

Sustainability report

for the year ended 31 March 2021

Incorporating the social and ethics report



Further together



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For related sections of interest, please refer
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2021 Regulatory
report

About this sustainability report

Our sustainability report describes Vodacom Group Limited's (hereafter referred to as Vodacom, the Group or the company) commitment to sustainable development in action, and highlights our sustainability strategy and performance for the 2021 financial year. This report was developed as part of our annual reporting process and should be read together with our 2021 integrated report, as well as other supplementary reports addressing our environmental, social, governance (ESG) and ethics-related performance. It also incorporates reporting by the Social and Ethics Committee's management of performance in compliance with the Companies Act, 2008, as amended (Companies Act).

Scope

Our sustainability report provides an overview of our economic and ESG-related performance for the year ended 31 March 2021. We include information on our operations in South Africa, Tanzania, the Democratic Republic of the Congo (DRC), Mozambique, Lesotho and Kenya. All data and information disclosed apply to the entire Group unless otherwise stated. The annual sustainability report aligns with the principles and requirements of the following:

- King IV Report on Corporate Governance for South Africa, 2016 (King IV™)¹;
- CDP (formerly the Carbon Disclosure Project);
- JSE Limited Listings Requirements;
- ESG reporting guidelines and criteria;
- FTSE Russell;
- Companies Act;
- International Financial Reporting Standards (IFRS);
- International Integrated Reporting Council's (IIRC) International <IR> Framework; and
- Global Reporting Initiative's (GRI) Sustainability Reporting Standards.

How we collect data

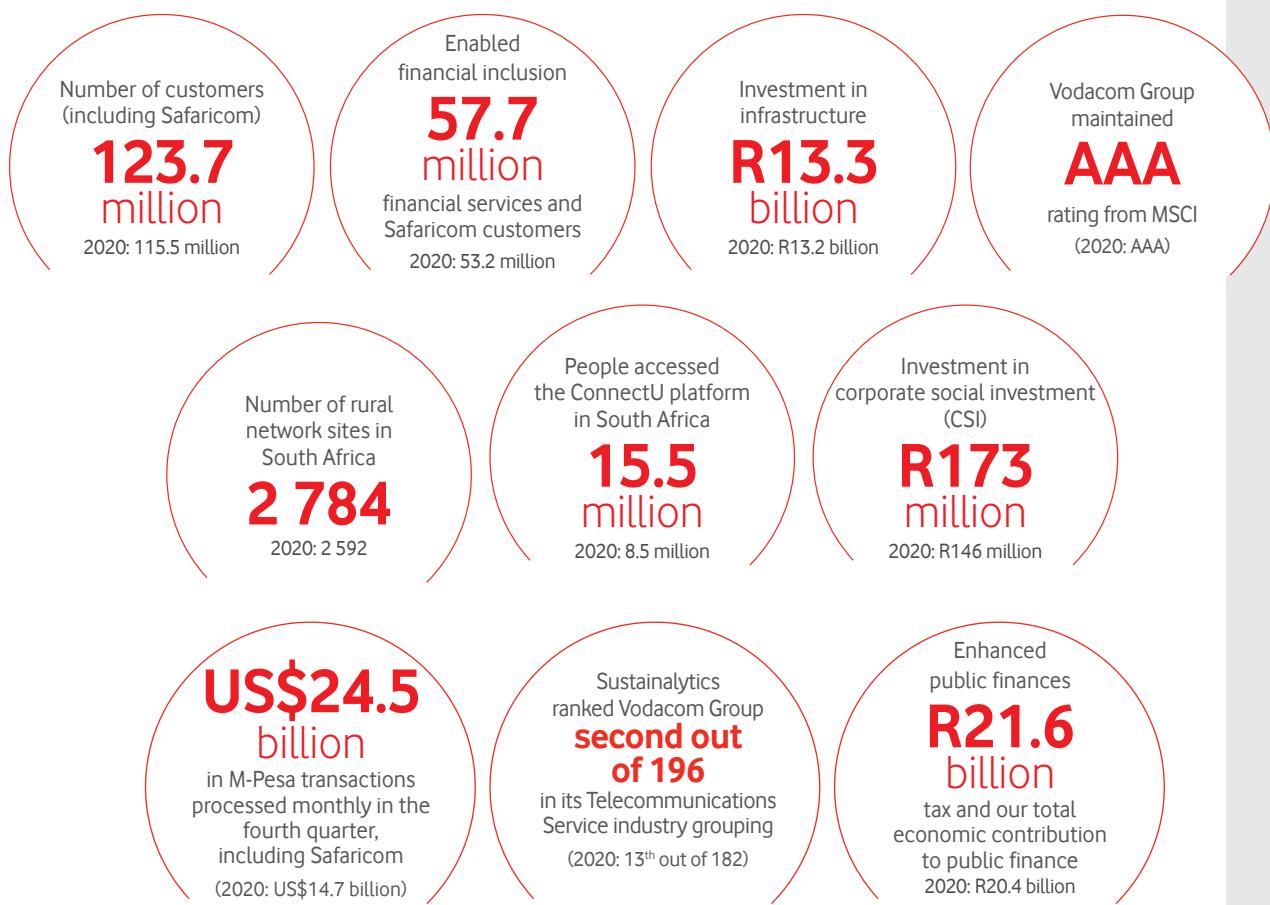
This report includes data from all operating markets, primarily sourced from our internal and external reporting and data management systems. Data sources include Vodacom's internal systems and portals, energy management system, Connect for Good portal and Social and Ethics Committee reports. We collected secondary data from publicly available information and reports, industry-specific reports such as the Global System for Mobile Communications Association and other generic reports, including those compiled by government.

Note: This sustainability report presents examples of what we do as part of our sustainability strategy. However, these examples are not exhaustive and more information on our sustainability efforts can be found on our website.

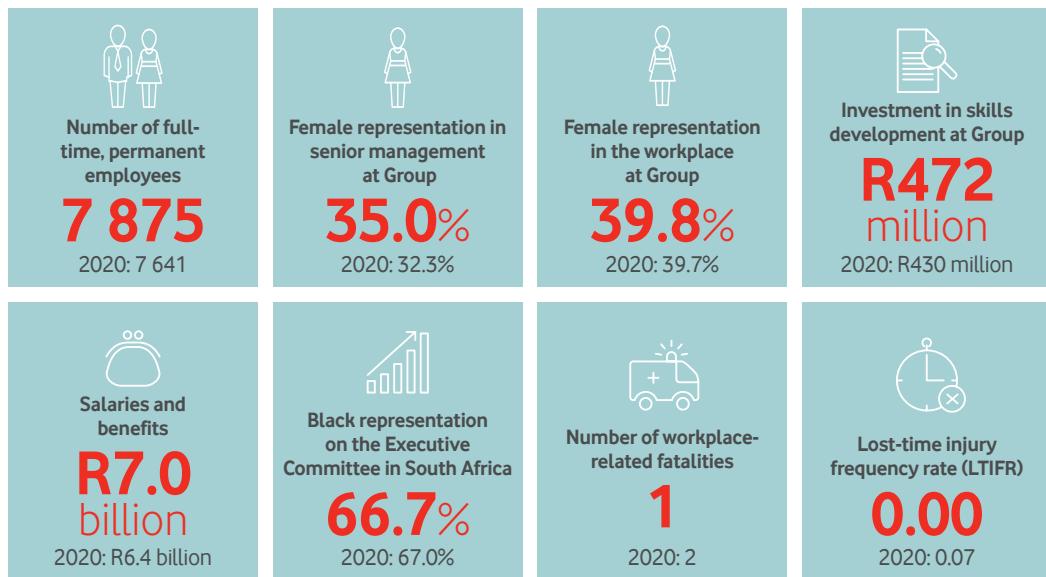
1. Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

FY21 highlights

Delivering economic and social value

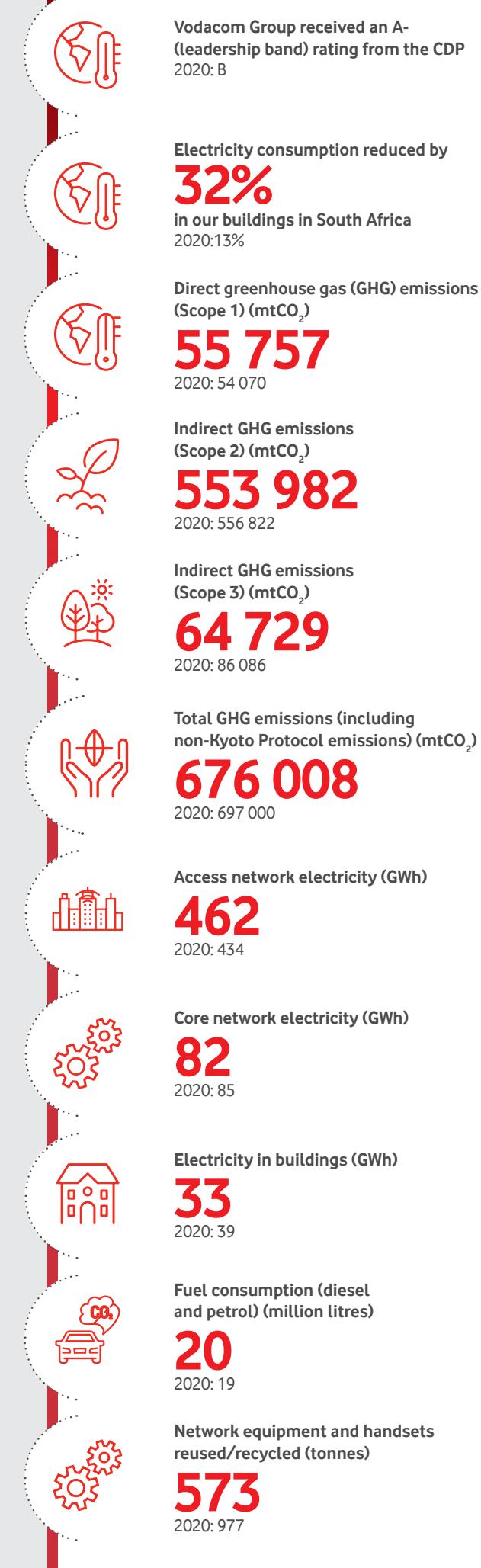


Investing in our people





Responsible environmental management



Who we are

Vodacom is a leading African connectivity and financial services company strongly underpinned by purpose and spirit. The Group, including Safaricom, serves 123.7 million customers across consumer and enterprise segments. We offer a wide range of services, including telecommunication, information technology (IT), digital, Internet of Things (IoT) and financial services.

Since 1994, we have expanded our mobile network footprint from our roots in South Africa to Tanzania, the Democratic Republic of the Congo (DRC), Mozambique, Lesotho and Kenya. Vodafone Group Plc (Vodafone) – one of the world's largest communications companies in terms of revenue – has a 60.5% shareholding in Vodacom.



Our mobile networks cover **296 million** people (including Safaricom at 100%).



We offer business-managed services to enterprises in **48 countries** through Vodacom Business Africa (VBA).



We have **123.7 million** customers across Africa (including Safaricom).

What differentiates us

What we do today affects the future of our people and our planet. Our Social Contract informs all our interactions with customers and society, ensuring that our business centres on what we can do now to achieve our purpose.

Our business thrives because of our clear purpose, vision, operating model and strategy.

Our purpose

Why we exist

To provide affordable access to the internet for the next 100 million people in our markets, and to continue to foster deeper engagements to meet the needs of our existing customers

— We connect for a better future —



Digital society

Connecting people and things to the internet



Inclusion for all

A digital future that is accessible to all



Planet

Reducing our environmental impact

Where and who we want to be

To be the leading technology communications company in Africa

Connecting for a better future

One of the world's greatest places to work

Our vision



Refer to our integrated report for detailed information about where we are and who we want to be.



The Spirit of Vodacom

How we operate

- 1 Earn customer loyalty
- 2 Create the future
- 3 Experiment, learn fast
- 4 Get it done together

What we need to do

Segmented propositions



We develop a deep insight of our customers' needs, wants and behaviours, and provide propositions to lead in chosen segments.

Financial services



We scale our financial services offerings to empower the lives of our customers through financial inclusion.

Digital content platforms



We grow into new verticals of digital services to better serve our customers and create value.

Enterprise digitalisation



We partner with enterprises to accelerate their growth and transform their businesses through digital technology and IoT.

Best customer experience



We provide a seamless, frictionless, personalised digital experience for our customers.

Best technology



We aim to be the leading telecommunication company (telco) in all markets through the best network and IT excellence, with digital at the core.

Digital organisation and culture



We build an organisation of the future where digital is first for all employees, underpinned by innovation, agility and new skills.

Our brand and reputation



We aspire to be a purpose-led organisation, connecting for a better future, by enabling a digital society, inclusive for all, with the least environmental impact.

Our system of advantage



CEO's statement

When I wrote to you last year, the COVID-19 pandemic had just started to unfold. Now, as we reflect back, it is hard to comprehend the number of ways in which the world has forever changed. I believe the disruptions over the past year provided companies with the opportunity to reflect on their purpose, as well as the role they can play in addressing societal challenges. It is at times such as these that we need to look beyond short-term profit to how we can contribute to a better and more resilient tomorrow for all.

At Vodacom, we have a clear vision of why we are in business. Our purpose – to connect for a better future – remains at the heart of what we do. We continue to pursue our ambition to provide affordable access to the internet for the next 100 million people in our markets by 2025 by connecting people and things to the internet, creating an inclusive digital future and reducing our environmental impact.

Shameel Aziz Joosub



Responding from a place of purpose

We firmly believe in the power of technology and communication services to support socioeconomic development, enhance financial inclusion and promote sustainable growth. Our purpose and commitment to our Social Contract shaped our decisions as we responded to the profound challenges brought on by COVID-19 during the year. Our response strategy, implemented in two phases, focused on enhancing communication and enabling information sharing between governments, individuals, communities and business during these very challenging circumstances, and providing assistance in multiple ways to help government cope with the crisis.

Our immediate response to the COVID-19 crisis hinged on addressing health and safety interventions to save lives while providing societal support. We actively assisted governments across our markets to implement effective response measures and enhance their capacity to deliver critical government services. Vodacom South Africa zero-rated over a thousand key government and other essential websites across our markets, providing free access to health, education, home affairs, ambulance services, education sites and government communication services during the pandemic. Vodacom through our subsidiary Mezzanine, provided an electronic mVacciNation solution that supported South Africa's national Department of Health to administer COVID-19 vaccines.

As schools closed and people transitioned to working from home, the demand on network capacity and data services increased significantly. In response, Vodacom invested R13.3 billion in network infrastructure, including R10.1 billion in South Africa, to expand our capacity and increase our resilience during the year. We successfully maintained network availability and quality, and closely monitored the increased demand and managed congestion throughout the year. We also effectively implemented additional high-demand spectrum temporarily assigned in South Africa, the DRC and Mozambique to ensure network availability for our customers. In South Africa, we used the additional spectrum allocated to launch 5G.

We extended discounted bundle offers to 2 000 of South Africa's most vulnerable towns, suburbs and villages. Vodacom further extended 2G, 3G and 4G coverage in the DRC, while our rural communication solution improved the stability of connectivity in rural areas. In Lesotho, we reached 98% 3G coverage and 70% coverage, while in Tanzania, we expanded mobile broadband services to reach 52% of the population.

Using innovative solutions that leveraged our strategic partnerships and core competencies, we also looked for ways to address the unique challenges of the past year. Vodacom South Africa pledged a donation of R10 million towards our partnership with Discovery to provide citizens access to an online COVID-19 healthcare platform. Together with Samsung, Vodacom donated 20 000 smartphones to the national Department of Health and the Department of Social Services. Through our ConnectU platform, we provided Vodacom customers with free access to various online resources, including job portals, educational and health content. We had over 15.5 million unique users visit the platform during our financial year – with over 20 million sessions initiated in a month. Vodacom also offered discounted data packages of 30GB to universities in South Africa, Lesotho and Tanzania to promote blended learning. In addition, Vodacom South Africa provided a zero-rated data offer to more than 3 000 public higher education institutions and high schools. In Lesotho, 160 schools were connected to the internet for free.

We aimed to ensure small and medium enterprises (SMEs) – the backbone of our economy – survived the economic fallout of the pandemic by adopting digital solutions and providing financial support. In a world that needed businesses to work from home, we stepped up to provide customised and affordable data packages to our SME customers. We paid over R1.1 billion to SME suppliers within three days from invoice, and through our VodaLend platform, we extended credit to 330 SMEs across all platforms, thereby supporting them in maintaining a reasonable level of financial viability.

Alongside the Vodafone Foundation, we recently announced a R87 million financial pledge to support the roll out of cold-chain technology and provide logistics support to ensure the safe delivery of COVID-19 vaccines to vulnerable and hard-to-reach communities in South Africa, Tanzania, the DRC, Mozambique and Ghana. We also made a R13 million donation to Lesotho to assist with securing vaccines for the Basotho. We have partnered with AUDI-NEPAD to build digital infrastructure to manage the distribution of COVID-19 vaccinations in up to 55 countries, following successful deployments in South Africa, leveraging our mVacciNation platform. These latest initiatives are over and above the R2 billion service revenue impact of zero-rating person-to-person money transfers on M-Pesa in our International markets, the R3 billion service revenue impact of lowering data pricing in South Africa, and the R176 million cash and in-kind donations made by the Vodacom and Vodafone Group Foundations in response to the pandemic. We believe these interventions were the right thing to do for our customers.



Building a digital society

Technology and connectivity have the potential to create a more equitable and inclusive digital society. Through our price transformation strategy, we continued to pursue digital inclusion by reducing the cost of data and providing access to affordable products and services. On 1 April 2021, Vodacom South Africa reduced certain 30-day data bundles as part of our ongoing commitment to reduce the cost to communicate and connect more people to the digital economy. The latest price reduction includes the frequently purchased 1GB bundle, which is now R85, a 14% reduction from R99. As part of these price adjustments, Vodacom is also giving greater value to customers by allocating up to 34% more data on selected 30-day bundles to ensure customers get more value. Reducing the barriers to communicate includes having access to low-cost devices. South Africa's most affordable 4G smart feature phones, the "Vibe" and Nokia 215, which retail at R299, continue to grow, with 133 200 devices sold in financial year 2021. This access to connectivity has been further enhanced by prepaid device financing, enabling customers with no credit facilities to pay for 4G devices in instalments. Internet access is a powerful enabler of economic participation and financial inclusion. Vodacom's rural coverage acceleration programme prioritises the expansion of coverage to rural communities that have never been connected to the network. We introduced 192 new network sites in rural communities across South Africa, connecting 156 communities previously unconnected, and 82.9% of the rural population is covered by the 4G network in the country.

We aim to connect 72.6 million lives to our financial inclusion services across all our markets by 2024. Mobile money has steadily disrupted traditional financial services and transformed the lives of people across our markets. Our M-Pesa platform is a critical driver of socioeconomic growth, and is quickly becoming a gateway to the digital economy. Including Safaricom, M-Pesa serviced more than 44.5 million customers and processed more than US\$24.5 billion (R366.4 billion) in transactions a month in the last quarter across our International markets, including Safaricom, up 63.5% – making it the biggest financial services provider in Africa. Our nano-lending products, including Fuliza and Songesha continue to be popular among our customers, giving them access to essential items like

food, airtime and electricity in emergencies. With this impact, M-Pesa has evolved into a broader payment platform that provides access to life-enhancing services such as healthcare, education, employment, transportation and social protection. At the onset of COVID-19, we implemented free person-to-person money transfers on M-Pesa to support our customers and facilitate economic activity. This, in turn, accelerated the growth of the platform and the customer adoption of digital channels.

We believe that encouraging financial inclusion is critical in times of difficulty. At Vodacom, we focus particularly on providing innovative and cost-effective digital financial solutions that will disrupt traditional financial service offerings. In July 2020, we partnered with global leader Alipay to develop a super-app, VodaPay, for South African citizens, which will be launched in the next financial year. We see this as an excellent opportunity to re-invent the mobile fintech ecosystem for consumers and merchants. For consumers, this platform offers a user-friendly, end-to-end experience that will enable them to easily shop, pay, lend and invest while keeping track of their spending habits. The new technology will also provide access to digital lifestyle solutions such as streaming music, games and videos, e-news, cab-hailing and much more. For merchants, including SMEs, VodaPay provides a platform for inclusion and distribution of their products, while also facilitating merchant lending via our VodaLend product.



Promoting inclusion for all

We recognise the important part we can play to create possibilities that will ensure a better digital future is accessible to everyone. Through the Vodacom Foundation, we continue to leverage our technology solutions to address societal challenges – specifically, enhancing access to education and supporting the fight against gender-based violence (GBV). This year, we invested over R173 million in education, gender empowerment, health, disaster relief and other community initiatives across our markets.

We continue to leverage our technology to help bridge the digital divides that exist in our societies. We focus on promoting education to prepare the next generation for a digital society and aim to connect over six million lives through our education programmes by 2025. In South Africa, the Vodacom e-School platform proved to be invaluable for learners at home during COVID-19, and user registrations increased by a thousand. Over 1.25 million cumulative learners are registered users of the platform. In the DRC and Tanzania, we provide free access to online learning materials to over 260 000 students.

As part of our focus on preventing GBV, the Vodacom Foundation launched the zero-rated Bright Sky SA, an education and resource mobile app for GBV survivors. This launch formed part of our core capability of using technology to respond to societal challenges. We also invested R4.5 million in digital skills training for GBV survivors in South Africa. Vodacom South Africa has also pledged R10 million to fund the private sector-led, multi-sectoral Gender-based Violence and Femicide (GBVF) Response Fund to support the implementation of the National Strategic Plan and the wider GBVF response in the county. In Lesotho, we enhanced the Nokaneng app to provide wider access to a safe space for information, support and advice on GBV and human rights. To date, the app has more than 3 117 registered users with 518 queries addressed by the app.

Our commitment to building an inclusive society is embodied in our transformation performance. This year, Vodacom South Africa retained a Level 1 score in terms of broad-based black economic empowerment (B-BBEE), the highest score available and a testament to our investment in enterprise development, preferential procurement, skills development and employee diversity.

CEO's statement *continued*



Preserving the planet for the next generation

We have always believed that our success should not come at a cost to the environment, and we remain committed to operating responsibly to preserve our natural resource base. We understand that how we operate today will determine the legacy we leave for future generations. To this end, we invest in climate-smart, energy-efficient networks and solutions, develop water-wise practices for our operations and customers, and strive to minimise waste across our value chain.

We have set ourselves an ambitious target – reducing our environmental impact by 50% by 2025 against a 2017 baseline. Energy consumption is our most material environmental impact and, to reduce our carbon emissions, we focus on four key areas: energy efficiency, including IoT solutions, renewable energy, independent power producers (IPP) and renewable energy certificates. A highlight of the year was the continued implementation of the Raptor project through our subsidiary, IoT.nxt. Through this IoT-driven project, we deployed intelligent controls to over 7 232 base stations in South Africa, enabling us to reduce our energy consumption by 2.8% in the financial year 2021. We are expanding this project to our International markets during the next year, starting with Vodacom Mozambique. Furthermore, we now operate over 1 088 solar sites across our markets, as well as a smaller number of wind and other green-powered sites.

We made good progress this year in improving water efficiency and reducing electronic waste. We responsibly discarded 1 066 tonnes of batteries and recycled 573 tonnes of e-waste, and also extended the useful life of 201 tonnes of redundant network equipment. We have also steadily reduced our water consumption in South Africa by 77% since 2017.

We take great pride in being recognised by Sustainalytics for our efforts to drive digital and financial inclusion while reducing our carbon footprint. In September 2020, the ESG rating agency ranked Vodacom second out of almost 196 companies in its Telecommunications Service industry grouping, and in the top 5% of its Global Universe of 13 000 companies. We also maintained our AAA rating from MSCI. As a further commitment to our purpose and integrating ESG considerations across our business, in June 2020, we integrated ESG measures into our long-term incentives.



Appreciating our employees

Our employees are the driving force of our strategic objectives and maintaining a safe working environment is one of Vodacom's fundamental responsibilities. Sadly, I have to report one fatality during the year. A Vodacom contractor collided with a cyclist while travelling in the northern region of Mozambique. Unfortunately, the cyclist later passed away in hospital. We have investigated the incident and, to mitigate against any similar

future occurrences, we will align and enhance driver behaviour monitoring systems with various interventions.

Through our Spirit of Vodacom initiatives, we continued to instil the culture we need to realise our business strategy and create a better future for customers, encourage collaboration and enable innovation to help us fulfil our Social Contract. To truly infuse our Spirit across the Group, we created Big Conversation moments where all employees could learn, discuss and connect to bring life to our purpose and strategy. Over 4 000 employees participated in Big Conversation initiatives across our markets.

