Vodacom Group Provident Fund. Other employees can join the fund voluntarily. Contributions to the pension fund are based on pensionable salary, and employees elect either 70% or 85% of guaranteed pay. Employees select their investment portfolio based on their individual risk profiles. Vodacom Lesotho has a provident fund compulsory for all permanent employees. In Tanzania, DRC and Mozambique employees participate in the government-run social security fund as required by legislation.

Insured benefits – All Vodacom countries offer risk benefits to employees, including life and disability cover. We are introducing life insurance as a benefit for our employees in DRC during FY2023 – a country first.

Medical cover – The medical aid plans are selected with the aim to address the needs of the diverse workforce with benefits designed for each individual and country. We review the medical cover plans annually to assess their appropriateness. We do not offer post-retirement medical benefits and have no such liabilities.

Managing performance and recognition

Our performance development process focuses on continuous coaching, development plans, regular feedback and setting breakthrough goals. Our quarterly performance evaluation approach considers performance against objectives and the demonstration of our Spirit behaviours.

We encourage recognition through thank-you awards – our digital peer-to-peer recognition tool – and Vodacom star awards, a recognition programme whereby a line manager can nominate non-management employees for a cash reward throughout the year.

2 525 employees were nominated for a thank-you awards (FY2021: 3 200)	2 970 employees received a star cash award (FY2021: 1 500)
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