Vodacom supports employee training and development and encourages employees to acquire the capabilities, commitment and enthusiasm to achieve business goals. Vodacom South Africa invested R472 million in continuous skills development – this included R324 million invested in black employees, of which R141 million was invested in black women and R18 million in the development of black youth with disabilities. As part of our vision of transitioning from a traditional telco to a technology communications company (techco), we understand the importance of reskilling and repurposing our current employees. We, therefore, launched the #1MoreSkill strategy to drive reskilling and upskilling across the organisation to give every employee the opportunity to grow into new targeted roles that support our strategic direction.



My closing remarks

Globally, we expect to continue to face exceptional headwinds stemming from the pandemic and the rapidly changing operating context. While we cannot predict the future, we know that our role as a company is critical to supporting a more resilient and inclusive future.

My sincere thanks go out to our employees across all our markets, to the executive team and the Board for their collective contributions. To our business partners, shareholders and other stakeholders – thank you for your ongoing support.

For more than 27 years, our products and services have helped to positively transform the lives of millions of people across our markets. Looking ahead, we will continue to provide affordable access to the internet for the next 100 million people in our markets as **we connect for a better future**.

Shameel

Shameel Aziz Joosub

CEO

18 June 2021

Sustainability governance and management

We believe that operating responsibly is the right thing to do. We commit ourselves to this ethos to ensure we cultivate trust with our stakeholders by acting honestly, with integrity and by maintaining robust ethics, governance and risk management processes. In this way, we continue to position the business for long-term success while also creating value to enhance people's lives.

How our Board supports sustainability governance

Our Board is ultimately accountable for Vodacom's success. Its role is to exercise ethical leadership and sound judgement to ensure we achieve sustainable growth while acting in the best interests of our stakeholders. To this end, our Board evaluates how sustainability-related risks and opportunities impact our business and ensures that we position our business for maximum stakeholder value creation.

The role of our Group Social and Ethics Committee

The Board delegated the responsibility for overseeing Vodacom's economic and ESG-related development performance to the Social and Ethics Committee. The committee receives quarterly reports from business units across the Group to ensure effective oversight over Vodacom's sustainability goals and objectives.

Board

Board committees

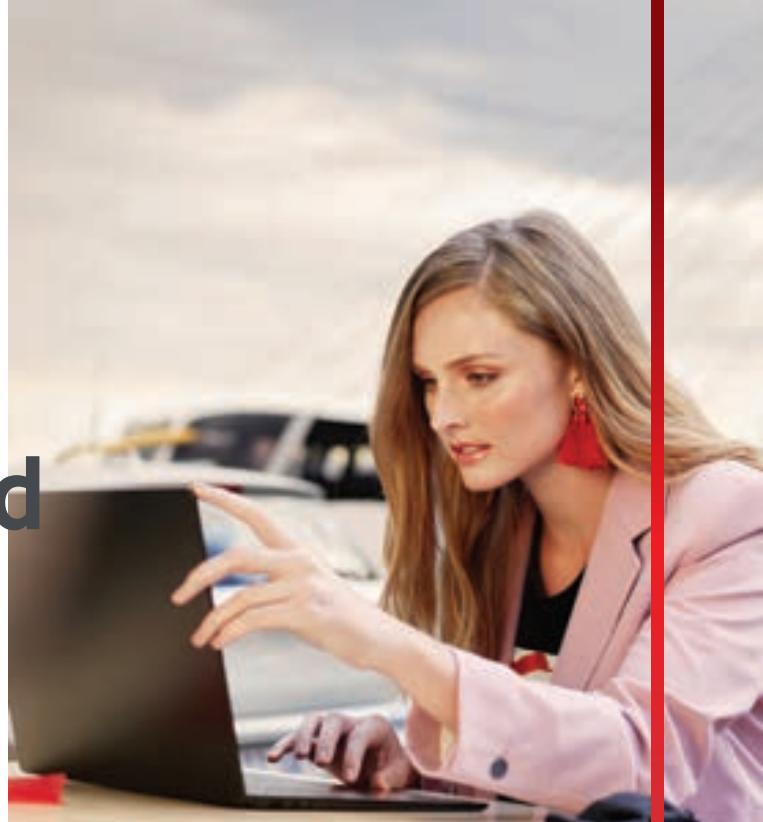
Nomination Committee

Remuneration Committee

Social and Ethics Committee

Audit, Risk and Compliance Committee

Executive Committee



The Social and Ethics Committee monitors Vodacom's activities relating to:

- Social and economic development, including the principles of the United Nations Global Compact (UNG), black economic empowerment (BEE) and the recommendations of the Organisation for Economic Co-operation and Development (OECD) relating to corruption;
- ESG-related performance;
- Our contribution to the United Nations (UN) Sustainable Development Goals (SDGs);
- Good corporate citizenship, including promoting equality, preventing unfair discrimination, corporate social responsibility, ethical behaviour and managing environmental impact;
- Customer and consumer relations;
- Labour and employment, including skills development;
- Safety, health and environment-related issues;
- Stakeholder management; and
- Regulatory and legal issues relating to reputational impact.

Social and Ethics Committee key focus areas:

- Assessing legislation and regulations affecting the policy and regulatory environments in all markets;
- Monitoring of the Vodacom Doing What's Right (DWR) programme;
- Driving B-BBEE in Vodacom South Africa and localisation requirements in other markets;
- Monitoring relations with consumers;
- Monitoring good relations with employees and achieving employment equity;
- Promoting and protecting the environment, health and safety; preventing and combating bribery and corruption;
- Being a good corporate citizen; and
- Extending the reach and impact of our values and ethics through our business partners and supply chain.

Delivering on our purpose

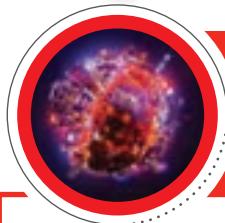
We are a purpose-led company guided by our Social Contract. We leverage our technological and communication capabilities to connect people and businesses in a world that is becoming increasingly digital. We already connect over 123.7 million people to the digital society and believe we can further reduce 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.

Our purpose remains consistent and aligns with the transition to an increasingly digital world. With this fast-paced transition to the digital age, our goal is to democratise access to connectivity, making digital platforms truly accessible to everyone and leaving no one behind. We understand that this will increase the demand on our planet's resources. Therefore, guided by responsible leadership and innovation, we strive to act responsibly and ethically to ensure we do all we can to minimise the negative environmental impacts of an increasingly digital society.

Our sustainability strategy is a key enabler of our purpose – **we connect for a better future** – as we aspire to build an inclusive and sustainable digital society. It is critical that, as a society, we make meaningful progress over the next decade towards a better and more sustainable future. Vodacom has a vital role to play and, by partnering with stakeholders across government and civil society, we can deliver transformational – rather than incremental – progress towards a better world.

1

With our purpose at the heart of what we do, we aim to connect millions of people and build sustainable societies.



Digital society

We believe in a digital society that connects people and things to the internet like never before.

Goal

What we do to support our goal

Internet for all

Connect the next **100 million lives** by 2025.

- Rural coverage programme;
- Price transformation;
- ConnectU; and
- Low-cost devices.

Digital solutions that transform lives

Connect an additional **two million lives** to our digital platforms by 2025*.

- Agriculture platforms such as Connected Farmer;
- Health solutions such as Stock Visibility Solution (SVS);
- Government and enterprise efficiency, such as our smart asset management solution and citizen engagement; and
- IoT solutions, such as our Raptor project and internet in the car solution.

Financial inclusion

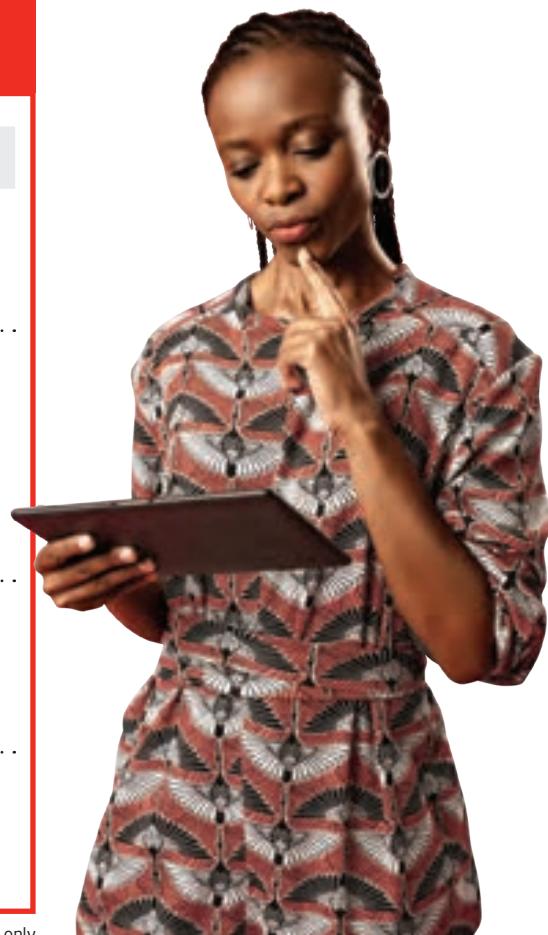
Connect **72.6 million lives** to our financial services by 2024.

- Payments through point-of-sales (POS) and payment gateway;
- Lending, such as VodaLend;
- Insurance, such as VodaSure;
- Trading platforms, such as VodaTrade; and
- M-Pesa consumer and merchant apps.

SME development

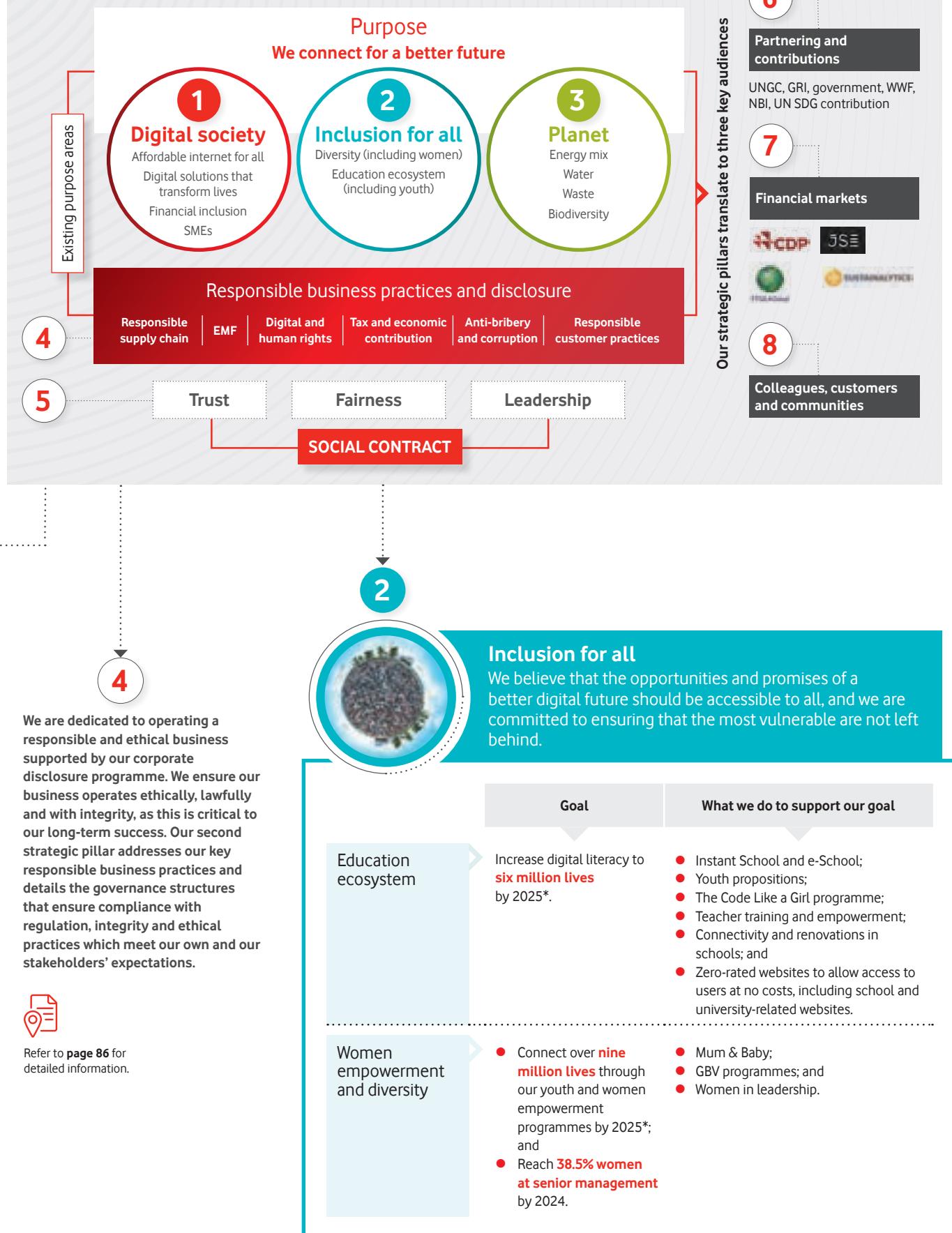
Train and develop an additional 300 SMEs in various skills by 2025*.

- Preferential payment terms;
- SME training and empowerment; and
- Innovator trust.

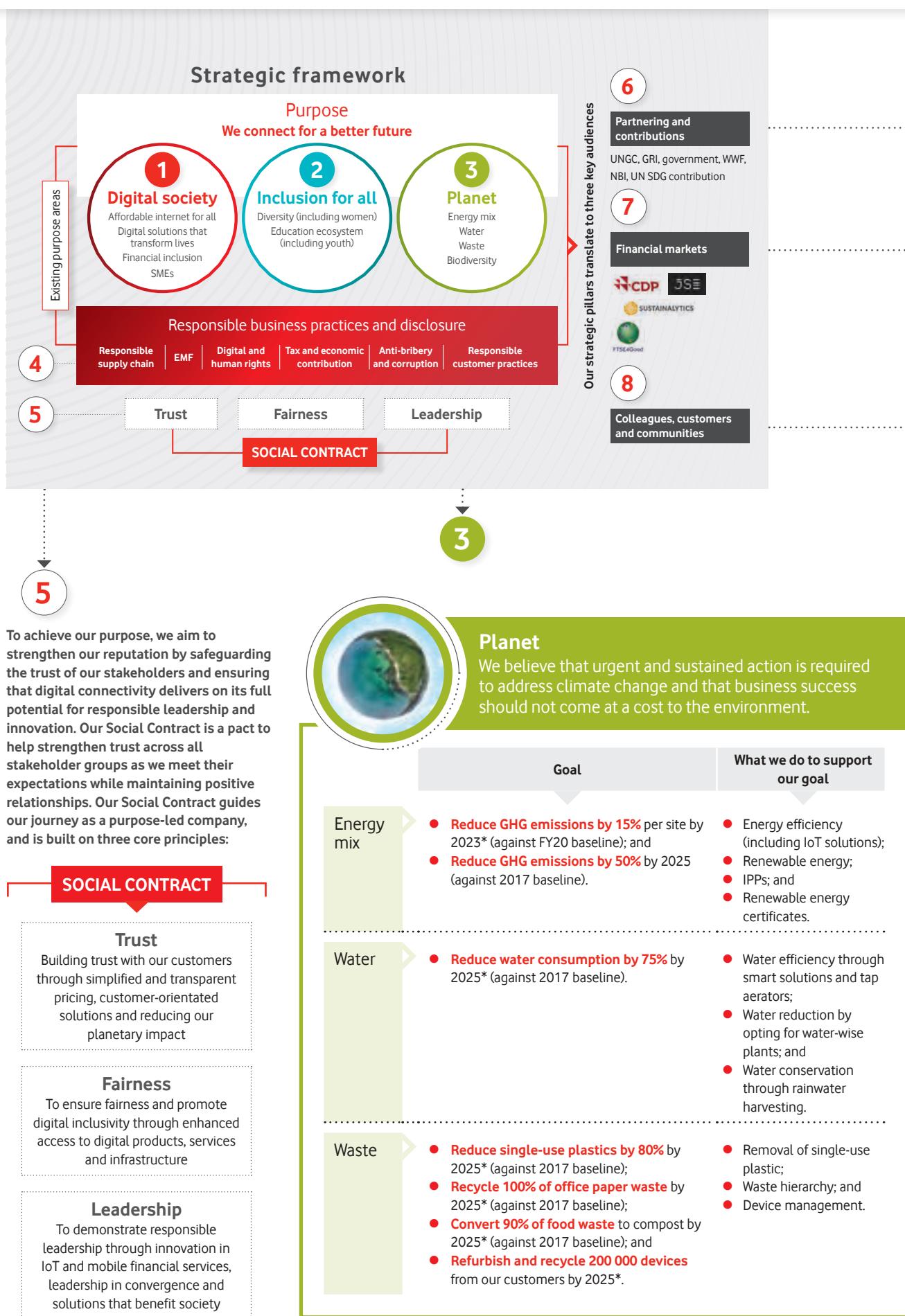


* South Africa only

Strategic framework



* South Africa only.



* South Africa only.

6

Partnering and contributions

UNGC, GRI, government, WWF, NBI, UN SDG contribution

Our purpose is aligned with the UN SDGs, and we believe that our solutions to drive digital and financial inclusion can enhance the achievement of these goals. Vodacom has long-standing partnerships that speak directly to SDG 17 and drive a collective effort in addressing sustainability challenges in society. These partnerships include the UNGC, the GRI, the World Wide Fund for Nature (WWF), the National Business Initiative (NBI) and the governments in the markets where we operate.



7

Financial markets

Globally recognised ESG rating agencies continue to monitor our performance and issue industry benchmarks against which we are measured. Since listing on the JSE, Vodacom has been recognised for its policies and programmes aimed at operating a responsible, ethical and sustainable business.



Our efforts to drive digital and financial inclusion while reducing our carbon footprint have been recognised by Sustainalytics, a leading independent global provider of ESG ratings to investors. In September 2020, it ranked Vodacom second out of almost 196 companies in its Telecommunications Service industry grouping and in the top 5% of its Global Universe of 13 000 companies.

We also maintained our AAA rating from MSCI, which again recognised Vodacom as a leader in managing the most significant ESG-related risks and opportunities in the telecommunications services industry.

8

Colleagues, customers and communities

Our **colleagues** ensure that sustainability is brought to life and, through our purpose, they are encouraged to give back to communities and conceptualise innovative ideas to improve society.

Our authentic brand promise is the embodiment of sustainability. This is embedded in everything we do to ensure our **customers** identify with our strategy and purpose.

Vodacom has been giving back to the **communities** in which we operate for over 25 years. The Vodacom Foundation is the anchor of our CSI initiatives and aims to contribute to social development by leveraging technological resources.



For more information, refer to **pages 36 and 68**.

Case study

Vodacom – the first telco in South Africa to secure a sustainability-linked loan

In the previous financial year, Vodacom secured a sustainability-linked loan of R2 billion with Standard Bank South Africa – the first agreement of its kind for a telco in South Africa. The loan incentivises Vodacom with lowered finance costs for its commitment to managing ESG-related factors more effectively.

Sustainalytics assessed Vodacom's overall ESG management score during the year, which it will continue to do annually. Based on this assessment, Vodacom's ESG performance improved significantly. Our baseline management score improved from 55.8 to 66.6 in financial year 2021, while our overall risk exposure improved from 18.3 to 14.1.

While our overall ESG management score qualifies Vodacom for the maximum discount in our finance costs, we believe our improvements also demonstrate our commitment to improving our sustainability performance and, ultimately, connecting people for a better future.

Vodacom's contribution to the UN SDGs

The UN SDGs present a unified vision to achieve a better and more sustainable future for all. As an urgent global call to action to end poverty, reduce inequality and prevent further harm to the planet, the 17 UN SDGs define the global priorities and aspirations that guide us as we respond to complex development challenges.

All UN member states adopted the UN SDGs in 2015. Countries across Africa committed to implementing the African Union's Agenda 2063 – which aligns with the UN SDGs – to transform the continent into a global powerhouse. In South Africa specifically, the government integrated the UN SDGs into its National Development Plan, which aspires to eliminate poverty, reduce inequality and build an inclusive economy by 2030.

Our purpose is aligned to the UN SDGs, and we are committed to playing our part, ensuring alignment in the way we do business with the objectives of the UN SDGs by offering support to governments, communities, businesses and individuals as we build a better future. We recognise that, because of our footprint across Africa, we have a significant role to play in the continent's socioeconomic development. We aim to sustainably create value through our core business of increasing access to reliable and accessible data and voice services. We continue leveraging our mobile network services to help us achieve the goals envisaged by the UN while driving financial and digital inclusion. This enables us to meet national and global developmental objectives, such as rebuilding economies severely affected by COVID-19, while simultaneously promoting inclusive and sustainable measures as we start to recover from the effects of the pandemic.



We focus on the eight UN SDGs that are most aligned to our core business.



Vodacom's Stock Visibility Solution (SVS) helps health facilities monitor stock availability of medications. More than 41 million stock level reports were submitted by 5 935 health facilities in South Africa, Zambia and Nigeria. Vodacom and Mezzanine's electronic mVacciNation solution – an electronic health record solution that supports vaccination coverage – supported South Africa's national Department of Health to administer COVID-19 vaccines. AitaHealth supports government to quantitatively understand the state of healthcare in communities, with more than 571 000 households and 1.6 million individuals registered and screened on the platform since its launch in 2014.



4 QUALITY EDUCATION

The Vodacom e-School platform proved to be an invaluable resource for learners studying at home during COVID-19. User registrations increased tenfold, with over 1.25 million registered users on the platform. We provided significant data discounts for universities and schools so that lessons could continue online during COVID-19. Vodacom's Instant School has 150 000 and 113 840 registered users in Tanzania and the DRC respectively. The Vodacom Foundation in South Africa also spent over R7.9 million on free connectivity and other forms of support to 92 teacher centres.

5 GENDER EQUALITY

Vodacom supports gender equality through various initiatives, including investment in our connectivity and digital platforms and in skills development for women. Key platforms that empower equality include M-Pesa, Mum & Baby, Connected Farmer and DigiFarm. We invested R472 million in continuous skills development, of which R141 million was invested in black women and R18 million in the development of black youth with disabilities in South Africa. In addition, Vodacom pledged R10 million to contribute to the fight against GBV in South Africa.

8 DECENT WORK AND ECONOMIC GROWTH

We aim to connect 72.6 million lives to our financial inclusion services across all our markets by 2024. Mobile money has steadily disrupted traditional financial services and transformed the lives of people across our markets. Our M-Pesa platform is a critical driver of socioeconomic growth, and is quickly becoming a gateway to the digital economy. Our nano-lending and micro-loans platforms continue to drive growth in our International markets, giving 15 million first-time borrowers access to basic needs, including food and electricity. Vodacom also connects businesses, particularly SMEs, through remote-working solutions, advice and best practice information. We aim to ensure SMEs survive the economic impacts of COVID-19 by facilitating the adoption of safe and secure digital solutions utilising advances in the IoT, artificial intelligence (AI), Big Data analytics and financial services platforms. Additionally, we ensured over R1.1 billion in payment to SME suppliers within three days from invoice.

9 INDUSTRY INNOVATION AND INFRASTRUCTURE

Internet access is a powerful enabler of economic participation and financial inclusion. Vodacom's rural coverage acceleration programme prioritises the expansion of coverage to rural communities that have never been connected to the network. We introduced 192 new network sites in rural communities across South Africa, connecting 156 communities that were previously unconnected, and 82.9% of the rural population is covered by the 4G network in the country. Additionally, our ConnectU's job portal has enabled 3.1 million people to access seven different job search websites for free, with over a third of users being in the low-income group.

11 SUSTAINABLE CITIES AND COMMUNITIES

Our IoT connections have enabled carbon savings of 1 648 494 mtCO₂e for our customers. This was achieved through more than 160 000 smart metering solutions and 616 210 smart logistics and fleet management solutions.

13 CLIMATE ACTION

Vodacom has 1 088 solar-powered network sites across all our markets. In the year, 5GWh of electricity consumed was from our own renewable energy sources. In addition, Vodacom South Africa purchased over 2GWh of electricity from renewable energy provided by IPPs.

17 PARTNERSHIPS FOR THE GOALS

Vodacom advocates sustainable development, using our global footprint to influence others to do the same. We pursue an active social agenda and, across our operations, we partner with governments and non-governmental organisations (NGOs) to accelerate socioeconomic transformation and a better future for all. For instance, in financial year 2021, the Vodacom Chief Executive Officer (CEO) participated in a JSE-organised ESG panel to explore solutions of sustainable development.



For more information, refer to our **UN SDGs report** on <https://www.vodacom.com/pdf/sustainability/vodacom-un-sdgs.pdf>.

Our Social Contract with stakeholders

Connecting for a better future means that our business activities – our technology and communication services – enable people to thrive in an increasingly digital world. By enhancing communication between individuals, communities and businesses, we help to improve quality of life. Our Social Contract, guided by the three core principles of trust, fairness and leadership, enables us to achieve this purpose.

Our commitment to our purpose and Social Contract helped us strategically and systematically mitigate the impact of COVID-19 on our stakeholders. We implemented our response strategy in two phases, focusing on the most vulnerable and disadvantaged people in our society. Our overarching objectives were the following:

- Connecting our governments and societies by maintaining our network resilience and quality despite increased network traffic during the COVID-19 lockdown.
- Connecting healthcare providers to ensure they are digitally equipped to support COVID-19 virtual consultations, data collection and testing.
- Connecting host country governments to disseminate critical COVID-19-related information to the public.
- Connecting businesses, particularly SMEs, through remote-working solutions, advice and best practice information. We aim to ensure SMEs survive the economic impacts of COVID-19 by facilitating the adoption of safe and secure digital solutions utilising advances in the IoT, artificial intelligence (AI), Big Data analytics and financial services platforms.
- Connecting educational institutions and businesses to facilitate learning and skills development in a digital world.
- Connecting and promoting digital and financial inclusion, including the resilience of our financial services platforms such as M-Pesa, the VodaPay super-app and other financial solutions in South Africa.

Our COVID-19 response strategy

Our response to COVID-19 enables families to keep connected, businesses to operate, students to learn, and healthcare facilities and governments to provide critical services.

Phase 1 of our COVID-19 response plan

Phase 1 of our response focused on the immediate health crisis with interventions to save lives and support society.

1

Maintaining quality on the service networks

- We closely monitored network capacity and managed congestion as traffic increased during the year. We also effectively utilised temporary spectrum provided by governments to ensure ongoing customer availability.
- Vodacom maintained network availability and quality across all our markets.
- We secured temporary spectrum in South Africa, the DRC and Mozambique to support the demand for telecommunication services.

2

Providing capacity to critical government services

- Vodacom made toll-free numbers available and created interactive voice response (IVR) lines to inform the public of COVID-19-related symptoms.
- The Group donated to the Solidarity Fund on both a personal and corporate level. Our Group CEO donated three months of his salary to the fund.
- Certain Board members also donated a portion of their fees while our employees personally contributed a total of R680 000. Vodacom added to the amount, bringing the overall personal contribution of employees to more than R847 000.
- Vodacom's Group CEO pledged an additional R10 million to contribute to the fight against GBV in South Africa.
- In South Africa and Lesotho, Vodacom provided 20 000 and 1 000 devices, respectively, to the countries' health departments to be used by field workers conducting testing or collecting COVID-19-related data.
- Vodacom provided free data and airtime to healthcare workers and the ministries of health, higher learning and science to assist in managing COVID-19 in Tanzania, Mozambique and Lesotho.
- Vodacom partnered with South Africa and Tanzania's ministries of health to send awareness messages to customers.
- Vodacom donated over R18 million to the Tanzanian government's COVID-19 Containment Committee to source personal protective equipment (PPE).

3

Improving dissemination of information to the public

- Vodacom South Africa sent out 665 million SMS notifications to subscribers, informing them about COVID-19 hygiene etiquette.
- We diverted advertising spend in South Africa by more than R10 million to support the Department of Health's awareness campaign.
- In South Africa, we zero-rated the Department of Health's unstructured supplementary service data (USSD) self-assessment platform.
- Vodacom zero-rated access to key government and other essential websites in South Africa, Tanzania and Lesotho, providing free access to government services such as health, education, home affairs, ambulance services, education sites and government communication services during the COVID-19 pandemic.
- In the DRC, Vodacom zero-rated all COVID-19-related government calls.

4

Facilitating working from home and supporting SMEs

- For our SME customers, Vodacom provided data and voice minutes at a reduced rate to facilitate working from home, also offering unlimited data and special offers for a limited time.
- We introduced faster supplier payment terms of between one and 15 days from receipt of invoice to support SMEs that faced potential liquidity challenges.

5

Facilitating e-learning

- Vodacom South Africa zero-rated over 1 000 internet sites, including the Wikipedia search engine, and online applications for identity documents (IDs) and passports.
- Vodacom added over 260 000 learners to the free e-School platform in financial year 2021, exceeding one million users.
- Vodacom South Africa provided a video conferencing solution to 92 Vodacom-supported teacher centres and 13 schools of excellence, in addition to our annual support of the centres.
- Vodacom offered discounted data packages of 30GB to universities in South Africa, Lesotho and Tanzania to promote blended learning.
- The Vodacom Instant Schools online learning platform in Tanzania, the DRC and Mozambique saw an increase in usage during the financial year 2021. For example, active users in the DRC increased by more than 200%.
- Vodacom South Africa provided a zero-rated data offer to more than 3 000 public higher education institutions and public high schools.
- We launched a virtual tutoring employee volunteerism programme.
- In Tanzania, we empowered employees to use digital tools while working and schooling from home.

Phase 2

of our COVID-19 response plan

Phase 2 focuses on economic recovery by building on the successes of phase 1. Ultimately, we aim to restart the economy and stimulate employment by leveraging our network, digital platforms and data analytics capabilities to deliver economic value for societies, governments and businesses.

1

Expand and future-proof our network infrastructure

- Vodacom invested R13.3 billion across our markets of which R10.1 billion was spent in South Africa alone to ensure that we had sufficient capacity and resilience in our current network while growing our 4G, 5G and fibre footprint across our markets.
- We extended coverage in rural and underserved areas by utilising temporary spectrum in the lower bands (700MHz and 800MHz), while the higher bands (2600MHz and 3500MHz) helped modernise Vodacom's network to ease traffic congestion.
- We further extended our 2G, 3G and 4G coverage in the DRC, while our rural communication solution improved the bandwidth and stability of connectivity in rural areas.
- In Lesotho, we achieved 98% 3G coverage and 70% 4G coverage. Vodacom Lesotho was also the first to launch 5G in Africa.
- We expanded mobile broadband services to reach 52% of Tanzania's population – equal to 1 184 villages.
- Through the temporary spectrum assigned to us during the COVID-19 crisis, we launched 190 5G sites in South Africa.
- We introduced 192 new network sites in rural communities across South Africa, with 97.3% of the population covered by our 4G network. We recognise the important part we can play to create possibilities that will ensure that a better digital future is accessible to everyone, and believe that encouraging digital inclusion is especially critical in these challenging times.

2

Accelerate support to government e-Health and e-Education

- Vodacom recently announced a R87 million financial pledge to support the roll out of cold-chain technology and provide logistics support to ensure the safe delivery of COVID-19 vaccines to vulnerable and hard-to-reach communities in South Africa, Tanzania, the DRC, Mozambique and Ghana.
- We donated R13 million to Lesotho to assist with securing vaccines and partnered with AUDA-NEPAD to build digital infrastructure to manage vaccinations across 55 countries, following successful deployments in South Africa, through our mVacciNation platform.

- Vodacom South Africa pledged a donation of R10 million towards the Discovery partnership, providing free online doctor consultations.
- The Mpilo app, a patient engagement platform that facilitates efficient and easy communication between patients, doctors and the Department of Health, has 61 467 active users.
- Vodacom partnered to provide health solutions that supported the response to COVID-19, including mVacciNation, eLABS, SVS and AitaHealth. mVacciNation supported the national Department of Health's administration of COVID-19 vaccinations in South Africa through the electronic vaccination delivery system.
- Vodacom South Africa zero-rated over 1 000 internet sites which included job portals, educational content, health and wellness information, and access to selected government sites, such as Home Affairs and communications, ambulance services and education platforms.
- In Lesotho, 160 schools are connected to the internet for free (equates to 40GB per school). We also zero-rated access to educational sites during COVID-19, and discounted educational bundles and devices for remote learning.
- With more than 1.9 million users, we expanded our Mum & Baby platform to include a COVID-19 assessment tool. The platform was also introduced in the DRC during the year, with 3 300 active users at year end.
- In the DRC, EYANO continues to provide free access to public service information on financial education, agriculture and health for people living in remote parts of the country, especially women.
- In the DRC, VodaEduc connected more than 53 000 learners and educators for over three months and currently has 113 843 users.
- In Mozambique, we provided network capacity and services for critical functions, information to the public, free access to educational resources and academic sites, as well as devices, subscriber identity module (SIM) cards, data and airtime.
- In Tanzania, Healthy Pregnancy Healthy Baby has 1.3 million users, while M-Mama Emergency Transportation assisted 11 329 women.
- Vodacom Tanzania worked with the Ministry of Health to send nearly 200 million SMS notifications to 14 million subscribers. The MyVodacom and M-Pesa apps, as well as the Vodacom Business portals, enabled customers to do more without leaving home.
- Additional services provided by Vodacom to the Ministry of Health in Tanzania include public information sharing with a call or SMS to 199, free fixed internet connectivity to a special COVID-19 task force, zero-rated official government websites and unlimited data for frontline healthcare workers, along with 10 routers with 50GB of data for two months to facilitate communication between quarantine facilities.

3

Enhance digital accessibility and literacy for the most vulnerable

- Vodacom South Africa accelerated its pricing transformation strategy with discounts of up to 34% on 30-day bundles, reducing the cost of its 1GB data bundle from R149 to R99, and on 1 April 2021, by 14% to R85.
- With the combination of our segmented customer approach and our pricing transformation journey, we successfully reduced pricing between 34% and 40% year on year, returning R3 billion in price cuts to our South African customers.
- After launching the ConnectU platform in March 2020 to provide free access to basic internet and essential services, over 15.5 million unique users visited the platform during the financial year 2021 – with over 20 million sessions initiated in a month.
- Vodacom South Africa launched the zero-rated Bright Sky app, which aims to provide support and information for people in abusive relationships.
- Through NXT LVL, Vodacom provided young South Africans with solutions to help them with social, entertainment and learning needs. This included launching Future Jobs Finder and zero-rating the National Mentorship Movement and Youth Employment Service (YES).
- Vodacom zero-rated over 1 000 government websites, including online applications for IDs and passports.
- In the DRC, over 90 600 farmers use the Connected Farmer platform.
- We also donated 100 000 face masks to VAMOZ, a movement of anonymous volunteers, for the displaced population of Cabo Delgado, Mozambique.

4

Promote widespread digital adoption for businesses, particularly SMEs

- We provided customised and affordable data packages for SMEs.
- Vodacom extended credit to more than 330 SMEs through our VodaLend platform across all markets, thereby supporting them in maintaining a reasonable level of financial viability.
- We ensured over R1.1 billion in payments to SME suppliers within three days from invoice.
- In the DRC, we continued to develop an SME portal. We also partnered with Liquid Telecom to provide fibre to the home and business (FTTx) to SMEs.
- Vodacom Lesotho adopted M-Pesa for SME collections and payments.
- In response to the need for business and corporate clients to reduce unnecessary movement, Vodacom Tanzania introduced the DocuSign e-signature platform to enable electronic signatures.

5

Support recovery strategies through targeted digital adoption

- The Group's data insights teams worked closely with governments and appropriate task force teams during the pandemic.
- Vodacom partnered to use geodata tracking and Big Data capabilities to improve governments' insights into population movement while respecting individual privacy.
- We engaged with governments across our markets, as well as other local and international agencies, to explore new use cases for anonymised and generalised data.
- We zero-rated the South African COVID-19 app.
- In Lesotho, we partnered with the national Department of Health and the National Institute for Communicable Diseases to collect data for mobility insights. We also provided contract-tracing information to the national Department of Health in line with lockdown regulations.

6

Enable cashless payments and financial inclusion

- Our M-Pesa platform was instrumental in facilitating economic activity during COVID-19 when we zero-rated person-to-person money transfers on M-Pesa.
- Vodacom reached agreements with the central banks to lower transaction fees and adjust tier levels to facilitate cashless payments in the DRC, Mozambique and Lesotho.
- Vodacom advanced R12 billion in airtime, an increase of 21.1%, growing our customer base to 10.8 million customers in South Africa as we helped South Africans who were impacted by COVID-19 during the months of hard lockdown.
- Vodacom South Africa is in the process of developing the VodaPay super-app in partnership with Alipay, to promote and accelerate financial inclusion.
- Vodacom Tanzania launched Songesha, an overdraft facility available to M-Pesa customers to complete transactions when they have insufficient funds in their accounts. In addition, we improved the M-Pesa app to allow customers to set standing orders so that no payments or transfers are missed.
- In Lesotho, we have over 6 000 M-Pesa touchpoints (agents and merchants). We also launched insurance and savings products linked to M-Pesa. Furthermore, through a partnership with Hello Paisa, migrant labourers can send money home to their families.
- Our nano-lending solutions Fuliza and Songesha granted US\$3.3 billion in loans during the year. Credit risk on these products is carried by partner banks.



Digital society

Our approach to closing the digital divide is categorised into three focus areas: providing mobile devices and services that are affordable and accessible to everyone, providing inclusive coverage, and enhancing the digital knowledge and readiness of those currently not using the internet.

Vodacom's pricing transformation strategy addresses challenges linked to digital exclusion. We are determined to be a leading digital company that empowers a connected society. We are using technology to transform our business model and enable a customer-centric and digitally connected world.

We have developed smart technologies to reduce poverty and provide access to essential services such as healthcare, financial services and education. Currently, Vodacom has more than 5.6 million IoT connections.

Digital society at a glance

Internet for all	Digital platforms transforming lives	Financial inclusion
82.9% of rural South Africa covered by 4G network	5 935 Stock Visibility Solution (SVS) service points	57.7 million financial services customers (including Safaricom)
2 784 rural network sites (192 new) in South Africa	COVID-19 vaccinations through mVacciNation in South Africa	10.8 million Airtime Advance users, airtime of R12 billion advanced in South Africa
South Africa: 4G network covers 97.3% while 3G covers 99.9%	In Tanzania, 108 000 farmers use the Connected Farmer platform In the DRC, 90 600 farmers use the Connected Farmer platform In Kenya, 1.5 million farmers are registered on DigiFarm	VodaLend funds 330 SMEs (R74 million)
International operations added: <ul style="list-style-type: none">• 5G sites: 2 (2020: 2)• 3G sites: 322 (2020: 546)• 4G sites: 1 072 (2020: 1 079)• 2G sites: 262 (2020: 452)	87 677 use citizen engagement platforms	US\$24.5 billion in M-Pesa transactions processed monthly in the fourth quarter, including Safaricom US\$3.3 billion in loans granted through the M-Pesa platform (including Safaricom) – credit risk on these products is carried by partner banks



Affordable internet for all*

3 GOOD HEALTH
AND WELL-BEING



5 GENDER EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Our 2025 target

To connect the next
100 million customers
across the Group

Our performance in FY21



133 200

(low-cost devices retailing
at R299)



15.5 million ConnectU users



Fibre penetration to

146 401 homes

and businesses in South Africa



1GB data reduced from R149 to R99

in South Africa (and a further 14% cut
on 1 April 2021)



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

➤ Device penetration to drive digital inclusion

Vodacom South Africa has 23.2 million smart devices on our network, a 9.5% increase from 2020. The number of 4G devices increased by 22.0% to 15.7 million in South Africa. South Africa's most affordable 4G smart feature phones, the "Vibe" and Nokia 215, which retail at R299, continues to grow – 133 200 devices were sold in financial year 2021. In our International markets, smartphone users increased by 8.0% to 11.0 million, representing 32% of our customer base. In Tanzania, over 500 000 low-cost smart feature devices were sold since the introduction of the smart Kitochi at a cost of US\$25 in financial year 2019, leading to a 14.6% increase in 4G mobile data traffic. In Mozambique, 750 000 low-cost devices, priced at R299, were sold. Vodacom Lesotho registered a 38% growth in 4G devices year on year.

Case study

Driving digital inclusion in South Africa

In South Africa, we trialled our prepaid device financing solution with customers without credit facilities, who could pay for 4G devices in instalments. We believe this will reduce barriers to entry and ensure that all South Africans have access to connectivity. To further subsidise device prices and migrate our customers from 2G to our 4G network, we provided network-locked devices. We sold over 3.7 million units since April 2019 – primarily to our mass emerging customer segment. By increasing our customers' access to 4G devices, we can expand digital inclusion for our customers through plans ranging from zero-interest 12-month contracts to 36-month contracts, as well as offer contracts to ease the burden of monthly payments. To remove any barriers to 4G adoption, we partnered with Google on the Android Go operating system to offer customers a simple and seamless user experience. By implementing a comprehensive marketing plan in partnership with Google, we sold over 1.7 million Android Go 4G devices.

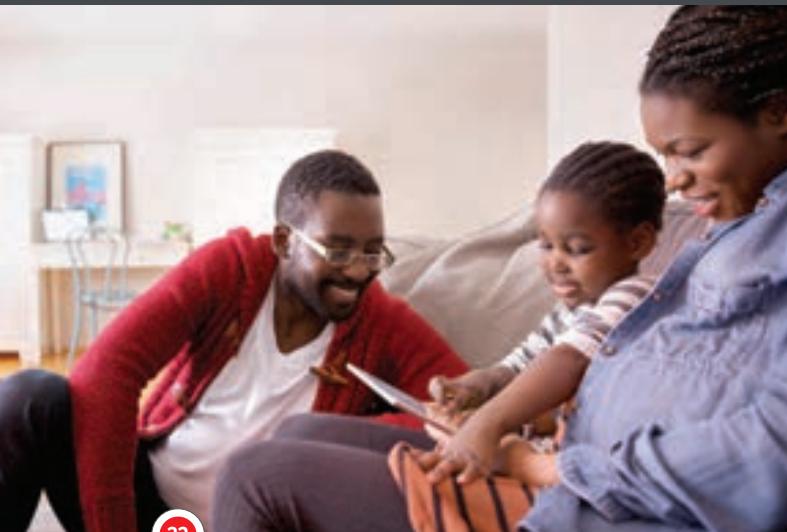


➤ ConnectU provides free access to essential platforms

ConnectU is a platform that provides Vodacom customers with free access to various online resources, including job portals, educational content, health and wellness information, and access to select government sites, such as Home Affairs and communications, ambulance services and education platforms. Customers can access the Vodacom Now blog containing information on weather services across major locations as well as the latest trends, and perform internet searches (providing base information on various topics that call out to open sources), with Wikipedia and Wiktionary among others. To date, 15.5 million unique users have visited the ConnectU platform, with over 20 million sessions per month. ConnectU's job portal has enabled 3.1 million people to access seven different job search websites for free, with over a third of users being in the low-income group. To address some of the lockdown challenges that South Africans faced, we expanded the platform to allow our customers to purchase electricity and water and take an airtime advance. Additionally, Vodacom provided 2 000 low-income towns in South Africa with affordable data bundles.

➤ Digital literacy prevents data loss

Datawyze, our online data use knowledge platform that helps customers use data in a safe and cost-effective way, reached over 10 million customers in the last financial year. This was achieved through our television channel partnerships, content on all our social platforms and engagements with community radio stations across the country. In Mozambique, Net Control protects our customers from out-of-bundle rates and data loss. Similarly, in the DRC, Bundle Control enables customers to cap out-of-bundle data use and improve their browsing. Across our markets, the MyVodacom app with 3.7 million unique users also enables data management, which is particularly important during the pandemic when more people are using digital platforms for essential services. Additionally, our retail store experts help customers use their smartphones effectively to avoid unintended data loss while browsing the internet, sending emails, using social media and monitoring apps.



Case study

Vodacom South Africa further reduces data prices

On 1 April 2020, we reduced the cost of the frequently purchased 1GB data bundle from R149 to R99, making this one of our biggest value commitments to South African customers. With the combination of our segmented customer approach and our pricing transformation journey, we successfully reduced pricing between 34% and 40% year-on-year, returning R3 billion in price cuts to our consumers. The latest price reduction in effect from 1 April 2021, includes the 1GB bundle, which is now priced at R85, a 14% reduction from R99 introduced 1 April 2020. This is a 42% reduction from the R149 charged until 31 March 2020. These price adjustments will promote digital inclusion and assist our 44 million customers to save at a time when they need it most. Vodacom has also re-introduced the 30-day 2GB bundle at R159 to give customers a wider choice and more value.

Vodacom continues to use Big Data analytics to deliver affordable personalised bundles for low-spend prepaid customers across our markets through our Just4U platform. Just4U provides affordable price packages to over 10 million customers in South Africa.

Customers connected to digital content

From the onset of the pandemic, screen time and media consumption increased, while people were homebound. Our MyMuze music service, with more than 30 million songs, increased revenue by 185%, from R7.6 million in financial year 2020 to R21.7 million in financial year 2021. Our gaming services, PlayInc, grew by 39% year on year.

During the year, we also introduced Vodacom Live, which provides zero-rated access to music and games. When football matches returned, the Vodacom Soccer's USSD portal was accessed by an average of over 300 000 visitors who followed their favourite Premier Soccer League teams.

Vodacom's consumer digital services include entertainment subscription packages across our International markets: VLive, VuClip, Mozik, VLive Sports, VodacomTV, MUSKA and Gameloft.





Digital platforms to transform lives*



Target to achieve by 2025

Connect an additional two million lives to our digital platforms

Our performance in FY21



41
million
SVS reports



>160 000
smart metering solutions



mVacciNation supports
COVID-19
vaccinations



140 000
COVID-19 tests
processed through eLABS
in South Africa

Digital solutions to promote good health and well-being

Digital solutions driving efficiency in government and enterprises

Digital solutions for agriculture

Empowering SMEs



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

➤ Digital solutions to promote good health and well-being



Enhancing healthcare facilities through stock visibility

To address inefficiencies in the medicine supply chain, Vodacom through our subsidiary, Mezzanine, partnered with the national Department of Health in South Africa to develop the SVS. The solution replaces traditional paper trails in stock management with digital data collection and real-time reporting. Clinic dispensaries report stock levels using a custom-built mobile app. In financial year 2021, the solution was used by at least 3 500 hospitals across eight provinces in South Africa to monitor stock levels of PPE during COVID-19.



Promoting vaccination in communities

Vodacom, through our subsidiary Mezzanine, provided the electronic mVacciNation solution that supported South Africa's national Department of Health to administer COVID-19 vaccines.



Pathology management solution improves value chain

Also through Mezzanine, Vodacom replaced paper-based pathology management with the eLABS solution. It improves testing, analysing and reporting in pathology laboratories with electronic monitoring of sample locations. In Zambia, the solution reduced turnaround time for viral load test results by 58% (from 31 to 13 days) in 1 100 healthcare facilities. In 2 800 South African healthcare facilities, the solution was used as a multi-testing model, including the visibility of COVID-19 testing.



Community healthcare enabled by AitaHealth

AitaHealth, developed in partnership with the University of Pretoria in 2014, enables government to review data on community health, with input from stakeholders, to address healthcare priorities. It is used by more than 2 000 community healthcare workers in South Africa. More than 571 000 households and 1.6 million individuals are registered and screened on the platform in three provinces.

➤ Digital solutions driving efficiency in government and enterprises

87 677

active users of
citizen engagement
solutions

>78 000

active users of
mySAPS app

Smart metering solution drives resource efficiency

Vodacom has installed more than 160 000 smart metering solutions to address revenue collection, credit management, theft and leaks by remote control. The meters enable automated meter reading, billing integration, interface and consumption profiles through a cloud-based web platform. Additionally, positive impacts include reducing carbon emissions through efficiency, reducing revenue losses with the help of tamper protection management, improving energy theft reporting, and preventing water leaks while ensuring the entities remain financially viable and stable. Vodacom also trains and employs college graduates as installers and auditors of this solution.

Delivering smart building solutions

Vodacom, through our subsidiary IoT.nxt, offers a number of digital solutions to sectors such as mining, fast-moving consumer goods, logistics, health, e-learning and agriculture. Included in this offering is a smart building solution for Vodafone's head office in Paddington, London, which recently received a Verdantix award for smart building innovation. The solution provides real-time visibility of space availability and comfort in the building in order to improve occupant experience. Reporting on space utilisation enables building managers to understand occupancy patterns, room and space utilisation, as well as compliance with air quality standards. A similar solution is used at Vodacom's head office in South Africa. It integrates building management system, water and electricity metering, diesel level monitoring and integrated workspace management systems. This enables the centralised monitoring of water, electricity and diesel consumption to facilitate the identification of resource savings opportunities by reporting on sustainability, monitoring alarms in the system and automating work order generation to avoid manual human intervention.

Case study

› Smart asset management improves decisions

In South Africa, Vodacom's smart asset management system (SAMS), with 265 000 movable and 120 000 immovable assets registered, improves profitability and cash flow for public and private enterprises. By collecting, aggregating and reporting on data collected from IoT-enabled sensors and devices and creating workflows, it improves decision-making and optimises company assets. This, in turn, improves profitability and cash flow. SAMS is applied in asset-rich industries such as government (where governance and reporting key assets are prioritised), enterprises (owners of multiple assets such as transport and logistics companies), and farming and agricultural operations.

Fleet management solution

Vodacom's integrated fleet management solution monitors vehicles, driver behaviour and identification, and tracks stolen vehicles through its IoT capability. In Tanzania, Vodacom introduced a similar IoT car tracking solution that manages the performance and maintenance of the car in terms of speed, braking, fuel control and geofencing, among others. In the DRC, Vodacom introduced a car tracking device that enables the optimal management and efficiency of trucks.

Solutions for COVID-19 screening

Vodacom, through our subsidiary IoT.nxt, has developed the CoVision thermal camera to help businesses address the spread of COVID-19 by tracking people's movement in various facilities. The solution scans and detects PPE to help businesses monitor hygiene and safety requirements as well as compliance with government regulations. The CoVision thermal camera provides real-time recorded body temperatures while the CoVision Internet Protocol cameras provide a count of people moving between reception areas and production centres. This information is presented in a single view by the seamless and integrated IoT.nxt Commander platform.



SmartGov ensures automation of government administration service

Vodacom's paperless SmartGov software platform 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. One of the modules automated human resource management activities such as leave, travel, finance and performance management.

Connected worker solution keeps employees safe

Vodacom's connected worker solution, developed through our subsidiary IoT.nxt, enables a quick response to employees working in dangerous areas with a help of a wearable device. The device also measures falls or movement within a defined period for the proactive response by safety teams. In addition, the solution enables effective resource planning based on productive work zones and it can be enhanced with sensors to measure hazardous gas leaks.

Mpilo app for patient engagement

As part of the citizen engagement platform, Vodacom introduced the Mpilo app – a patient engagement platform that eases communication between patients, doctors and the Department of Health. The app has improved coordination in tracking issues logged by patients and hospitals. The latest feature on the mobile app aims to help healthcare workers trace people who have tested positive for COVID-19. The Mpilo app has 61 467 active users.

mySAPS drives safety and security in communities

Vodacom partnered with the South African Police Service (SAPS) to develop the mySAPS app, which enables citizens to report criminal activities in real time and send a report to the police. The app has over 78 000 active users.

Accident and incident management app connects communities to authorities

Vodacom developed an accident and incident management app that enables communities to directly liaise with the provincial Department of Transport. The solution enables citizens to report traffic incidents such as motor vehicle accidents, road obstructions, dangerous goods spillage and reckless driving.



Internet in the car solution connects drivers to online services

Toyota, in partnership with Vodacom, has fitted Toyota Connect in 75 480 cars in South Africa, with over 27 000 cars activated. The solution provides Wi-Fi connectivity to smart devices, a host of online services and 15GB of complimentary data. Toyota, in partnership with Vodacom, is also introducing a new streaming service to Toyota Connect, MyEntertainment, which includes music streaming services through MyMuze.

Case study

Fire panel monitoring for insurers

IoT.nxt partnered with Gilela Business Innovations to develop a fire control panel monitoring solution, which reduces the risk of fire due to malfunction. Live at 25 sites across South Africa, this solution is protecting insured assets worth R3 billion, by notifying insurers and insured clients of any potential faults.



Digital solutions empower citizens

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

In the DRC, Vodacom's multi-channel (IVR, SMS and USSD) EYANO provides free access to public service information including health and well-being, agriculture, gender equality, water and sanitation, family planning, weather, finance and human rights. It is a free, on-demand information service – accessible on simple mobile phones – for people, especially women, living in remote parts of the country.





› Digital solutions for businesses

In the DRC, Vodacom partners with the mining and banking sectors to help solve some of their challenges and drive socioeconomic growth by providing digital solutions that address health and safety, efficiency and productivity. These solutions streamline communication, facilitate trade and optimise resource management.

In Tanzania, Vodacom introduced a solution that monitors the performance (such as temperature control) of fridges in businesses that require intense refrigeration. This solution ensures efficiency while reducing carbon emissions and energy consumption.

› Empowering and supporting SMEs

>R1.1 billion

early payments for South African SMEs

>170

South African SMEs developed through the Innovator Trust

>500

start-ups benefited from Ingenious City partnership

>186

black-owned South African SMEs benefited from preferential payment terms

Case study

Vodacom Business helps digitise supply chain network

Vodacom leverages cloud technology, IoT and Big Data in digital solutions that enable our enterprise customers to build connected supply chain networks. Vodacom's VodaTrade switches more than 84 million transactions per year, valued at R200 billion. Enterprises benefit from automated invoicing, mobile payment transactions and lending, reaching across Africa through M-Pesa.



Partnerships to support SMEs

During the year, Vodacom DRC partnered with Ingenious City to support start-ups and entrepreneurs. Vodacom provides young entrepreneurs with office space and internet connectivity, and encourages them to submit ideas. During the year, more than 500 start-ups benefited from this programme. Vodacom DRC also sponsored the first digital forum organised by Kinshasa Digital, an association of young digital entrepreneurs.

In Tanzania, Vodacom partnered to provide selected SMEs with digital skills training and connectivity to help them use digital platforms to boost profitability.

In Lesotho, Vodacom partnered with the National University of Lesotho and the United Nations Development Programme in a hackathon focusing on digital solutions. More than 270 entrepreneurs participated, and six winners received R50 000 in cash each.

**Case study****Orange Corners Maputo supports
entrepreneurs**

Vodacom supports the Orange Corners Maputo (OCM) programme of the Kingdom of the Netherlands with free internet to empower local university graduates with business skills and tools. Our executives also deliver masterclasses and mentor entrepreneurs. OCM has trained 106 entrepreneurs through its #Biz incubation programme and almost 4 000 through masterclasses and other events. Two years after the first graduation, 91% of these entrepreneurs are independently managing or starting businesses.

Supporting SMEs in the tourism sector

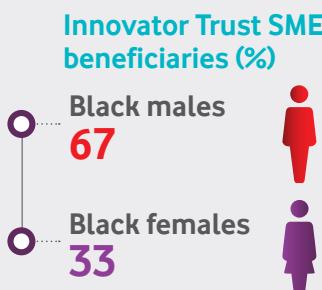
To support SMEs operating in the tourism sector of South Africa, Vodacom introduced the hospitality solution, NightsBridge, aimed at small to medium-sized guesthouses as well as bed and breakfasts. The front desk digital solution manages real-time bookings and provides guests with internet connectivity. Our interest in the tourism sector is motivated by its value in promoting socioeconomic upliftment as it creates jobs, drives exports and generates prosperity.

Digital accelerator

In Tanzania, Vodacom partnered with Smart Lab during the year to empower start-ups through mentorship, connectivity, information and communications technology (ICT) development, innovation and integration, facilitating partnerships and access to relevant markets. To support this programme, Vodacom spent more than US\$150 000 in creating the best performing start-ups that are innovative and relevant in the digital era.

Empowering SMEs through the Innovator Trust

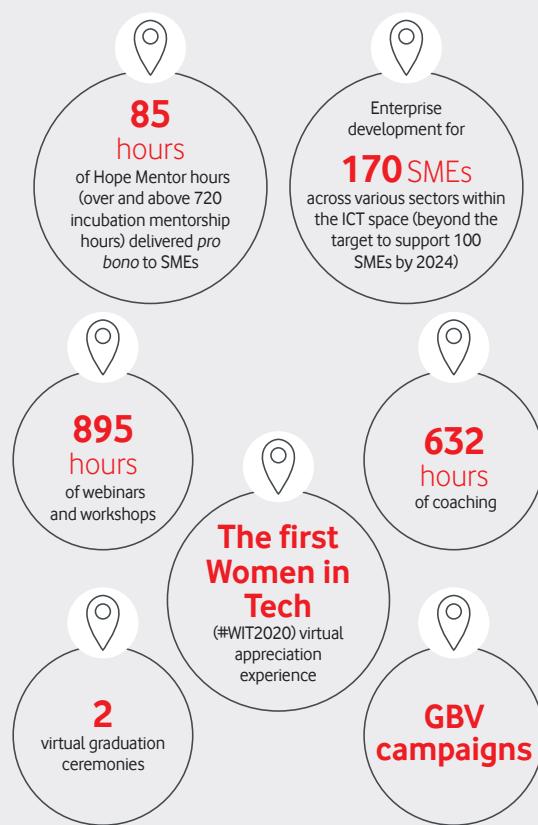
We continue to work with the Innovator Trust to grow small black-owned businesses in the ICT sector.



Vodacom runs the Innovator Trust's supplier development programme. We completed 872 health and safety training hours for 63 SMEs during the year. A selected SME, which completed the generator repairs course, successfully services the Limpopo region with equipment to the value of approximately R6 million. Four newly appointed employees are paid for by Vodacom.

During the year, we also provided entrepreneurial training to 100 unemployed South African youth through the Young Entrepreneurs Programme (YEP), which we launched with the Innovator Trust in 2017. To enable online learning, each YEP beneficiary received a laptop, modem and monthly data bundle at induction. The Innovator Trust also welcomed Vodacom's supply of PPE to beneficiaries.

Highlights of the past year for the Innovator Trust included:



Case study

iThuba initiative

Vodacom's iThuba initiative helps 42 SMEs in South Africa access markets and position their brands. One of our beneficiaries assists peers to develop corporate identities, websites, social media packages and marketing strategies.



Empowering and transforming enterprises in our supply chain

Vodacom has customised mechanisms in place to support SMEs across our markets. In financial year 2021, we spent R4.4 billion (2020: R3.6 billion) on SME procurement through our supply chain processes.

Preferential payment

In South Africa, 186 black-owned SMEs benefit from preferential payment terms within an average of one to 15 days from the date we receive their invoices. Vodacom issued R1.1 billion (2020: R981 million) in early payments. In Lesotho, we adopted faster payment terms for SMEs, and used M-Pesa for SME collections and payments.

Vodacom trade direct portal

Black-owned SMEs submit proposals for tender opportunities. We have access to 97 956 (2020: over 91 000) SMEs through this portal in South Africa.

Health and safety management system

To date, more than 80 (2020: 68) SMEs have benefited from this system in South Africa. In financial year 2021, we enhanced it to incorporate journey management plans, electronic submissions, and approval of health and safety plans and work permits.

Empowering SMEs with FTTx installation equipment

At the end of March 2021, ownership of rented FTTx optical fibre installation equipment, supplied by Vodacom at no cost for 18 months, was transferred to five black-owned SMEs in South Africa. Vodacom also provided training on the use of the equipment at customer premises.

Supplier development voucher initiative

In financial year 2021, Vodacom introduced the supplier development voucher initiative, which has benefited 27 black-owned SMEs. The voucher enables the SMEs to access business needs that range from business plans to legal or tax guidance. Through our partnership with Clinic with Purpose, SMEs can access a wide range of consultancy and training services suitable for their business needs.

Case study

M-Kulima digitises farming in Tanzania

The M-Kulima app used in Tanzania has about 108 000 profiles with information on farm locations, farm size and farmers' gender among others, which enables Vodacom to provide relevant information. We communicated with about 30 000 farmers via SMS during the cotton harvest season in financial year 2021. More than 20 000 small-scale cotton farmers used M-Kulima for cashless transactions of over TZS3.5 billion.

Case study

DigiFarm connects farmers for opportunities in Kenya

DigiFarm offered by Safaricom is an integrated agriculture platform that helps agribusiness and smallholder farmers to access credit and agricultural information and sell their produce in Kenya. Over 1.5 million farmers have registered on the platform with 61 637 farmers using the service end-to-end and 188 350 farmers accessing learning content. Over KShs473 million worth of inputs have been redeemed via the platform to date. Additionally, approximately KShs220 million worth of produce has been sold through the platform.



Interactive platform for agricultural data

Vodacom, through Mezzanine, partnered with Agri Technovation to develop the MYFARMWEB™ solution, which collates data to produce commercially workable information. To date, 950 000 hectares of commercial farm land been mapped in South Africa and 3 600 farmers use the platform.

› Digital solutions for agriculture

90 600

farmers (76% are women) use Connected Farmer in the DRC

3 600

farmers use MYFARMWEB™ (>950 000 hectares in South Africa)

Connecting farmers to opportunities

Our solutions for the agriculture sector enable commercial and subsistence farmers to perform business transactions on their mobile devices. More than 1 644 agricultural businesses in South Africa use the Connected Farmer app to communicate and order merchandise.

In the DRC, 90 600 farmers use the Connected Farmer app. Of this number 61 904 are producers, 21 546 are entrepreneurs and 7 150 are transporters. The app, popularly known as AgroMwinda in the DRC, built-in M-Pesa capability for convenient payments and also provides climate and market information through a USSD short code.

In Kenya, nearly KShs11 million has been disbursed via M-Pesa through the Connected Farmer solution. Smallholder farmers registered in the past few months made more than 12 000 deliveries of milk (some 3.7 million kilograms). In Zambia, nearly 11 000 deliveries of milk were made to local dairies in recent months, totalling over 200 000kg.

e-Vouchering enables cashless value distribution

Our e-Voucher mobile and web-based solution enables cashless value distribution. Vodacom, through Mezzanine, is working with the Solidarity Fund in South Africa to provide 8 200 registered farmers with R2 000 vouchers.

In Kenya, we are supporting Safaricom and the Ministry of Agriculture, Land and Fisheries in distributing vouchers to smallholder farmers in 23 counties. The system was also used by Oxfam to provide basic healthcare and sanitation for people living in three semi-arid Kenyan counties. In financial year 2021, 6 667 vouchers were redeemed (just over KShs1 million).



Financial inclusion*

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



17 PARTNERSHIPS FOR THE GOALS



Target to achieve by 2024

Connecting over 72.6 million lives to financial services

Our performance in FY21



57.7 million
financial services customers (including Safaricom)



M-Pesa (including Safaricom)
328 000 merchants



VodaSure covers
2.1 million lives



More than
10.8 million
customers use Airtime Advance to the value of
R12 billion



US\$24.5 billion
in M-Pesa transactions processed monthly in the fourth quarter, including Safaricom

➤ M-Pesa overview

Over the past 10 years, mobile money has been disrupting traditional financial services and transforming the lives of people across the world. Vodacom's M-Pesa financial services offering is considered a key driver of socioeconomic growth and is becoming a gateway to the digital economy. As communities become increasingly dependent on digital technology, the power of M-Pesa to harness digital finance for sustainable development is encouraging. To ensure that all customers are included in the financial solution, M-Pesa (including Safaricom) is used by more than 328 000 retail and online merchants.

Since launching in 2007, M-Pesa has grown to service more than 44.5 million customers (including Safaricom), a 12.1% year-on-year increase. The platform processed more than US\$24.5 billion in transactions a month in the last quarter, making it the biggest financial services provider in Africa. It has evolved into a broader payment platform that offers access to life-enhancing personal services such as healthcare, education, employment, transportation and social protection – including enterprises, financial services and mobile commerce.

In March 2020, Vodacom and Safaricom acquired the M-Pesa brand, product development and support services from Vodafone Group through a newly created joint venture, M-Pesa Africa. M-Pesa Africa coordinates and implements our M-Pesa strategy, driving product expansion and leveraging best

practice across the portfolio. It is a significant milestone for Vodacom as it will accelerate our financial services aspirations in Africa. The joint venture will enable Vodacom and Safaricom to drive the next generation of the M-Pesa platform – an intelligent, cloud-based platform for the Fourth Industrial Revolution. It will also enable us to promote greater financial inclusion and help bridge the digital divide in the communities where we operate.

Our nano-lending and microloan platforms continue to drive growth in our International markets, giving 15 million first-time borrowers access to basic needs, including food and electricity. In Tanzania, in partnership with Tanzania Postal Bank, Vodacom provides cash for our agents, to ensure their liquidity and cash availability for our customers.

Songesha, our overdraft facility in Tanzania, offers not only customers, but also its agents an overdraft facility, ensuring that our agents are liquid at all times, and able to serve our customers timeously. In Kenya, 1.4 million customers use our overdraft facility, called Fuliza.

In the DRC, Vodacom introduced a savings and loans solution in partnership with microfinance FINCA Bank that enables M-Pesa customers to save and access microloans. People living in remote areas of the DRC can now access payment, loans and savings on their mobile devices without travelling long distances to access traditional banking services.

* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.



M-Pesa has extended its offerings to include a savings capability, which has numerous benefits for individuals and the domestic economy of the countries in which we operate. In Lesotho, we launched our savings offering, Mokhatlo, enabling M-Pesa customers to save for a common goal. It gives a group of M-Pesa registered customers controlled access to a shared account that pays for goods and services. In Mozambique, over 70 000 community members save money through the virtual Xitique wallet.

In Tanzania, our Halal M-Pesa solution, in partnership with Amana Bank, empowers customers to deposit savings in a convenient and safe manner while contributing to various religious and social activities and earning Halal benefits in strict conformity with the precepts of Sharia law. In Lesotho, Vodacom launched Vodasurance, a free funeral cover offered to customers who reach a monthly spend threshold. These customers receive cover ranging from M1 000 to M4 000.

In Tanzania, individual M-Pesa customers can process local and international remittances and make payments to registered merchants across the country. The virtual MasterCard enables M-Pesa customers to purchase from a range of international merchants and content providers. In the DRC, Vodacom partnered with Equity Bank to introduce a foreign exchange product for customers. In Lesotho, we launched a partnership with Hello Paisa, a remittance service provider that enables migrant labourers to send money home to their families. This solution was particularly important during the COVID-19-related travel restrictions and lockdowns.

Vodacom Tanzania's mobile money savings group offering, M-Koba, addresses women's concerns about carrying cash.

Case study

M-Koba addresses women's safety concerns

Vodacom Tanzania partnered with Tanzania Postal Bank to create M-Koba, a group savings solution that enables community members, particularly women, to mobilise savings, investments and microloans. M-Koba has over 20 000 groups using the solution since inception. In financial year 2021, Vodacom Tanzania made the product interoperable so that subscribers from other mobile network operators can save through M-Koba as well.



➤ Ensuring the safety of our communities and agents during COVID-19

M-Pesa drives socioeconomic projects, such as the school feeding and COVID-19 relief project partnership between M-Pesa and the World Food Programme (WFP) in Lesotho. M-Pesa is used to disburse funds to the WFP's 9 800 beneficiaries in different districts of the country. In the DRC, we partnered with the WFP to bring assistance via M-Pesa to 23 000 vulnerable members of society to alleviate the impact of COVID-19 over a period of nine months. Across the DRC, Lesotho, Mozambique and Kenya, we zero-rated person-to-person money transfers on M-Pesa. While this was the right thing to do for our customers and facilitated economic activity, it negatively impacted the M-Pesa service by R2 billion.

During the year, we made every effort to ensure our M-Pesa agents could continue operating safely. In the DRC, we gave agents and merchants access to credit based on prior performance trends. We also offered them between US\$20 and US\$30 every month to help them with necessities, such as water, buckets, sanitisers and face masks. Through Dial An Agent, mobile agents could deliver cash and electronic money in major towns during the hard lockdown. We also partnered with supermarkets and pharmacies to allocate space to M-Pesa agents to allow continued operation.

In Lesotho, we resumed the rollout of kiosks to assist float runners for easy reconciliation. We accelerated agent recruitment and are revising a commission model to improve rural agent liquidity. We also provided agents with funds to purchase soap and sanitising equipment. In Mozambique, we distributed 30 000 handwashing kits to M-Pesa agents and Vodacom street vendors across the country.

Case study

The growth of M-Pesa in Mozambique

M-Pesa has extended beyond basic financial transactions in its portfolio in Mozambique. It now offers a savings product and bank interoperability across 13 000 bank POS terminals. M-Pesa has reached more than 4.9 million customers in Mozambique, driving financial inclusion particularly in remote areas.

➤ Vodacom Financial Services

South Africa's subdued economic performance over the past few years has placed the financial well-being of businesses and households under pressure. This situation was exacerbated by COVID-19. Vodacom Financial Services believes that encouraging financial inclusion, particularly during these unprecedented times, is more important now than ever before. In the past year, the business emphasised the needs of customers and made significant advances in our product offerings. Our central focus is providing innovative and cost-effective digital financial solutions that will disrupt traditional financial service offerings.

Payments

Digital payment solutions have become even more relevant over the past year. We experienced a 25% year-on-year growth in revenue resulting from top-ups through our digital channels. We also enabled utility purchases and bill payments on all our digital channels, as well as giving customers the ability to scan for payment at retailers using the VodaPay QR code at over 150 000 retail points across South Africa. Vodacom launched its very first POS device. The "Max" Android POS device enables merchants to process debit and credit card payments whilst also offering them the ability to vend a range of value-added services to their consumers. To date, Vodacom processes in excess of R92 million per month in payments through the devices and has over 1 700 actively trading merchants.

Case study

VodaPay 2.0 – the super-app

In July 2020, Vodacom Financial Services and Alipay partnered to develop a super-app for South Africa, which will be launched in the next financial year. The zero-rated platform will provide a user-friendly, end-to-end experience that improves transaction efficiency and introduces easy-to-use money management tools. The super-app is underpinned by a digital payments ecosystem to give all South Africans access to a broad range of transformative digital payments and financial services designed to serve people with or without access to banks. Through the VodaPay super-app, our customers will also have zero-rated access to digital lifestyle solutions such as music, games and videos, news, travel, cab-hailing, shopping, overdraft lending and much more. A number of big retailers have signed up to sell their products through the VodaPay super-app.

Promoting access to connectivity and lending

Airtime Advance continues to provide airtime without immediate payment, improving accessibility of connectivity. This year, we advanced R12 billion in airtime, an increase of 21.1%, growing our customer base to 10.8 million customers in South Africa as we helped citizens impacted by COVID-19 during the months of hard lockdown. Airtime Advance accessibility has been expanded to customers across all Vodacom channels and continues to provide convenience to our customers.

Vodacom's SME-focused lending solution (VodaLend Business Term Advance) continued to grow after its recent launch, advancing over R74 million in funding to 330 SMEs during a period in which COVID-19 had impacted numerous small businesses across South Africa. In addition to growing this product, the Business Cash Advance product was launched, allowing seamless advances to VodaPay POS customers with a few clicks, and daily repayment through POS transactions. During the year, SME products have been expanded to include free legal assistance, as well as marketing assistance, supporting the growth of small business in South Africa.

Case study

Growing the Bread Box Bakery

Supported by VodaLend, the Bread Box Bakery purchased an industrial oven and equipment to start a baking school. It has since expanded its range and employed more people. The owner also shares her business knowledge and skills with other SMEs. During the COVID-19 lockdown period, the Bread Box Bakery fed more than 100 children in Midrand, South Africa.



Insurance

VodaSure, our insurance solution launched in 2019, adds 5 000 policies a month, with the overall insurance solutions reaching 2.1 million policy holders. The business also developed a variable pricing model to adjust pricing according to a customer's risk profile. This pricing strategy generated R30 million in insurance revenue. VodaSure delivered online doctor's consultations and COVID-19 education for customers. The aim was not only to provide inclusive healthcare services for all but also to assist in curbing the spread of COVID-19 and the resultant overcrowding in South Africa's healthcare facilities.

VodaTrade

Our VodaTrade platform services enterprise and SME customers, enabling annual trade of R200 billion. In this past year, VodaTrade had 7% year-on-year growth in revenue. VodaTrade enables small suppliers to transact with large organisations and complex systems. It also sets the foundation for additional SME services, such as supply chain finance and insurance, expected in the second half of the year.





Inclusion for all

Vodacom believes that opportunities and the promise of a better digital future should be accessible to all. Through our technology, we will help bridge the digital divides that exist in our societies. Our digital inclusion approach provides solutions that connect women and youth, and promotes education, health and wellness while preparing the next generation for a digital society. These solutions are supported by the Vodacom Foundation with an investment of over R173 million in CSI projects across our markets.

Inclusion for all at a glance

Poverty alleviation through education



>1.25 million e-School users in South Africa

Gender empowerment



1.9 million Mum & Baby users in South Africa



Instant Schools: 150 000 users in Tanzania and 113 840 in DRC



Tanzania: **1.3 million** Healthy Pregnancy Healthy Baby users



Democratising education*

4

QUALITY EDUCATION



8

DECENT WORK AND
ECONOMIC GROWTH

17

PARTNERSHIPS
FOR THE GOALS

Our 2025 target

Connecting over
six million lives through
education by 2025

Our performance in FY21



305 700
teachers
trained in
92 teacher centres



Zero-rated
education for
>3 000
schools



>R7.9
million
on free connectivity for
92 teacher centres



>R6.7
million
in youth academy training

Vodacom South Africa provided free access to more than **1 000 internet sites** which include **job portals**, **education content**, **health** and **wellness** information and selected government sites, among others.

Video conferencing solution for 92 teacher centres and 13 schools of excellence

Case study

The Vodacom Foundation has rolled out a video conferencing solution at the 92 teacher centres adopted by Vodacom across South Africa. The video conferencing solution enables the broadcasting of lessons from the teacher centres to several other organisations, schools and learners. The video conferencing facility supports teachers by enabling direct contact with one another and their learners, as well as the recording of content for future use.



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.



Overview of the Vodacom Foundation

Through the Vodacom Foundation, we create possibilities that will change lives. Since 1999, the foundation has invested over R1 billion to leverage ICT solutions to improve access to education and support the fight against GBV.



During the year, the Vodacom Foundation embarked on a strategy refresh and defined two strategic programmes:

The education ecosystem, which focuses on all education levels – from early childhood development (ECD) to adult education – and encompasses support to learners, teachers, parents and communities, by providing adequate learning material, nutrition and maintaining infrastructure.

Gender empowerment programmes, which focuses on the development and empowerment of women, including the prevention of and response to GBV and empowering the survivors as well as female farmers' training and empowerment.

The refreshed strategy also aligns with the two UN SDGs adopted by the Vodacom Foundation:



SDG 4 Quality education



SDG 5 Gender equality

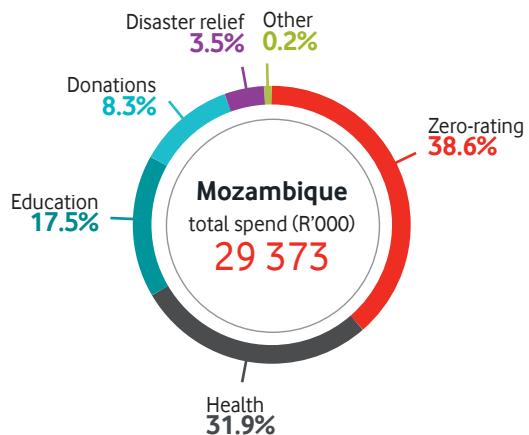
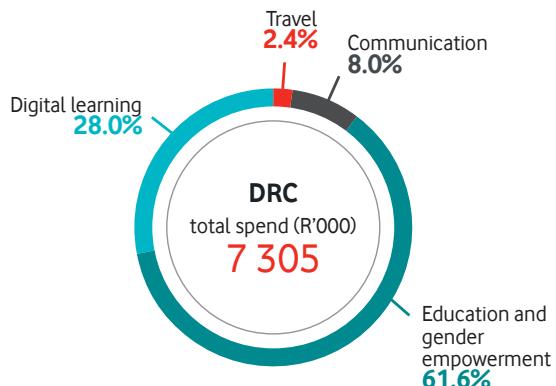
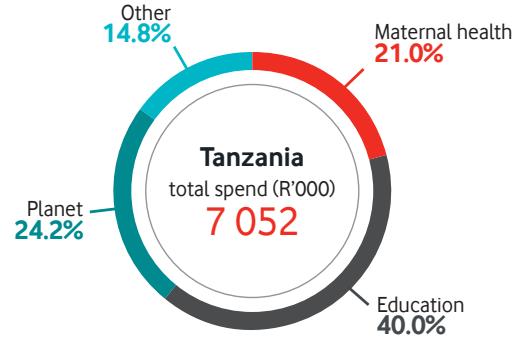
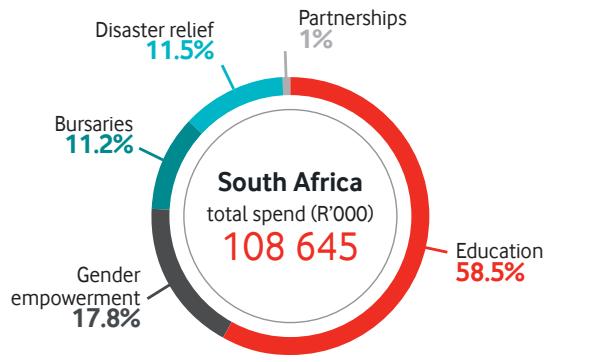
The Vodacom Foundation's strategy emphasises our socioeconomic impact on our communities and aligns with our purpose of connecting for a better future.

Vodacom CSI spend

(R'000)	2021	2020	2019	2018	2017
South Africa	108 645	95 024	89 831	90 449	90 593
Lesotho	20 315	6 342	3 625	1 291	6 533
Mozambique	29 374	28 242	47 338	11 754	2 620
Tanzania	7 052	8 919	7 451	5 373	6 155
DRC	7 305	7 372	4 275	1 944	5 900
Total	172 691	145 899	152 520	110 811	111 801

Total spend

R173 million



› School management platform helps governing bodies

Vodacom's school management solution enables access to information for oversight groups to improve education. The solution supports the implementation of transformative standards for policy makers and enables quality education input and supplier management. To date, this school management platform has been introduced to more than 590 schools in the Free State in South Africa.

Case study

Digitising administrative processes in government

A South African provincial department of education has developed a learner admission system with 50 000 users in partnership with Vodacom. Through the system, citizens can place their children in schools and verify documents from the comfort and safety of their homes. The solution identifies five schools within a feeder zone (as defined by the provincial department) and submits the application for admission to one of these schools. These applications are approved systematically and fairly, based on the applicant's address.



› Vodacom education ecosystem founded in South Africa

In support of the government's comprehensive approach to delivering on its Education Vision: 2030, the Vodacom Foundation's education ecosystem supports the provision of quality education based on its six pillars. Our approach considers all levels of education, from ECD to adult education, and encompasses learners, teachers, parents and communities. We also focus on access to adequate learning material, infrastructure and nutrition.



› Leap Communicator shares healthcare information

Leap Communicator provides training to healthcare workers across Africa via text and audio messages on a feature phone and smart device. In South Africa, 30 000 training messages were sent to community healthcare volunteers and 700 IVR activities were conducted.

Pillar**1 ECD centres**

The Vodacom Foundation is committed to upgrading and renovating 15 ECD centres across South Africa. To date, we have completed upgrades of 14 ECD centres, which also received ICT equipment and a mobile library. More than 590 learners have benefited from these upgrades and renovations.

Pillar**2 Infrastructure and ICT**

At the centre of each of our 13 education ecosystems is the "school of excellence", which demonstrates leadership by promoting academic excellence and enabling quality education in previously disadvantaged communities. Vodacom provides each school with a computer centre and security, and responds to education-related infrastructure needs.

Pillar**3 Teachers**

Vodacom collaborates with the Department of Basic Education, Microsoft and other organisations in training teachers to integrate ICT in the classrooms – 92 teacher centres are furnished and maintained with unlimited connectivity. In light of COVID-19, Vodacom conducted site inspections at all Vodacom-supported teacher centres and 13 schools of excellence to ensure they comply with health and safety regulations.

Pillar**4 Communities**

The teacher training centres in our ecosystem serve as technology hubs for communities to access the internet. More than 1 600 female farmers have received digital skills training in these centres. Through the Vodacom Youth Academy, Vodacom has trained 1 480 graduates in Cisco and Microsoft-accredited programmes since its inception in 2013. The Media, Information and Communication Technologies Sector Education and Training Authority verified over 148 graduates in financial year 2021. Vodacom continues to partner with the Media, Information and Communication Technologies Sector Education and Training Authority in training the youth in ICT skills. Vodacom plans to fund 100 learners at a cost of R3.5 million for the Youth Academy learnership. In total, Vodacom will spend R8.6 million on the delivery of the Youth Academy programme in the next financial year.

**Pillar****5 Partnerships**

The Vodacom Foundation has invested more than R90 million in 14 non-profit organisations (NPOs) and improved the lives of more than 83 800 people since 2000, focusing on education and gender empowerment.

Pillar**6 Learning materials**

Learning materials are key to effective teacher and learner support. In partnership with the Department of Basic Education, the Vodacom Foundation provides free unlimited internet access to quality digital curriculum and assessment policy statement-aligned content through the e-School platform.

Vodacom conducted an assessment of 1 000 learners using e-School in financial year 2021 to improve the portal user experience. Based on the assessment, about 50% of the sampled population enjoys using e-School, while others indicated that they would recommend it to fellow learners. There is evident excitement and enthusiasm of learners using the video platform – some learners tell stories of e-School helping to improve their performance in specific subjects. Device affordability, connectivity and basic digital literacy were identified as barriers to accessing e-School.

➤ Social initiatives democratising education in International markets

Accessing education through Vodacom's Instant School

Vodacom's Instant School is an e-learning portal providing free access to online learning materials in Tanzania, Mozambique and the DRC. The portal integrates curriculum-aligned learning material, particularly for science, technology, engineering and mathematics (STEM) subjects in various formats, including videos. Vodacom Tanzania serves more than 150 000 learners through the e-learning portal, while 74 720 learners are reached directly through school outreach initiatives. Furthermore, Vodacom Tanzania has donated computers, routers and connectivity to more than 123 high schools.

Enabling internet access and connectivity in schools

Vodacom DRC partnered with the Ministry of Education to introduce the zero-rated VodaEduc e-learning platform, which connected more than 53 000 learners and educators over three months and currently has more than 113 840 users. Through VodaEduc, we offer free digital lessons to learners and teachers on their mobile devices and laptops. VodaEduc is the first online school in the DRC providing free access to online learning material. We also launched a scholarship programme, Bouse Exetat, to promote the use of VodaEduc. In financial year 2021, 75 learners were granted scholarships to attend university. The Vodacom Instant School provides free access to learning materials and quality learning for primary and secondary learners, which is aligned with the DRC's national education programme, and includes preparation resources for the national state examination.

Through our partnership with the Lesotho Communications Authority, Vodacom provided free internet connectivity to 160 schools in rural areas. Learners can also access online material while we plan to extend this programme to 300 additional schools by 2023.

Case study

Supporting schools in Mozambique

In Mozambique, the Vodacom Foundation implemented training in digital literacy and provided 17 000GB of free connectivity through Vodacom Faz Crescer. Vodacom Faz Crescer also equipped 32 schools with more than 600 computers, 1 000GB of free internet, books and digital content, reaching approximately 140 000 people in financial year 2021. Furthermore, the Vodafone Foundation and the United Nations High Commissioner for Refugees developed the Instant Network Schools (INS) programme to enhance the quality of education in refugee camps through connectivity and technology. To date, 36 INS facilities support over 86 000 refugee learners and 1 000 teachers. In December 2020, two INS programmes were set up in the province of Nampula in collaboration with the Ministry of Education. Through these two schools, the INS programme is expected to reach 8 605 learners, 216 teachers and, indirectly, 25 815 community members.



Empowering youth*

4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



17 PARTNERSHIPS FOR THE GOALS



Our 2025 target

Connecting over nine million lives in South Africa through our youth and women empowerment programmes by 2025

Our performance to empower youth in FY21



3.5 million
young people on NXT LVL



>598 000
Future Jobs Finder users



› Digital platform to empower youth

Vodacom NXT LVL gives over 3.5 million South Africans under the age of 25 access to affordable connectivity and preferential rates on value bundles and devices, digital skills, and lifestyle and entertainment services. Vodacom offers youth 1GB deals from R19, launched Future Jobs Finder and zero-rated the National Mentorship Movement and YES – a joint initiative between government and businesses to employ one million youth. During the COVID-19 lockdown, Vodacom NXT LVL ran a series of virtual #EarlyCareersXpos to help youth access information on graduate jobs and seminars, entrepreneurship and how to create online business profiles. The #EarlyCareerXpo reached six million youth in South Africa and resulted in 69 million impressions. Additionally, Vodacom's Future Jobs Finder empowers young job seekers to match their personalities and aptitudes with digital careers, upload their career profiles, access information on institutions that offer digital skills training, and search and apply for jobs online at no cost. In financial year 2021, among the 8 011 active users, 4 900 completed their profiles and were matched to jobs of the future.

› Preparing youth for a digital future

Vodacom's Code Like a Girl programme develops coding skills for girls in high school and encourages them to pursue a career in STEM fields. This year, 174 girls were trained, bringing the Group total to 1 672 (2020: 1 498). The programme can only be done face-to-face as most of the girls are from previously disadvantaged communities without online infrastructure. In financial year 2021, 258 girls completed four digital skills workshops in Tanzania. In the DRC, 103 girls were trained in computer languages and development programmes.

Furthermore, the Vodacom Kids Lab promotes computer science as a possible career through holiday camps and birthday parties. During the year, Vodacom introduced coding skills to 97 children in grades R to 9.

In Tanzania, Vodacom launched Chimbo La Vijana to provide affordable access to education, entertainment, discounted data and customer care for young customers. In addition, Uni Offers provides access to discounted social, data and text bundles to more than 420 000 university students. The bundles are available via the MyVodacom app and payments can be made using M-Pesa.

* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

➤ Empowering young people through social investment activities

Youth development programme

Vodacom's youth development volunteer programme gives graduates from the Vodacom Youth Academy programme an opportunity to practise their new skills and gain valuable work experience. Since its inception in 2018, 90 volunteers have been placed in eight Vodacom-sponsored NPOs, 12 schools of excellence and nine teacher centres. This programme has directly impacted the lives of more than 12 600 beneficiaries in the NPOs as well as the learners and educators in the schools. In financial year 2021, 16 graduate trainees took part in our youth development volunteering programme.

Employee social impact initiative

In Mozambique, 20 new proposals were submitted in financial year 2021, for activities to support employees' communities and charities of their choice. Vodacom provides technical assistance for project design and delivery, funds and employee time. To date, almost 4 000 people have been reached through different activities.

In the DRC, employees participate in volunteerism activities every year in December as part of the Mandela Day and Cara and Share campaigns. More than 100 employees packed food distributed to NGOs, orphanages, a senior citizens' home and a hospital. In addition, employees support the national blood transfusion centre.

Case study

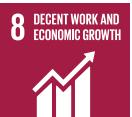
Vodacom's virtual tutoring employee volunteerism programme takes off

The national lockdown has seen drastic changes in the way people live and work. This has impacted Vodacom's volunteerism programme. Employees volunteered as virtual tutors to provide STEM education to learners with monthly data bundles donated by Vodacom in financial year 2021. After an employee in our Big Data department tutored a Grade 12 learner in our KwaZulu-Natal school of excellence every weekend for six months, the learner's marks improved from 40% to over 60% and she was able to successfully apply to her university of choice.





Empowering women*

3 GOOD HEALTH
AND WELL-BEING4 QUALITY
EDUCATION5 GENDER
EQUALITY8 DECENT WORK AND
ECONOMIC GROWTH17 PARTNERSHIPS
FOR THE GOALS

Our 2025 target

Connecting over nine million
lives through our youth and
women empowerment
programmes

Our performance to empower women in FY21



14.6
million
female customers
connected



R4.5
million
invested in digital skills
training for GBV survivors
in South Africa



› Advancing women's health and well-being

Digital platforms to advance women's health and well-being

Vodacom is committed to increasing connectivity for women by using mobile technologies to enhance their quality of life through programmes that enable financial inclusion, improve health and well-being, and build education, skills and entrepreneurship. A leading example is our Mum & Baby service, a zero-rated mobile health service introduced in 2017 that provides 1.9 million registered subscribers with information on maternal, neonatal and child health and well-being in South Africa. In financial year 2021, the DRC introduced Mum & Baby with 3 300 registered users and an intention to increase this to 200 000 by 2025.

In response to COVID-19, our Mum & Baby platform provided a COVID-19 assessment functionality. Furthermore, we partnered with local retailers to reward customers with coupons for relevant lifestyle products, including nappies and baby food.

In Tanzania, the Healthy Pregnancy Healthy Baby platform – locally known as Wazazi Nipendeni – is a text-to-treatment (SMS) programme that provides Vodacom subscribers with real-time health information. The platform provides maternal health information to more than 1.3 million registered customers and other beneficiaries in healthcare.

Treating obstetric fistula

More than 6 214 obstetric fistula operations have been performed in Tanzania since the Vodacom Foundation project began in 2012. M-Pesa provides funds to women who travel long distances to healthcare facilities for treatment. In the DRC, the Vodacom Foundation provides free surgery, hospitalisation and accommodation for 30 women with obstetric fistula. The women also receive business skills training to help them reintegrate into their communities in the DRC. The United Nations Population Fund raises funds for this cause via M-Pesa. Since 2020, we have also supported the Save a Life campaign, launched by the minister of gender, family and children, with the United Nations Population Fund. Vodacom donated US\$10 000 to support 30 women at Saint Joseph Hospital, ran an awareness campaign via SMS and raised funds to support socioeconomic reintegration.

Emergency digital transport solution

In Tanzania, the Vodacom Foundation uses a network of over 150 taxi drivers to efficiently respond to emergency calls and also transport pregnant women and those who require cancer treatment, to the nearest hospital. Since 2013, when we introduced the M-Mama programme, over 11 330 women received emergency transport and maternal mortality rates reduced by 27%. The taxi drivers are paid through M-Pesa. In the next financial year, the Vodacom Foundation plans to also introduce a low-cost emergency transport solution for pregnant women, new mothers and babies in Lesotho.

Capacity building for vulnerable women

In the DRC, Vodacom Foundation has partnered with Femmes Mission Solidaire to train 50 girls with albinism, the manufacture of cosmetic products.

* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

› Social investments to empower women

Interventions to prevent GBV

In 2014, Vodacom partnered with the South African Department of Social Development to launch the GBV command centre. The centre serves as a mechanism for prevention and counselling for survivors and perpetrators. During the COVID-19 lockdown, there was a significant increase in the number of GBV-related phone calls to the command centre. To illustrate the depth of the problem, in 2019, the total number of calls, SMSs and USSD messages to the GBV command centre was over 96 600, of which over 1 800 related to GBV. In 2020, between 1 January and 30 December, the command centre received 180 909 phone calls, SMSs and USSDs, of which 6 726 related to GBV.

The Vodacom Foundation donated PPE to assist with the increased number of social workers needed to answer the high number of phone calls. Vodacom provides digital literacy to survivors of GBV to empower them. Since its inception, Vodacom has spent R4.5 million on computers and training of more than 1 400 survivors of violence in shelters across the country. In addition, Vodacom hosted three virtual sessions on GBV, with more than 8 000 people logged in to the events at a time.



Case study

Vodacom launches zero-rated Bright Sky SA app

In financial year 2021, Vodacom launched the zero-rated Bright Sky SA app, which provides support and information to anyone in an abusive relationship. The app is an important part of Vodacom's bid to help fight GBV, strengthen prevention through awareness and education, and direct people affected by GBV to available support services. It is available in three official languages: English, isiZulu and Sesotho.

In Lesotho, Vodacom introduced the Nokaneng app in partnership with GIZ to address GBV and human rights violations. During the year, the app was enhanced to work on feature phones. To date, more than 3 117 users have registered and 917 queries have been addressed. Furthermore, the Vodacom Foundation worked with the ministry of gender and police services to renovate and support two GBV centres.



Fighting GBV through the #BeTheLight campaign

The #Bethelight campaign continued throughout the year, one of the ways the Vodacom Foundation proactively fights GBV. The foundation hosted various panel discussions and worked closely with our marketing team to ensure that messaging on our social media platforms was continuous and not only a feature during the 16 Days of Activism Against GBV campaign. As part of our campaign, we hosted our annual GBV walk virtually this year. On 4 December 2020, Vodacom employees walked in their residential and community spaces, and tagged Vodacom on various social media platforms.



Change the World programme

Violence in schools has become more prevalent, especially against girls. Vodacom's Change the World programme aims to address some of these issues by placing 10 psychosocial professionals, including psychologists, social workers and counsellors, in South African schools. The objectives of the programme include:

- Encouraging dialogues about violence (specifically GBV) in schools;
- Assisting educators and learners to understand GBV and recognise the signs and symptoms among afflicted learners; and
- Helping educators and identified learners with tools to assist survivors of violence.



Training female farmers in ICT skills

The United Nations Women and South African Women in Farming, together with the Vodacom Foundation, implemented a programme to equip female farmers with ICT skills. The programme introduces technology that enables communication and access to relevant information; financial solutions; and potential buyers. Since the programme started in October 2018, 1 600 female farmers and 11 field workers have been trained in digital literacy and in using the Connected Farmer app. Between February and March 2020, more than 350 farmers were registered on the app.

In the DRC, Vodacom partners with the World Bank, the Food and Agriculture Organisation 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. In the DRC's Kongo Central region, Vodacom and the World Bank have trained 11 000 female farmers in technology-based farming.

Also in the DRC, we collaborated with the AgroMwinda web platform to enable financial inclusion via M-Pesa. Together with the World Bank through the Ministry of Agriculture, over 7 500 female farmers were trained in mobile technology-based farming to increase production and online marketing. We also established an agribusiness credit product in partnership with AgroMwinda and the World Bank.

› Social investment initiatives: partnerships to empower women and children

Smile week

The Smile Foundation, a South African NGO, helps children with facial abnormalities to receive reconstructive surgery. The Vodacom Foundation has supported the Smile Foundation for 20 years, changing the lives of more than 3 700 children. In financial year 2021, Smile Week took place at the Universitas Academic Hospital in Bloemfontein where a medical team performed operations on 24 children.

Technology to eradicate malaria in Mozambique

In partnership with Goodbye Malaria and the Ministry of Health, the Vodacom Foundation provides malaria-spraying services in vulnerable communities of Mozambique. In financial year 2021, this was done by a team of 2 500 people – a 25% increase from the previous year – spraying 18 districts in three provinces of southern Mozambique, and protecting the lives of over two million people. Vodacom funds the annual spraying campaigns in Maputo, Gaza and Inhambane, as well as free devices and data bundles to enable use of an app that tracks communities and households.

Partnership with government in Tanzania

The Vodacom Tanzania Foundation donated US\$1 million towards equipment and supplies to assist the government, as well as meals for 700 people at quarantine centres. Between May and July 2020, 1 260 patients at the Amana and Temeke hospitals were also assisted with meals. In addition, we participated in the global Vodafone Foundation's Hardship Fund to match employees' fundraising efforts through M-Pesa. We collected about TZS549 500 for the Medical Association of Tanzania.

Relief efforts in Mozambique

Approximately 12 institutions supporting 1 340 people across the country received Christmas donations in December 2020 and January 2021. Among these institutions were refugee shelters in Manica, Cabo Delgado and Nampula, for people affected by the ongoing conflict in the central and northern parts of the country, as well as orphanages, safe places for elderly people and healthcare units. The donations included basic food products, hospital equipment, mattresses, *capulanas* (traditional sarongs), toys and children's books. Vodacom collaborated with several partners, including government institutions and NGOs, in this initiative.



Supporting customers with specific needs*

4

QUALITY EDUCATION



8

DECENT WORK AND ECONOMIC GROWTH



9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



Our 2025 target

Connecting over four million lives through our disability programmes in South Africa

Our performance in supporting customers with specific needs in FY21



Discounts
and a contact centre
for disabled people



More
free data
during COVID-19
lockdown



**Text-based
emergency
services**
and special voicemail
for deaf customers



Easy-to-use
phone for
elderly people



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

► Focus on consumers with specific needs

Vodacom continues to drive digital inclusion through our specific needs office. The office team is led by people with disabilities who design and drive our digital inclusion strategy for consumers with disabilities. The teams work in partnership with various disability organisations and people with disabilities to design or enhance products and services.

Vodacom South Africa has provided accessible products and services for people with disabilities since 2004, when we launched the first accessibility initiative.

Special monthly discounted contract deals – exclusively for people with disabilities

We offer exclusive discounted contract deals at selected stores and online for people with various disabilities.

Additional free data provided during COVID-19 lockdown

During the lockdown period, we donated free 5GB data bundles for a period of three months to registered customers with disabilities in addition to the other ConnectU benefits for all subscribers.

Special voicemail option for deaf customers

An IVR option enables callers to send a detailed SMS to the recipient instead of leaving a voice message.

Text-based emergency services for deaf customers

We provide two types of emergency services for Deaf, hearing and speech-impaired Vodacom customers: emergency SMSes and Vodacom's 112 emergency app.

On 3 December 2020, Vodacom became one of the first signatories to the group managed service accounts principles for driving digital inclusion of persons with disabilities. The principles will play an important role in ensuring that mobile operators implement accessibility strategies that promote digital inclusion of disabled consumers. We are committed to developing more relevant products and services for our customers with disabilities in 2022.

Dedicated contact centre for people with disabilities

We have a dedicated contact centre for people with hearing loss and hearing impairments to reach via SMS (12580), email (specificneedsqueries@vodafone.co.za), a free phone call (082 12580) using a Vodacom SIM, the Vodacom app and website where users can log queries, as well as social media platforms (Facebook and Instagram using #specificneeds).

Easy-to-use phone for elderly people

The Alcatel 2019 is a tailor-made device for senior citizens with a large, easy-to-use keypad for voice calls and SMSes.

TOBi – our chatbot

Information about accessible products and services are available on the TOBi WhatsApp platform.

Smart digital training centres

Vodacom partners with various organisations to ensure that people with disabilities receive training in the use of smart devices and their accessibility features.





Planet

Vodacom has always believed that the success of our business should not come at a cost to the environment. This belief was amplified over the past year when the outbreak of COVID-19 compelled us to reflect more closely on the relationship between the planet's health and our economic and social well-being.

Over the past few years, it has become evident that collective action is needed to create a better future for everyone. As a company with a footprint that extends across Africa, we need to be intentional about our efforts to create a more inclusive, sustainable future for all while ensuring we are resilient, flexible and adaptable.

As we adjust to the new normal, we remain committed to operating responsibly by reducing our energy and water consumption as well as waste generation to preserve our natural resource base. Vodacom is a leader among peers in mitigating the risks and harnessing the opportunities presented by ESG challenges, and we have an important role to play in keeping people connected while responding to their needs for health, education, safety and security.

Vodacom Group

	2021	2020	2019	2018
 Electricity consumption (GWh)	634	608	617	587
 Water consumption (megalitres)	147	256	275	213
 E-waste recycled (tonnes)	573	977	580	426



Energy and climate change*



Target

50% reduction in GHG emissions by 2025
(baseline: 2017)

Our performance in FY21



R16 million
energy costs saved



12 272 mtCO₂e
GHG emissions reduced



11 971 MWh
electricity saved



We currently have
1 088
solar-powered sites



1 183 898 kWh
renewable energy sourced
from the PPA in FY21

Cumulative savings since FY2017



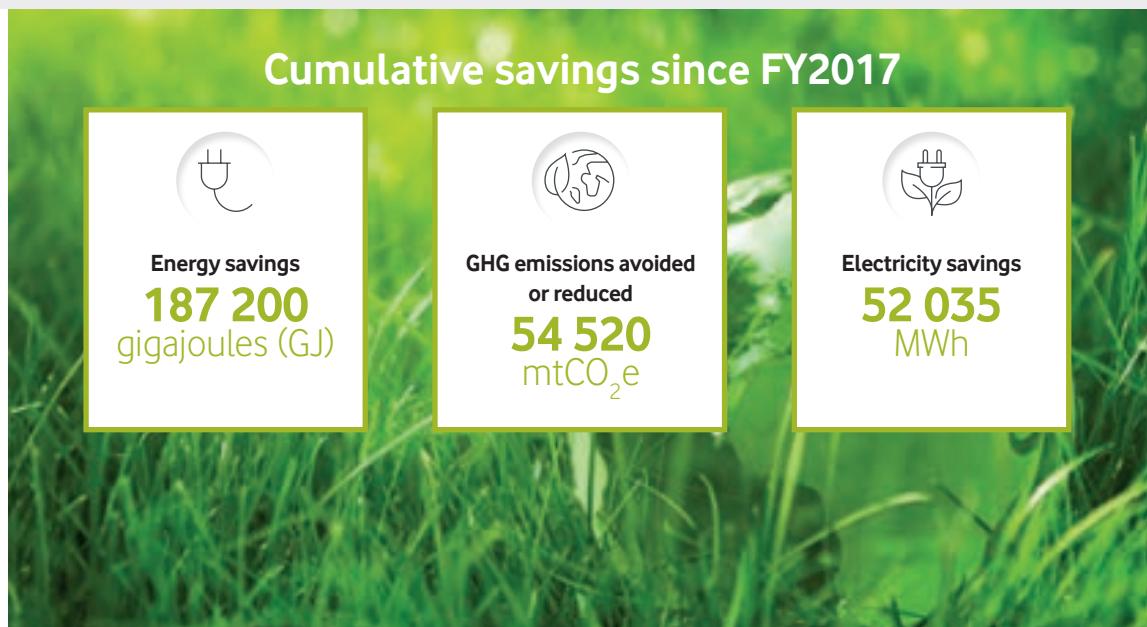
Energy savings
187 200
gigajoules (GJ)



GHG emissions avoided or reduced
54 520
mtCO₂e



Electricity savings
52 035
MWh



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

Vodacom Group GHG emissions profile

	2021	2020	2019	2018
Direct GHG emissions (Scope 1 in mtCO ₂)*	55 757	54 070	48 774	45 652
Indirect GHG emissions (Scope 2 in mtCO ₂)**	553 982	556 822	516 600	508 755
Indirect GHG emissions (Scope 3 in mtCO ₂)***	64 729	86 086	74 306	74 051
Total GHG emissions	676 008	697 000	640 910	630 371
Access network electricity (GWh)	462	434	417	383
Core network electricity (GWh)	82	85	92	91
Data centre electricity (GWh)	52	50	57	60
Building electricity (GWh)	33	39	51	52
Fuel consumption (diesel and petrol) (million litres)	20	19	18	17
Network equipment and handsets recycled (tons)	573	977	580	426

* Scope 1: This category accounts for emissions from Vodacom-owned facilities, equipment and vehicles, including diesel generators, fuel consumed by company vehicles and fugitive emissions from refrigerant gases used to cool the company's facilities.

** Scope 2: Also known as indirect emissions, this category accounts for emissions from electricity purchased by Vodacom from the national grid or an IPP.

*** Scope 3: These are indirect emissions from upstream and downstream activities by Vodacom's suppliers and service providers, including business travel, courier services and paper consumption.

› Context

Energy and climate change risks and opportunities

The macroenvironment in which we operate is becoming increasingly uncertain and complex.

The global megatrends impacting on our business are interrelated and include:



Proactively addressing these trends, as well as collaborating with others, is key to building resilience and long-term sustainability. The governments of the DRC, Lesotho, Mozambique, South Africa and Tanzania, as signatories to the Paris Agreement, have submitted nationally determined contributions on achieving their long-term goals for climate resilience and GHG emissions.

Financial and regulatory environment

The Financial Stability Board in Switzerland, recognising that climate change presents a significant risk to global financial markets, established the Task Force on Climate-related Financial Disclosures (TCFD). Vodacom South Africa is currently undergoing a TCFD scenario-based risk and opportunity assessment, which will help identify specific transition, physical, regulatory and reputational risks that will result in monitoring and reporting at regular intervals.

We comply with energy-related legislation and additional voluntary commitments, while also remaining committed to continual improvement. We have set targets for energy and GHG emissions, and consider energy performance when designing, building and operating our infrastructure. We also ensure energy performance is considered when sourcing equipment, components and services. In addition, we promote awareness and provide energy efficiency training to our employees. During the year, employees from facility and technology units in South Africa received ISO 50001 training to understand the benefits of the energy management system.

In February 2019, the Carbon Tax Bill was passed in alignment with South Africa's commitment to the Paris Agreement to reduce GHG emissions by 42% by 2025. The first phase of South Africa's carbon tax came into effect in June 2019 and will run until December 2022, after which it will be reviewed. The carbon tax follows the polluter pays principle, where companies that exceed the stipulated threshold activities will be penalised R120 per tonne of carbon dioxide (CO₂). With phase 1 of the carbon tax initiated in October 2020, Vodacom was required to go through the filing process with the South African Revenue Service (SARS), although no tax is payable in this first phase.

We spend over R900 million on energy across Vodacom Group every year, which is likely to increase in the future. There is a significant opportunity to explore the use of alternative energy sources in the country.

The South African energy crisis places our business under immense pressure. The country's national power utility continues to implement load shedding to ease its capacity constraints, which adversely affects our operations' electricity supply. Therefore, we increasingly rely on batteries and diesel generators for backup power. This, together with sporadic battery theft and vandalism at our network sites across the country, affects our business continuity, network quality and overall customer experience. We have invested R1 billion in lithium-ion batteries, which are tamperproof, have a longer useful life than lead acid batteries and are less harmful to the environment. We are also working with our suppliers and business partners, as well as energy industry experts, to explore ways to build more resilient and sustainable networks.

We spend over R900 million on energy every year, which is likely to increase in the future. There is a significant opportunity to explore the use of alternative energy sources in the country. Vodacom is encouraged by the recent announcements on 10 June 2021 made by the President of South Africa regarding amending schedule 2 of the Electricity Regulation Act to increase the National Energy Regulator of South Africa licensing threshold for embedded generation projects from 1MW to 100MW.

Our network operations in the Sofala, Manica and Zambezia regions of Mozambique were severely impacted by the recent cyclone, with damage to infrastructure estimated to be around US\$2.2 million. Recovery measures include repairs to towers and restoration of fibre cables. Fortunately, no employees or contractors were physically harmed by the cyclone. Assessments are under way to identify vulnerable sites and to build resilience to severe weather events, which persist in the region.

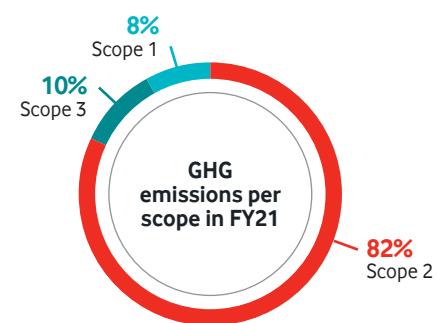
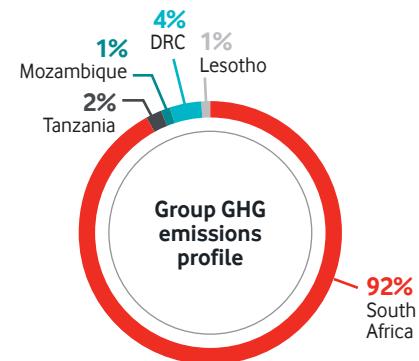
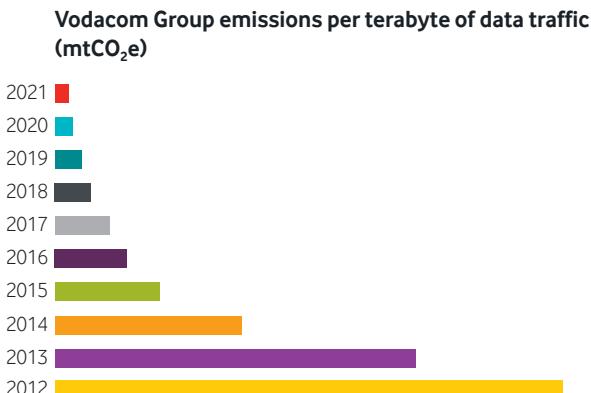
› Energy consumption

Vodacom Group's access network comprises over 23 000 base station sites spread across various locations in our operating markets. Much of the energy consumed across our businesses is split between multiple sites that consume relatively small amounts of energy. Our investment in energy efficiency programmes over the years are yielding positive results. Electricity consumption in core networks and buildings has been decreasing over the past three years as a result of energy efficiency. Access network electricity increased as we continued to implement 5G and respond to the growth in network traffic.

GHG emissions profile

Vodacom's primary source of carbon emissions is the Group's electricity consumption from access (76%), core (11%), data centres (9%) and buildings (4%). As our largest operating market, South Africa is the main contributor of carbon emissions through the use of electricity to power 14 635 base station sites across the country. Vodacom South Africa accounts for approximately 92% of Group emissions with the remainder attributed to our 8 295 sites in the DRC, Tanzania, Mozambique and Lesotho. We measure our carbon footprint in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. We also submit an annual report to the CDP.

The graph below illustrates Vodacom Group's carbon intensity in comparison with the terabytes of data traffic in the network. It also compares the reduction in carbon emissions per terabyte of data in the network with growth in data traffic since financial year 2012.



Quality assurance

In the 2021 financial year, Vodacom conducted an external assurance audit of Scope 1 and 2 carbon emissions in our South African operations as shown in the table below. The assurance statement provided by PwC is included as Appendix A to this report.

Scope 1 carbon emissions



From diesel use in stationary equipment (network sites, data centres and buildings, among others) in mtCO₂e



From company-owned mobile fleet in mtCO₂e

Scope 2 carbon emissions



From purchased electricity (network sites, data centres and buildings, among others) in mtCO₂e

Scope 3 carbon emissions



From upstream and downstream activities of Vodacom's suppliers and service providers (business travel, courier services and paper consumption, among others) in mtCO₂e

Group carbon footprint in FY21 (mtCO₂e)

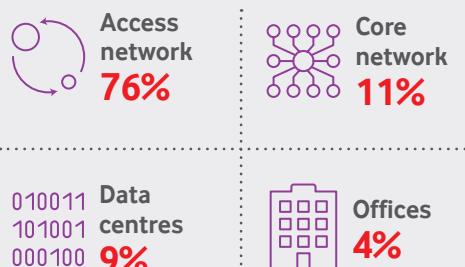
	South Africa	International	Vodacom Group
Scope 1			
Stationary fuel	15 810 [^]	34 130	49 940
Fugitive emissions	2 314	–	2 314
Mobile fuel	1 100 [^]	2 403	3 503
Total Scope 1	19 224	36 533	55 757
Scope 2			
Purchased electricity	542 308 [^]	11 674	553 982
Total Scope 1 and 2	561 532	48 207	609 739
Scope 3			
Office paper	22	–	22
Transmission and distribution losses	53 689	1 499	55 188
Third-party vehicle fleet (downstream distribution)	5 036	–	5 036
Waste	1 385	6	1 391
Business travel – rental cars	2	447	449
Business travel – flights	157	194	351
Business travel – accommodation	27	2	29
Employee commuting	1 055	1 208	2 263
Total Scope 3	61 373	3 356	64 729
Non-Kyoto Protocol GHG emissions		1 540	1 540
Total Scope 1, 2 and 3	622 905	53 103	676 008
Base stations	14 635	8 295	22 930

[^] Indicates number assured by PwC – refer to Appendix A for Limited Assurance Report.

Energy efficiency and renewable energy projects

Vodacom continues to invest in energy efficiency and renewable energy projects to reduce operating costs, secure clean and reliable energy sources, build resilient and sustainable operations, and contribute to a low-carbon future.

Our energy profile below shows energy consumption by various units of the business in financial year 2021.



Technological solutions

We focus on digital solutions to monitor our water and energy consumption and invest in smart IoT capabilities to highlight any excessive or abnormal consumption. These solutions enable cars, streetlights and buildings, among others, to send and receive real-time information via our network. Furthermore, our diesel tank monitoring solution provides early warning of possible leaks, enabling enterprises to proactively limit loss and avoid the environmental impact of diesel flowing into local ecosystems. Our enterprise and business customers obtain insight into their resource use, which helps them cut costs and carbon emissions by reducing energy and fuel consumption to improve operational efficiency.

In financial year 2021, Vodacom Business had more than 160 000 smart metering solutions and 616 210 smart logistics and fleet management solutions. These IoT connections resulted in carbon savings of more than 1 648 400mtCO₂e in financial year 2021 – the equivalent of 325 239 cars on the road for 12 months.

Energy efficiency and renewable energy initiatives in FY21

Initiative	Investment	Savings	
Deploying solar solutions on base station controller (BSC) sites to reduce grid consumption	R1.8 million	R210 000	71 000kWh
Implementing inverter air-conditioners to deliver estimated monthly savings of R240 per site	R3.0 million	R320 000	170 323kWh
Replacing old, inefficient uninterrupted power supply systems onsite with modern, high-efficiency conversion systems and adiabatic cooling panels on air-conditioning chiller plants to pre-cool ambient air used by chiller coils	R29.0 million	R980 000	628 530kWh
Remote monitoring and management of base station sites through the Raptor project	R147.4 million	R20.7 million	11 101 347kWh
Entering a green power purchase agreement covering 36 base stations	n/a	R50 000	36 916kWh

Building optimisation

Energy consumption in Vodacom South Africa's property portfolio has reduced consistently since financial year 2012 by an estimated 66GWh cumulatively. Since financial year 2015, we have refurbished our working spaces to offer a more collaborative and flexible working environment. This includes enhanced meeting rooms, video-conferencing experiences, cloud-connected digital whiteboards, and IoT technology for booking desks, rooms and spaces. We realised further energy savings during the COVID-19 lockdown. By switching off non-critical loads generally used for kitchens, air-conditioning and lighting, we reduced energy consumption by 32% from 37GWh in financial year 2020 to 25GWh in financial year 2021. Only critical loads for IT infrastructure, security and cooling systems were maintained. Unfortunately, load shedding continued during the year, resulting in a slight increase in diesel consumption from generators compared with the same period last year.

In financial year 2021, we signed a memorandum of agreement with the Council for Scientific and Industrial Research to provide additional expertise in energy efficiency and renewable energy within our property portfolio. The energy assessment aims to identify further opportunities to use energy more efficiently, saving on electricity costs in our office buildings. Major consumers of electricity include lighting and heating, ventilation and air-conditioning systems, which are being evaluated as part of this exercise. We believe this will support us in achieving our 2025 commitment to halve our GHG emissions. In addition to this assessment, we plan to install 4.5 megawatt peak (MWP) solar panels at our Midrand campus. We have conducted a feasibility study and are in the process of issuing a request for proposal to commence with the implementation of this project.



Our future focus areas

Over the next three years, we will seek more sharing opportunities with other networks.

We aim to expand the Raptor project to an additional 1 170 sites in financial year 2022.

To reduce our energy consumption, we will continue to invest in energy-efficient inverter air-conditioning units and rectifiers, and enable power-saving features at our sites.

Our technical and national facilities department will invest in replacing ageing energy-intensive equipment.

Where feasible, we will continue to invest in renewable energy supply at our office and network operations.

In the energy landscape, we will engage with government to fast-track the availability of IPPs.

Case study

Investing in renewable energy solutions to mitigate climate change

Vodacom continues to invest in solar power. In addition to the 34kW solar installation at a BSC site in Randburg, we have installed solar power systems at our sites in Polokwane, Vereeniging and Bloemfontein with a combined capacity of 500kWp. By March 2021, 528kWp of solar power panels were installed, reducing the BSC site's monthly electricity bill by 25%.



Case study

Remote base station monitoring reduces consumption

Vodacom's Raptor project deploys intelligent controls to 7 232 base stations across South Africa through our subsidiary IoT.nxt. This remote monitoring solution enables early detection of maintenance alarms, reduces the need for call-outs and decreases energy consumption by monitoring operating conditions within the base station cabinet and automatically switching off air-conditioning when not needed. Energy savings from the Raptor project amounted to over 11GWh in financial year 2021, approximately 2.8% of electricity consumed at our base stations in South Africa.



Bringing affordable solar power to Mozambique

In March 2020, Fenix Mozambique and Vodacom partnered to offer a full solar home system with two ultra-bright light-emitting diode (LED) bulbs and phone charging to Mozambican households for the price of a candle, or approximately MZN10 per day. Fenix customers pay a small deposit to have the system installed in their homes, and just MZN300 per month thereafter, using M-Pesa, to keep their lights on. When their accounts are paid up, customers own the system and have access to free energy. Fenix and Vodacom's partnership enables both companies to bring high-quality energy, connectivity and inclusive financial services (M-Pesa) to rural Mozambique with ground-breaking efficiency in customer service.

Replacing candles with solar energy has benefits for the health and safety of families. It also enables people to save on the household budget and thus improve their well-being and quality of life. In addition, helping families to recharge their phones keeps them connected and safe. This initiative is a good example of the social impact Vodacom wants to have in Mozambique and how we bring our purpose to life. In financial year 2021, Fenix brought power to 24 000 households (6 000 headed by women) in the provinces of Maputo, Gaza, Inhambane, Zambezia and Nampula.



Waste reduction and the circular economy*

11 SUSTAINABLE CITIES AND COMMUNITIES

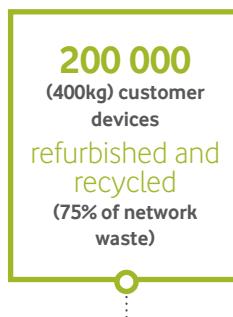
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS



Targets to achieve by 2025
(baseline: 2017)



Our performance in FY21



573
tonnes
e-waste recycled



>132
tonnes
batteries rejuvenated



> 311 077
devices repaired in
South Africa



> 6 500
phones recycled



32 092kg
(84%) waste recycled



104 997kg
food waste diverted
from landfill



5 316kg
plastic recycled



23 179kg
general office
waste recycled



161kg
food packaging
recycled



407kg
polyconibre cups recycled



434kg
fluorescents diverted
from landfill



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

Cumulative savings since 2017



➤ Context

Vodacom's policy on waste management prioritises safe and responsible reuse and recycling of unwanted material. Our waste hierarchy ensures we embed sustainable practices throughout our operations and supply-chain activities. Our local markets keep records of e-waste, and use regulated and licensed recycling suppliers who are assessed and approved.

All Vodacom's markets use certified local service providers to dispose of telecommunication equipment. We are establishing repair and service centres to refurbish returned equipment. Vodacom Tanzania has a battery recharge centre for rejuvenation and reuse of returned batteries. We are exploring options to implement a similar business model in the DRC, Lesotho and Mozambique. We are also investigating the viability of repair and service centres in these countries to refurbish returned equipment for reuse within local markets or resale in other Vodacom markets.

In many of the markets where we operate, it is custom to pass on devices to friends and family. We also noticed a recent trend of customers migrating from feature phones to smartphones due to increased device penetration. With this in mind, Vodacom continues to implement several initiatives to increase the useful life of our devices. We also encourage our customers to return their devices to one of our 37 repair centres when they are no longer useful. 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 repackaged and certified Good as New and sold with a six-month warranty. Furthermore, we do not include printed terms and conditions inserts in the SIM card packages in South Africa, eliminating about 240 million pages every year.

Reducing network waste

As Vodacom continues to invest in high-quality networks, we responsibly manage waste generated by our operations. Vodacom started testing the feasibility of extending the useful life of redundant network equipment in 2016. We reintroduced more than 201 tonnes (2020: 308 tonnes) of equipment into the Group's network.

Recycling obsolete equipment

When reuse options are exhausted, we apply the next step in our waste hierarchy: recycling obsolete equipment. At no point in the waste management process do we send any network waste to a landfill site. We sent 573 tonnes (2020: 977 tonnes) of equipment to approved recycling agencies within the Group. In South Africa, Vodacom employs three SMEs to manage electronic waste recycling.



Our actions to achieve our targets

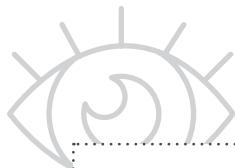
Incinerating obsolete batteries

Obsolete batteries, classified as hazardous waste, are moved to a licenced facility for incineration. The significant increase from year to year is due to scrapped lead acid batteries being replaced by more environmentally friendly lithium-ion batteries. We responsibly discarded 1 066 tonnes (2020: 1 189 tonnes) of batteries.

Reducing general waste in our buildings

Our centralised Group procurement function enables us to leverage larger economies of scale to efficiently and effectively manage our suppliers' performance. We thus implement ethical health, safety and environment (HSE) practices across our supply chain. Our code of ethical purchasing is included, as standard practice, in contracts with new suppliers and contracts due for renewal.

We continued to engage with our suppliers about phasing out single-use plastics in our canteens. Furthermore, we significantly reduced the use of water coolers and plastic drinking cups in our offices. We only procure eco-friendly cups and supply reusable glass bottles to employees. We also implemented a baling method, which compresses waste material into a block (bale) which is then secured by wire strapping. This process reduces loose waste on site, GHG emissions from transportation and waste management costs. This was further supported through the use of Biobin, which converts food waste from canteens into compost to fertilise gardens.



Our future focus areas

We aim to reuse, recycle or resell 100% of our network waste, strengthening our approach to the circular economy, which encourages reuse of materials for as long as possible.

We are introducing lithium-ion batteries with a lower environmental impact and longer useful life into our network operations.

We have set high standards for waste reduction within our office environment.

In line with our target to halve our environmental impact by 2025, formalised waste management targets for the office environment are outlined below:

Targets (against 2017 baseline)	2025
Reduction of single-use plastic waste	80%
Recycling of paper waste in offices	100%
Conversion of food waste to compost	90%

We will continue to engage with suppliers to phase out single-use plastics in our canteens nationwide.

We are reducing the use of water coolers and plastic drinking cups in our offices (we only procure ecofriendly cups and supply reusable glass bottles to employees in our offices).

We will continue to encourage our customers to hand in their old and unwanted devices so we can either donate or recycle them.

Case study

From plastic to paper bags in South Africa and Lesotho

Vodacom continues to implement projects within our retail operations to ensure the sustainability of our environment and planet. An example is our plastic-to-paper initiative, which replaces plastic bags with reusable eco-friendly paper bags. To date, we have prevented 1.3 million plastic carrier bags from entering the ecosystem.

Case study

Donating or recycling unwanted devices

Our RedLovesGreen campaign aims to create environmental awareness and encourages action towards a more sustainable future. The initiative encourages customers to donate or recycle old devices conveniently and free of charge. Once the customer has successfully completed the online form, Vodacom collects the used smartphone, tablet or accessories from the applicable home address. If the device is in good condition, the personal data is wiped, and the device is refurbished and donated to a Vodacom-supported school. If the device is in suitable condition it is sent to a Vodacom-approved recycling agency.





Case study

Planet protection in our South African stores

We collect depleted ink cartridges, considered to be hazardous waste, from stores nationwide. The ink cartridges are then refined for reuse or recycling. In financial year 2021, we collected 176 ink cartridges.

We have also reduced paper-based activities and transactions in our stores. Digital initiatives include self-checkout kiosks, digital express stores, e-receipts and electronic signatures. Furthermore, electronics installed in our stores are five-star graded for energy savings. We replaced conventional lighting with LEDs to enable low-energy consumption and, where possible, furniture is repurposed, refurbished and reused in other retail stores.

Our Voda-Admin app enabled us to go completely paperless during the year. At least 80% of letters, memos, invoices and other administrative documents are now transmitted and signed electronically.

Case study

Case study

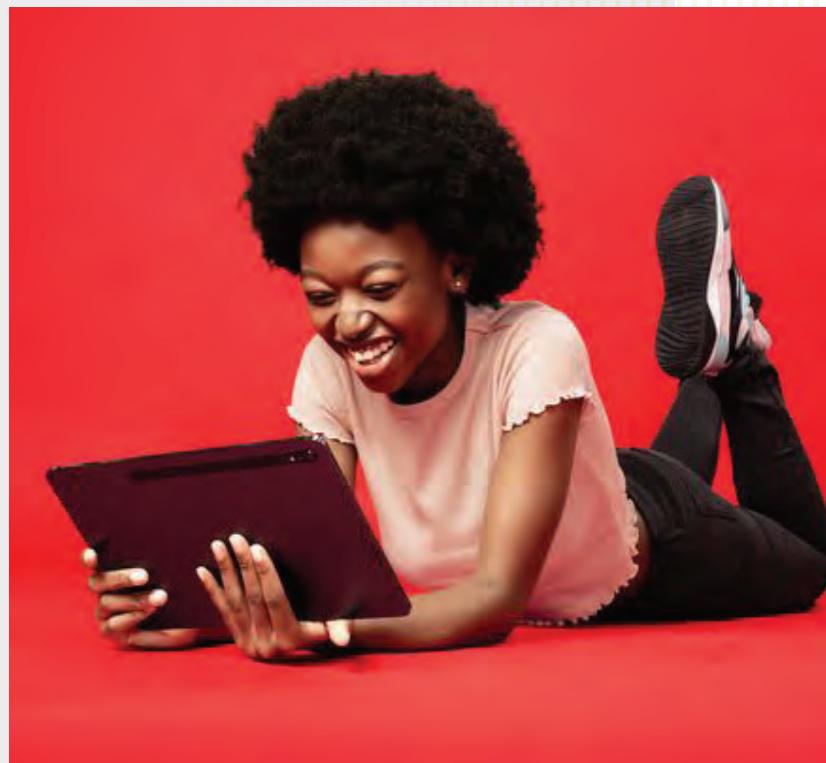
Contributing to sustainability through digital solutions

Our retail operations division is implementing several HSE digital solutions to enhance our contribution to the sustainability of our planet. Safety 360 is a customisable end-to-end HSE management system which provided a digital means of ensuring COVID-19 compliance in the form of daily symptom screening at 589 stores across all channels. The solution is paperless, therefore we expect our total annual paper consumption savings to be 1 095 540 A4 sheets, which is equivalent to 190 trees.



State examination results via SMS

In the DRC, Vodacom contributes to reducing the carbon effect of environmentally costly printed school leavers' results. Instead of publication in newspapers, the results of more than 600 000 students are broadcast by Vodacom in digital form via SMS.





Water-wise products and practices*



Target

75% reduction in water consumption
(baseline: 2017)

Our performance

Water consumption (kl)

2021

86 686

2020

161 975

2019

164 409

2018

203 516

2017

382 483

Cumulative savings in South Africa since 2017



77%
reduction
in water consumption
since 2017

› Context

Access to clean water and sanitation is a challenge in most of our markets. According to the World Health Organization (WHO), sub-Saharan Africa remains vulnerable at a low 60% water coverage, leaving 40% of the 783 million people in the region without access to clean drinking water. Although sub-Saharan Africa has a plentiful supply of rainwater, it is seasonal and unevenly distributed, leading to frequent floods and droughts.

Through the Vodacom Foundation in each of our markets, we provide access to water for needy communities by drilling for boreholes, supplying water tanks for rainwater capture and storage, and providing bottled water to schools and vulnerable communities affected by droughts and water shortages.

* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

› Our actions to achieve our targets

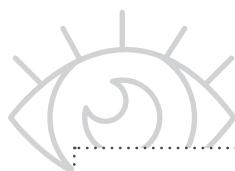
While Vodacom is not a water-intensive user, we aim to reduce our water consumption by 75% before the end of 2025 in keeping with our commitments. With the adoption of work from home policies in response to the COVID-19 pandemic, we have reduced water consumption in our offices from 33kl per employee in financial year 2020 to 18kl per employee in financial year 2021. We continued to implement several water-saving measures across our offices, including waterless urinals, chemical toilet flushing, waterless hand sanitising stations and aeration taps with reduced water flow. We also marked World Water Week in March 2021 by encouraging our stakeholders to join us in protecting and conserving water.

Responding to water shortages

Vodacom is determined to play its part in providing our communities with access to water. In response to the water shortages in the DRC, the Vodacom Foundation supported the drilling of boreholes for 8 000 community members in the Tshiamilemba camp in Lubumbashi and 9 000 people in Mont Ngafula. These communities now have access to safe drinking water, reducing the number of water-borne diseases in the area.

Engaging with customers and governments

This year, Vodacom continued to assist government and businesses in reducing their water consumption. Our IoT capabilities help local municipalities monitor and manage water leaks through early detection. We also facilitated conversations between citizens and local municipalities through our digital platform Thetha Nathi/My Ekurhuleni/Sikuncede Njani/Satise Silalele – loosely translated as “talk to us, we are listening” – encouraging citizens to report water leakages from burst pipes.



Our future focus areas

Water fountains will be phased out at our head office in Midrand in the next financial year.

We will continue to explore water savings in our operations.

Working closely with government, we will continue to support plans to provide access to clean water and sanitation.

In collaboration with our partners and customers, we will continue to create awareness of water security issues and explore innovative solutions to address these challenges.

Through the disaster relief and humanitarian efforts of the Vodacom Foundation, we will continue to respond to communities affected by water scarcity, floods and drought.

› 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 also work closely with conservation agencies to explore the role of technology in minimising biodiversity loss in our operating markets.

Vodacom signed a memorandum of understanding with the Endangered Wildlife Trust to develop a biodiversity mainstreaming readiness assessment. This will help us understand the risks of biodiversity loss and opportunities to partner with stakeholders to prevent further harm to our rich natural heritage.

Through our principal membership of the WWF, we continue to leverage technology to support various conservation efforts, including anti-poaching programmes of endangered wildlife species. We evolved our approach to siting and constructing new base stations to exploring cosharing opportunities with other telcos. We also incorporate natural habitats within our infrastructure, including wetlands, nesting for birdlife and planting indigenous vegetation at our office buildings. The construction of our towers and masts is often in the guise of trees that blend into the natural environment.





Environmental education and awareness*



Target

To reach six million people through environmental awareness and education by 2025
(baseline: 2017)

Our performance in FY21

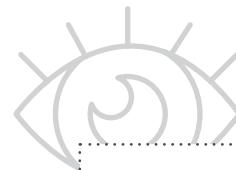


Three million
people digitally

To support our commitments to protect the planet, we recognise that this journey will take collective action from all our stakeholders – from our host governments to the communities we serve. By using digital social media platforms like Facebook, Twitter, LinkedIn and Instagram to communicate awareness of our environmental campaigns, we reached just under three million people. Our planet-related communications were viewed 16 million times on these platforms. These communications are guided by internationally recognised environmental dates, including World Water Day, Earth Hour and World Environment Day.

➤ Context

Vodacom aims to embed sustainability knowledge and good practices across the Group and among our customers and communities. We use internal and external communication platforms to promote energy and water savings as well as waste reduction. The content aims to inspire active participation in reducing environmental impact.



Our future focus areas

ESG performance is becoming the responsibility of all employees across business functions through the purpose strategy.

We are strengthening and leveraging existing partnerships with the WWF, the NBI and the UNGC to embed sustainability thinking and practices together with our stakeholders.

We are exploring the use of digital platforms, products and services to minimise our impact on the environment, and to promote nature conservation and environmental sustainability.

We will also explore the additional potential of IoT technologies to realise energy, carbon and cost savings for a low-carbon future.

➤ Our actions to achieve our targets

Partnerships for a sustainable future

The outbreak of COVID-19 highlighted the plight of the planet and the need to raise awareness of the interconnectedness of people, the planet and prosperity. Vodacom partnered with the WWF to screen the Our Planet: Our Business video to raise awareness of our ambitions for the planet. It also illustrated the importance of collective action to protect our future. Over 250 employees attended the webinar and actively engaged during the question-and-answer session.

Providing environmental education to schools in the DRC

Every year, Vodacom employees host three workshops to educate schoolchildren in Kinshasa on the importance of sustainable development in the Texaf Bilembo area. This year, 400 children attended these workshops.

* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.



Environmental management and compliance*

11 SUSTAINABLE CITIES
AND COMMUNITIES

13 CLIMATE ACTION

17 PARTNERSHIPS
FOR THE GOALS

Target

Monitor and support
scientific research and
guidance by leading global
organisations

Our performance in FY21

The energy management team
completed

ISO 50001 principles training

to meet targets and objectives,
analyse impacts and legal
requirements, monitor and measure
progress, and raise awareness among
employees of our impact on the
environment

External audit
assessed
compliance with applicable laws,
regulations, authorisations, permits
and licences across our markets

Legal compliance audits
assessed
compliance with diesel tank
authorisations

No fines
for non-compliance with
environmental regulations

25
minor incidents
investigated (preventative
measures prioritised
and shared internally)

> Context

Vodacom continues to ensure compliance with relevant environmental legislation. We regularly monitor and review new and proposed environmental legislation, as well as other regulatory developments, to assess relevance and potential impact on our operations. Our legal compliance team manages Vodacom's legal compliance register to ensure we proactively respond to new mandates and legislation. Measures are in place to prevent environmental incidents.

In the DRC, Vodacom formed a sustainable business division that will integrate green values and sustainability into our business strategy, aiming to transform the lives of our community members through technology.

Compliance with environmental legislation

In addition to the regular external audit of our environmental management system, Vodacom's risk and compliance team also conducts an annual internal audit to establish compliance with the requirements of ISO 14001:2015, Vodacom's health and safety standards, legal verification and identification. It also serves to promote good business practices. Since the new standard was introduced in 2018, 37 employees in senior and junior management have been trained in the requirements of the new environmental management system standard and its implications for Vodacom's operating environment.



* This report provides some examples of what we do as part of our sustainability strategy. The list is not exhaustive.

Mobile, masts and health

Mobile phones transform people's lives and improve communication worldwide by creating access to digital services and enabling economic development. Vodacom has been developing and improving mobile technology since the first mobile phone call was made in South Africa over 25 years ago. Protecting the health and safety of our customers and the general public has always been a priority.

While scientific research over several decades eased public concern, we recognise that some people remain concerned about the safety of mobile devices and masts. Our mobile devices and their masts operate within guideline safety limits and, according to the WHO, there is no evidence to suggest that our masts pose any risk to human health. We continue to monitor, support and publish links to the latest scientific research, and we are guided by the following:



Vodacom engages with regulators, communities and other stakeholders about mobile phones, the environment and health to address concerns. Our employees and contractors undergo annual compliance training and certification as a precautionary measure.

COVID-19 and 5G misinformation

At the start of the COVID-19 crisis, it was regrettable that unproven, unsubstantiated theories circulating primarily on social media incited individuals to damage masts and base stations in a number of countries. The levels of misinformation alleging links between COVID-19 and 5G reduced considerably in our markets in recent times. This is due to improved government public health communications, effective policing from both law enforcement and regulators, improved public education, and social media platforms taking action. We have supported all these actions across our markets where the misinformation has encouraged criminal action. Vodacom has a common strategy to rebut the misinformation and condemn arson attacks on our base stations. The most recent wave of misinformation and criminal damage was in South Africa, in January 2021. By reacting swiftly in partnership with other operators, and providing clear messages that there is no scientific evidence to link the spread of COVID-19 to 5G, we limited further damage.



For more information, please visit
<https://www.vodacom.com/mobile-masts-and-health.php>.

Partnerships for a sustainable future



FTSE4Good Index Series: Since its inception in 2001, the FTSE4Good Index Series has identified companies that reflect strong ESG-related practices. By allocating an overall ESG rating to these companies, the index acts as a market-leading tool for investors to benchmark their investment performance and create investment funds. Vodacom has been a constituent of the FTSE4Good Index since 2016.



CDP (formerly the Carbon Disclosure Project): The investor-led CDP initiative remains the most widely adopted reporting tool used by companies to disclose their impact on climate change, along with strategies to mitigate the effects. The CDP recognised Vodacom for actions and transparency in addressing climate change. Despite a challenging year, Vodacom **received an A- (leadership band)** rating to recognise best practice in climate change reporting and disclosure.



UNGC: Vodacom is a member of the UNGC, which helps companies conduct business responsibly and ethically by aligning their strategies and operations with 10 universal principles on human rights, labour, environment and anti-corruption. This ensures, globally, that companies use a common standard for governance and sustainability while taking strategic action towards achieving the UN SDGs.

Case study

Addressing climate change in Tanzania

In partnership with the WWF, the Vodacom Tanzania Foundation is implementing an extensive reforestation programme that aims to improve the lives of around 12 million people in Tanzania – 20% of the country's population – by 2023. It will empower communities, improve food security and address rising global temperatures. In addition, women and youth groups will receive training in producing sustainable alternatives to plastic bags. This initiative is expected to create 420 jobs for youth, women and people living with disabilities.





A technology employer

3 GOOD HEALTH AND WELL-BEING



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH

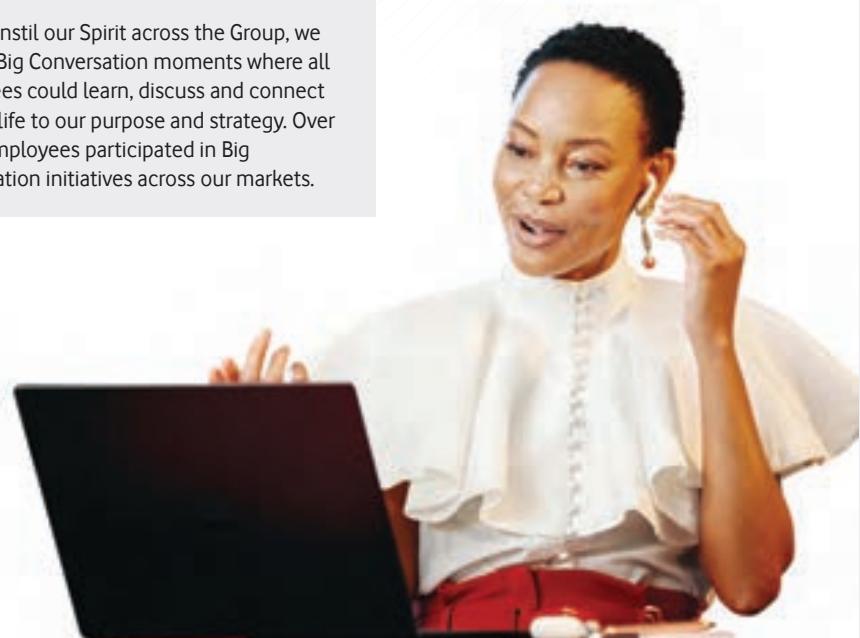


Vodacom is committed to ensuring that every employee is afforded opportunities for self-development to share in our purpose of connecting people for a better future. The digital way of working helps us leverage appropriate technology to accelerate performance in the workplace, prioritise career development and ensure working conditions that meet our employees' expectations.

› Spirit of Vodacom

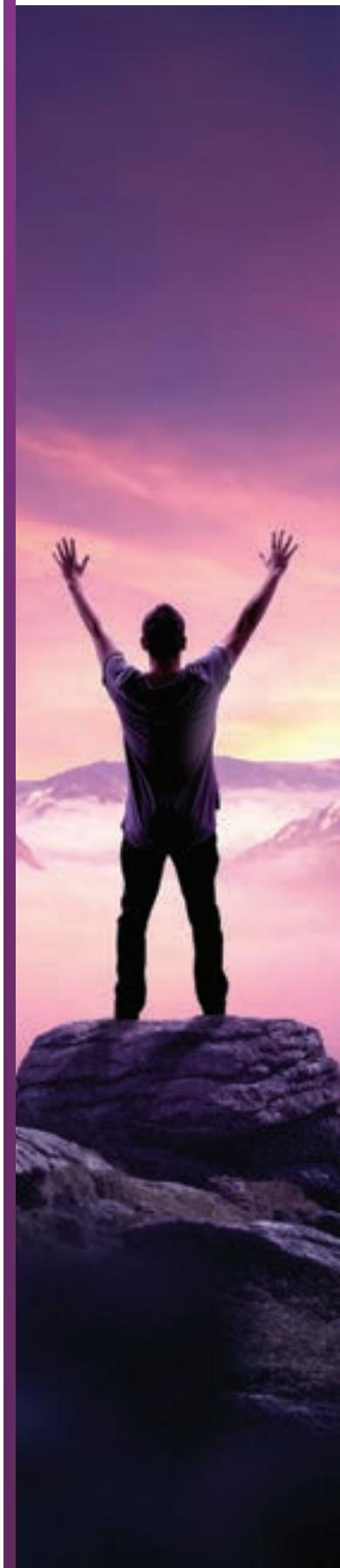
In financial year 2020, we officially introduced our new culture – the Spirit of Vodacom – which replaced the Vodacom Way and describes the culture we want to instil in Vodacom to enable us to realise our business strategy and purpose. We believe that the Spirit of Vodacom will create a better future for customers, encourage collaboration and enable innovation to help us fulfil our Social Contract.

To truly instil our Spirit across the Group, we created Big Conversation moments where all employees could learn, discuss and connect to bring life to our purpose and strategy. Over 4 000 employees participated in Big Conversation initiatives across our markets.



Embedding the Spirit of Vodacom

- January 2021**  Conducted a second Spirit Beat survey with 91% participation rate and 75% Spirit Index.
- 10 December 2020**  Celebrated our first year of the Vodacom Spirit, reflecting on our journey and looking at the future, with six countries dialling into the celebrations.
- August to November 2020**  Held Spirit and Nudge clinics, with 3 231 attendees across the Group.
- July to November 2020**  Conducted 10 communication campaigns to encourage adoption of the Spirit.
- May to September 2020**  Developed a playbook and associated resources, which were launched and shared with both Vodafone and Vodacom markets.
- June 2020**  Held engagements between line managers and employees in Vodacom South Africa with more than 800 attendees.
- May 2020**  Launched the Spirit Beat survey with 87% participation rate and 74% Spirit Index.
- April, July and September 2020**  Completed five COVID-19 pulse surveys across the Group with an average participation rate of 67%.
- January to March 2020**  Over 4 000 employees participated in Big Conversations held across Vodacom.
- December 2019 and January 2020**  Launched the Spirit of Vodacom across the Group.



Spirit of Vodacom

The future is exciting and we are ready for it

We want to be a trusted partner to connect for a better future. To get there, we must be restless and passionate about improving the lives of our customers, colleagues and communities. We are always open to new opportunities and encouraged to create solutions that our customers will love. No matter where we work in Vodacom, we act as one. Together, we create a place where everyone can truly be themselves and belong.

How we do it

Earn customer loyalty

It starts and ends with the customer. We aspire to be a brand they love by earning their trust and providing brilliant experiences. We work hard to simplify things for them and deliver what our customers want and need every day.

Create the future

We think big, taking risks to break new ground. We ask "what if" to build amazing products and services for our customers. We are courageous in creating a better future for all.

Experiment, learn fast

We are always learning. We try things, measure our success, keep the best and learn from the rest. This is how we move quickly to grow ourselves and our business.

Get it done, together

We give and take ownership to make the most of our many talents. We trust each other to get things done. It is up to each of us to make it happen.

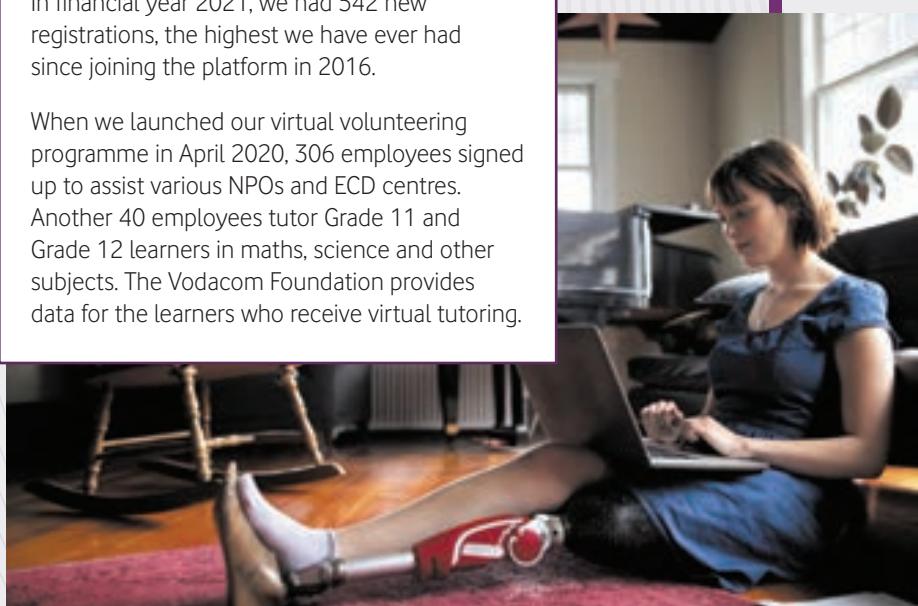
Payroll giving

We encourage employees to donate a percentage of their salaries to a cause of their choice. Every month, an agreed amount is deducted from our employees' salaries and paid directly to their selected charities. The Vodacom Foundation matches these contributions with 50c for every R1 donated by employees. Since 2016, our employees have contributed more than R400 000 annually. However, during the 2021 financial year, certain Board members donated a portion of their fees as part of our response to COVID-19, while our employees personally contributed R680 000. Vodacom also made a donation, bringing the overall contribution to over R847 000.

Virtual volunteering

Vodacom annually gives employees two days' paid volunteering leave to volunteer their time for the benefit of their communities. More than 2 300 employees are registered on the Connect for Good platform, which manages volunteering for various companies, including Vodacom. In financial year 2021, we had 542 new registrations, the highest we have ever had since joining the platform in 2016.

When we launched our virtual volunteering programme in April 2020, 306 employees signed up to assist various NPOs and ECD centres. Another 40 employees tutor Grade 11 and Grade 12 learners in maths, science and other subjects. The Vodacom Foundation provides data for the learners who receive virtual tutoring.



› Our workforce

Key performance indicators

	2021	2020
Number of full-time permanent employees [†]	7 875	7 746
Engagement index – people survey (%)	77	79
Employee turnover [†] (%)	3.9	7
Female representation in senior management [†] (F-band+) (%)	35	32
Black representation in senior management* (F-band+) (%)	62%	60
Ratio of average basic salary of men to women (times)	1.0:1 [†]	1.3:1*
Total spend on training* (Rm)	472	412

* Vodacom South Africa only.

[†] Vodacom Group (South Africa, Tanzania, the DRC, Mozambique and Lesotho).



Number of employees by company

Market	Employees		Contractors		Total	
	2021	2020	2021	2020	2021	2020
South Africa (including subsidiaries)	5 493	5 428	443	396	5 936	5 824
DRC	556	581	749	801	1 305	1 382
Tanzania	569	554	10	10	579	564
Mozambique	693	591	1 952	2 275	2 645	2 866
Lesotho	253	231	145	149	399	380
VBA	73	92	1	1	74	93
Mauritius	5	5	0	0	5	5
Vodacom Group companies	233	184	7	8	240	192
Total	7 875	7 746	3 307	3 640	11 183	11 306

Vodacom retains top employer certification

Vodacom was certified Africa's top employer in financial year 2021. We have various measures in place to support productivity, increase collaboration and enhance employee wellness. Our COVID-19 responses included the Employee Relief Fund in South Africa, meeting-light days and collaboration tools.

Succession planning

We enhanced our talent strategy journey and roadmap in financial year 2021, aligning it with our aspirations to identify the potential within our diverse talent pool and recognise employees who are considered to be top talent. We created succession pools by role after robust discussions between employees and our Executive Committee. We also completed a review of talent and succession pools in global roles.

› A digital way of working

Vodacom is committed to delivering excellent customer service and profitable revenue growth with simplicity and speed. We are guided by our Digital Vodacom programme's vision to deliver the most engaging digital customer experience. Our operating model is designed accordingly to support agile business transformation using the latest technology.

In financial year 2021, Vodacom introduced agile management in our International markets and trained 1 875 employees in this approach. Employees are split into small teams or squads, each acting as a start-up company which then collaborates as tribes. Vodacom has four agile tribes comprising 48 squads, which share commercial and IT skills.

Robotic process automation (RPA) is another key enabler of our strategic objective to provide the most engaging customer experience. We do this by blending the best of technology with human interaction in a personal, instant and easy way. RPA teams, assisted by bots, save 541 person-hours and almost R90 000 every month.

› Empowering employees with general and digital skills

In financial year 2021, Vodacom South Africa invested more than R472 million in continual skills development. This included R324 million invested in black employees, of which R141 million was invested in black women and R18 million in black youth living with disabilities.

Vodacom launched the #1MoreSkill strategy in financial year 2020 to drive and support reskilling and upskilling across the organisation. Vodacom also provided formal instructor-led programmes for 3 088 employees over 52 344 hours. We increased self-paced learning at all levels by combining online learning with virtual classroom training to create focused learning journeys. Since September 2020, informal person-to-person learning increased when business experts were invited to share their digital capabilities with employees in a webinar series every second week. More than 800 employees attended the one-hour sessions.

Vodafone University provided online learning to Vodacom employees, supplemented by other platforms. Employees completed 61 555 online training programmes, with 96% completing at least one programme, equating to 26 023 hours of online training.



Agile programme: More than 5 944 employees completed training in 64 535 courses in financial year 2021 (2 976 hours).

Amazon Web Services (AWS): Vodacom was elevated to a hybrid training partner with a target to train 600 employees in AWS products annually over the next five years. To date, 190 employees have been certified and 669 have completed AWS training programmes.

Big Data: As part of our #LoveData campaign, three employees completed nano-degrees with Udacity in data analytics, data science and AI, while another four are enrolled in the same courses.

5G networks: This training prepares Vodacom network employees to roll out 5G. Of the total network operations and network engineering employees enrolled in the programme, 72% have completed the course.

Next-generation networks programme: This training equips Vodacom's leaders to manage the future generations of networks. In February 2021, 25 delegates completed the programme.

Commercial acumen in telecommunications: This programme trains employees in ways to improve customer experience. Since its inception in 2017, 221 employees have graduated (51 completed the programme in financial year 2021).

IoT: An IoT masterclass was introduced in 2018. To date, 235 employees have completed the programme (55 in financial year 2021).

Inikezo virtual agent training programme: In October 2020, Commercial Operations and our Learning and Development team embarked on a pilot training programme for agents working from home. This programme was completed in December 2020 with 25 agents trained in fibre to the home, prepaid and postpaid products and services, service request management, and front and back-office systems.

Retail hero training programme: This programme has empowered 5 825 unique retail consultants over the past three years. During COVID-19 lockdown, a two-day emergency access programme was designed for 316 newly appointed store consultants.

Remote customer calling programme: We launched this emergency care programme during the first level of the COVID-19 lockdown and reskilled 1 317 store consultants for outbound calls.



➤ Recruiting tomorrow's talent

The need to build a healthy home-grown talent pool is critical for business sustainability and growth across our markets. Vodacom designed and developed various fit-for-purpose programmes to fast-track the readiness of emerging talent and feed into broader pipelines – thereby strengthening the digital, technical and leadership skills bench of our organisation.

Unemployed youth training in information communication technology

In financial year 2021, Vodacom South Africa invested R30 million in training 198 young people, now employed by Vodacom as interns and learners, including 71 disabled youth. Others were placed in permanent roles within Vodacom South Africa.

External bursaries

Vodacom South Africa awarded academic merit bursaries worth R12 million to 80 full-time students, (40% women) studying towards a bachelor's degree in STEM.

GradStar students choose Vodacom

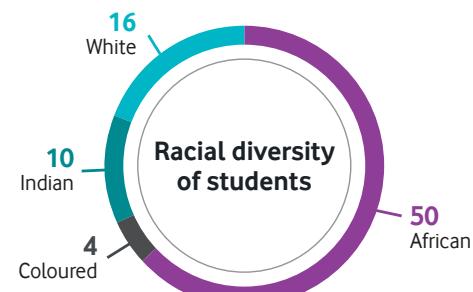
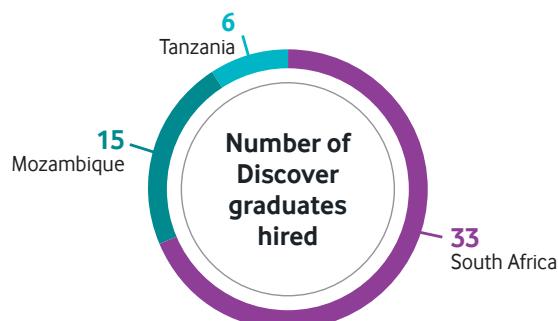
Out of 23 000 unique responses from university students for the GradStar Students' Choice Awards, Vodacom was placed first in the telecommunications category and third among IT companies favoured by graduates in South Africa.

Vodacom voted top graduate employer in the telco sector

Vodacom was voted top graduate employer in the telco sector at the 2020 South African Graduate Employers Association awards. We also received awards for training and development, and brand reputation.

Discover graduate programme

In financial year 2021, Vodacom invested R5.5 million in a two-year graduate programme that identifies and nurtures future leaders across our markets. This flagship youth programme is a permanent employment opportunity underpinned by two years of skills training.



Job shadow programme

Vodacom South Africa continued its job shadow programme in financial year 2021, supporting interactive and collaborative STEM initiatives for high school learners to fulfil their compulsory Life Orientation curriculum requirements.

WeThinkCode

Vodacom South Africa collaborated with WeThinkCode to train software engineers. The programme trained 20 students at the cost of R2 million.

Virtual interactive engagement

Vodacom South Africa developed the first-ever virtual interactive engagement platform in financial year 2021 to engage with youth about key issues, including:

- Unemployment, and how Vodacom contributes to reducing unemployed graduate statistics by 36%;
- Connecting for a better future, highlighting our tailored youth propositions so they can stay connected;
- Youth empowerment, including practical tools and steps for building a successful future, obtained directly from us in the comfort of their homes; and
- Responding to the new normal through innovation and introducing this interactive platform in real time.

Vodacom Youth Council

The Vodacom Youth Council in South Africa continues to mirror our Group Executive Committee, chaired by the equivalent of our CEO, operating independently of management, to explore disruptive ideas in the digital economy. Youth Council members conduct research and projects throughout the year.

Driving leadership development in South Africa

Seeking to increase our leadership capabilities in financial year 2021, Vodacom invested R31.3 million in various leadership development courses:



Post-graduate diploma in digital business

40 middle managers were trained in digital skills and techniques, including management approach in a digital era.



Advanced executive programme

18 executives completed training in theoretical and practical experiences for business strategy and operational sustainability.



Servant leadership

To date, 462 employees – and 51 in financial year 2021 – have received training in leadership philosophy, enabling them to serve as leaders.



Digital leadership essentials

52 leaders were trained in digital leadership essentials.



Singularity Summit in partnership with the global Singularity University

20 senior executives were trained in leveraging technology to solve problems in society.



Coaching framework

Vodafone's best practice coaching framework is available across multiple levels of Vodacom.



Executive coaching

20 senior executives were assigned to a leadership empowerment coach.



Alumni coaching

24 talented F-band employees are working with alumni coaches as part of our succession planning strategy.



Internal coaching

Qualified employees provide monthly coaching to F and G-band candidates over 12 months.



Development coaching

Advanced executive programme candidates are coached as part of the development process.

› Focusing on Tech 2025 talent

We launched our talent brand campaign on external platforms to support our Tech 2025 strategy during the year, focusing on appointing staff with the necessary digital and technical skills within Vodacom. We aim 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 for good rewards.

COVID-19 highlighted the need to change our messaging and how we live our values, and it provided an opportunity for us to differentiate ourselves. Therefore, our talent campaign objective positions Vodacom as the best purpose-led technology company to work for in southern Africa.

Vodacom recognises the importance of reskilling and repurposing our current employees on our journey from a traditional telco to a techno. We aim to reskill our employees through our insourcing programme and appoint them in digital and technical roles. In doing this, we unlock intellectual property within Vodacom while also driving cost efficiencies. This aligns with our Tech 2025 purpose and transformational objectives. We intend to reach 50% of our software engineers through insourcing by 2025.





> Creating a diverse and inclusive workplace

Vodacom strives to create an inclusive and diverse culture that celebrates difference and achieves gender balance. We institutionalise support for lesbian, gay, bisexual, transgender and queer people as well as those with gender expressions outside of traditional norms (LGBTQ+). We also have an ethnically diverse environment and ensure accessibility for colleagues with disabilities. In promoting inclusivity, Vodacom has a zero-tolerance approach to harassment, discrimination and any form of abuse. To this end, we hosted several unconscious bias workshops across the organisation to further support an inclusive environment.

Our approach to diversity and inclusion is anchored by six pillars:

Building an inclusive culture and celebrating our differences

Achieving gender balance

Institutionalising our LGBTQ+ support

Creating an ethnically diverse company

Focusing on all life stages

Creating an accessible workplace for colleagues with disabilities

Vodacom supports a number of diversity and inclusion initiatives and forums in place to support these pillars, including the Disability Forum, the LGBTQ+ Network, the National Consultative Committee and the Women's Network Forum.

Vodacom strives to improve the lives of unemployed disabled youth through strategic partnerships with youth development academies, such as Harambee, EduPower and Student Village. Vodacom provided skills development opportunities for about 90 disabled learners in financial year 2021 at a cost of R15 million. Full-time employment in the contact centre and retail industry was granted to 20 learners.

In South Africa, Vodacom promotes transformation in the workplace to ensure ongoing improvements in employment equity. In financial year 2021, black representation in the workforce was 62.0% at senior management level and 66.7% at executive committee level.

Employment equity performance against ICT sector code for South Africa

Employee category	2021	2020	2019	Target
Black senior managers	1.12	1.08	1.12	2.00
Black middle managers	1.25	1.20	1.17	2.00
Black junior managers	0.75	0.73	0.71	1.00
Disability	2.00	2.00	2.00	2.00
Employment equity score	7.05	6.86	6.78	6.00

Vodacom's progress in transforming the business is driven by consistent investments in developing the skills of historically disadvantaged people. We invested R324 million in black employees – R141 million in black women – across our South African workforce, frontline stores and contact centres in financial year 2021. In addition, we invested more than R18 million in the development of black youth with disabilities – of the 69 graduates selected, 45% were female. Over the years, our International markets' localisation strategy focused on building future local leaders – specifically, female leaders. In Tanzania, our commercial business unit is women-led, with four local women on the Executive Committee. The DRC has two women on the Executive Committee. The Chief Financial Officers of Mozambique and Lesotho, both of whom are women, completed an intensive leadership development programme through Vodafone. This is an ongoing development journey.

Through the Vodacom Advanced Executive Programme (VAEP), an intensive action learning programme, we develop and empower senior leaders across all markets. This prestigious programme exposes high-potential leaders to local and international best practice, and participants obtain hands-on experience and insights by learning directly from global business leaders. One of the opportunities we identified is to scale the Women's Network Forum, which is aimed at leveraging our current development programmes to advance women to senior and top management levels. In this way, we can promote growth and accelerate career advancements across our markets.

To promote gender equality in the workplace, Vodacom focuses on equal pay, supporting work-life balance, enabling access for women to managerial positions and striving for gender balance across all levels and areas of the business, particularly technical roles. However, female representation remains a challenge for our business and the broader telco sector.

In South Africa, our workforce comprises 43.6% women. Female representation at senior management level is 35.0% against our 38.5% (by 2024) target at Vodacom Group. Vodacom sets a leading example by implementing equal remuneration practices for men and women at senior levels.



Representation of women in senior management (%)

South Africa

34.3%

2020: 34.4%; 2019: 34.6%

Mozambique

35.2%

2020: 34.0%; 2019: 36.2%

DRC

23.5%

2020: 18.6%; 2019: 17.9%

Tanzania

38.0%

2020: 41.2%; 2019: 41.2%

Lesotho

43.8%

2020: 33.3%; 2019: 28.6%

Total

35.0%

2020: 32.3%

2019: 31.7%

Vodacom implements female-focused training and development programmes aimed at supporting and empowering women in the workplace. Key initiatives and outcomes in financial year 2021 are outlined below.

Initiative	Description
 Maternity benefits programme	Vodacom offer six months' fully paid maternity leave, along with the option to work 30 hours per week for six months on return to work after maternity leave. Since its inception in 2018, 118 women have enjoyed this benefit.
 Women's Network Forum	Our Women's Network Forum aims to create networking opportunities and refine mentorship relationships among women. The forum has 250 active participants.
 Female leadership programme	Launched in 2013, this programme attracts high-potential black women keen to advance into leadership roles within the commercial, technology and digital sectors. Through this strategic future talent pipeline programme, 25 women from outside of Vodacom have been placed in various roles.
 Menopause	Vodacom recognises the impact that health and wellness can have on a person's life and their ability to thrive at work. Vodacom is committed to supporting women experiencing menopause by raising awareness, training, signpost support, access to a self-help toolkit and flexible working arrangements, among others.

Vodacom received a Silver rating in the South African Workplace Equality Index, which recognises our efforts to be the most inclusive business regarding the LGBTQ+ community.

The Vodacom Specific Needs team received an award of appreciation for being inclusive in supporting communities and providing inclusive products and services from the South African National Council for the Blind.

Three of Vodacom's employees were placed among the Top 100 women, who are an inspiration and support diversity and inclusion during the year.

GBV and domestic abuse

On 1 July 2020, Vodacom launched an online GBV course to help employees identify the signs of domestic violence and abuse. It also helps victims respond appropriately in consultation with relevant experts who provide training and support.

Performance management

As COVID-19 compelled employees to work remotely, we changed our approach to performance management in financial year 2021, redefining expectations and ensuring that employees focused on the most important work areas at home. Our people leaders guided employees to ensure that team members understood the business context and priorities.



Case study

Parental leave policy

On 1 September 2020, Vodacom launched a new parental leave policy for employees, regardless of gender and sexual orientation. It allows for 16 weeks of fully paid parental leave. This means that any employee whose partner is having a baby, adopts a child or becomes a parent through surrogacy has the flexibility to take up to four months of paid leave at any time during the first 18 months of the child's life.



Our approach to diversity and inclusion positions Vodacom as an employer of choice within the broader LGBTQ+ community. We want to create a safe space where our employees can express themselves freely. As part of our commitment, we hosted a diversity and inclusion webinar, which was attended by more than 3 000 people across Vodacom.

Vodacom's LGBTQ+ Network aims to support employees and raise awareness of the challenges LGBTQ+ people face in the workplace. In financial year 2021, the network was involved in the following initiatives:

- Vodacom was the main partner in Johannesburg Pride 2020 and offered Vodacom customers a special bundle of 1GB for R12;
- Vodacom won an award from Johannesburg Pride for being the best corporate supporter and partner over the past three years;
- The Vodacom LGBTQ+ Network chair featured in the Pride of Africa Lifestyle Conference as a corporate partner and supporter of LGBTQ+ rights on behalf of Vodacom. The conference reached at least 143 people;
- The Vodacom LGBTQ+ Network chair also featured on the We're Queer My Dear South Africa online series available on YouTube;
- Vodacom sponsored a laptop prize for Mr Gay World South Africa and partnered with the competition organiser. Our LGBTQ+ Network chair was also a judge; and
- We donated a second laptop to Same Love Toti, the NPO assisting KwaZulu-Natal parents of LGBTQ+ people, youth and other LGBTQ+ community members.

> Remuneration policy and committee

Vodacom's remuneration policy supports the monitoring and management of fair and ethical remuneration. To ensure that pay is benchmarked against domestic and international remuneration standards, Vodacom conducts an annual internal assessment and, accordingly, adjusts remuneration that is outside these standards.

Vodacom's Remuneration Committee (RemCo) is an independent structure that guides and advises the Board on matters relating to the remuneration of executive directors and our senior leadership team. RemCo ensures that the remuneration philosophy and policy support Vodacom's strategic objectives. With regard to recruitment, motivation and retention of senior executives, we aim to maximise shareholder value, and comply with legislation and the recommendations of King IV. The latest RemCo report is included in our 2021 integrated report.

We aim to attract, retain and motivate executives of the highest calibre and therefore align remuneration with stakeholders' interests, sustainability and best practice. Remuneration is balanced in terms of a guaranteed package, variable short-term and long-term incentive plans, and other benefits.

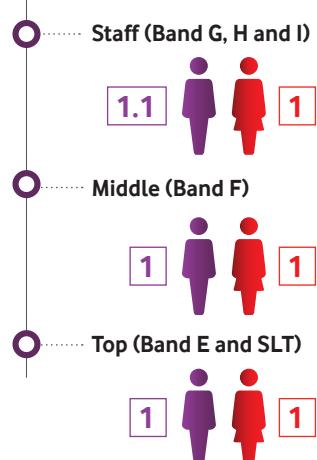
Vodacom strives to ensure equitable remuneration by conducting an annual fair pay analysis, guided by the following principles:

- Pay that is market-competitive, free from discrimination, ensures a good standard of living and enables employees to share in our successes;
- Providing benefits to all; and
- Open and transparent communication.

To address pay disparity across all levels, Vodacom is conducting a detailed review of pay differences between males and females performing the same job. Anomalies picked up this way will be addressed during the next financial year with the exception of employees who are poor performers. Based on our reward philosophy, pay is determined by the job family (a group of roles from a similar functional skills specialisation) each employee belongs to. Because of this, employees within a certain band could belong to separate job families. Therefore, certain employees can earn more because of their job family, regardless of their band. Furthermore pay rates are driven by skills scarcity and skills requirements across all roles. Due to the nature of our organisation, we require skills that are technical in nature and these areas of work have traditionally been dominated by males. The support functions include the business improvement job family that consists of unique skills that are part of our strategy to be a leading technology organisation, which are Big Data and AI, Predictive Analytics and Business Intelligence. This is typically a male-dominated field and commands higher pay due to skills shortages.

Group remuneration ratio

Employee category by level
Men to Women



Our short-term incentive plan, in the form of an annual cash bonus, is linked to the achievement of financial, strategic and operational objectives. The pool available for short-term incentives (STIs) is determined by the Group's financial performance against previously set and agreed targets.

The long-term incentive plan (LTIP) is an annual share allocation and encourages ownership, retention and loyalty. It is designed to align executive performance with stakeholders' interests. A portion of the award to senior executives is subject to Group performance conditions.

Vodacom redesigned a key element of its reward programme to appropriately incentivise executives to exhibit specific behaviours that align with our purpose to drive a sustainable culture. Previously, our long-term incentive (LTI) structure was influenced by financial measures. However, in financial year 2021, RemCo reviewed Vodacom's LTIP and included the following ESG measures aligned with the three pillars of our strategy:

Digital society:
reach 72.6 million financial services customers by 2024

Inclusion for all:
drive 38.5% female representation at senior management level and above by 2024

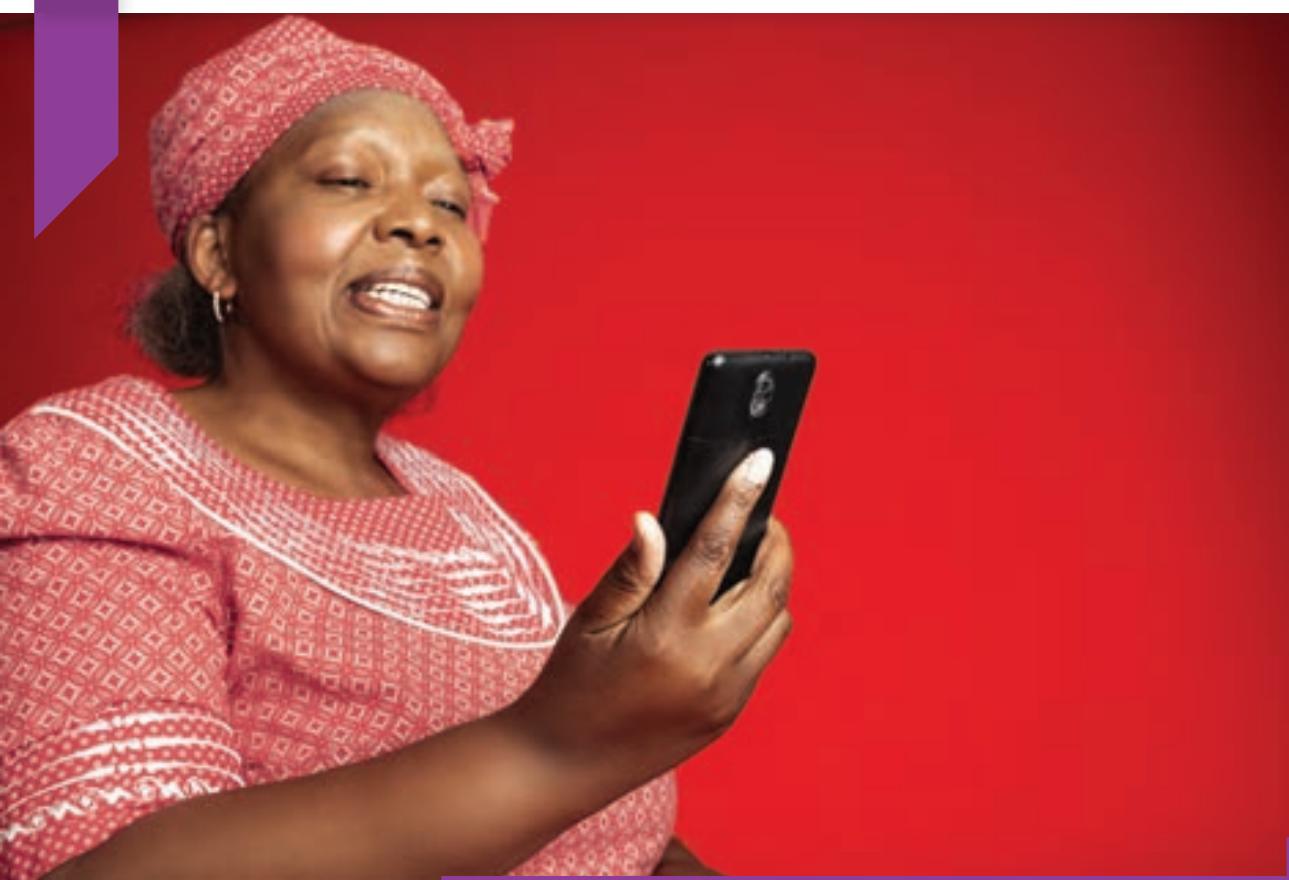
Planet:
reduce GHG emissions by 15% cumulatively across all sites in South Africa by 2023 (against a 2020 baseline)

The ratio of total annual compensation for the highest-paid individual to median annual total compensation for all employees (excluding highest paid) in countries where Vodacom operates is summarised below.

Total annual fixed salary ratio

Market	Currency	Median	Maximum	Ratio
DRC	USD	36 000	215 808	6:1
Lesotho	LSL	310 498	1 829 625	6:1
Mozambique	MZN	1 317 866	7 472 807	6:1
South Africa	ZAR	669 820	8 500 000	13:1
Tanzania	TZS	61 107 396	631 715 064	12:1

Vodacom implemented a malus and clawback policy in financial year 2021. It aims to enable the Vodacom Group, through its Board, to reduce or "clawback" certain elements of an executive's remuneration in circumstances where a trigger event has occurred. Clawback refers to recoupment, during a specific period, of all or a portion of variable remuneration from an executive after vesting or payment. Malus refers to the reduction of unvested or unpaid awards before the vesting period (LTI) or prior to payment (STI). This policy is applicable to variable remuneration (STIs and LTIs).



Healthcare benefits

DRC

Employees are self-insured by Vodacom.

Tanzania

Medical cover is provided by an insurance provider and paid in full by Vodacom.

South Africa and Lesotho

Medical cover is provided by an external service provider and employees pay the full contribution from their guaranteed packages.

Mozambique

Medical cover is provided by an external service provider with Vodacom contributing towards the monthly premium and employees paying the remainder from their salaries.



Retirement plans

DRC, Mozambique and Tanzania

Vodacom and employees contribute to a local social security fund.

South Africa and Lesotho

Private retirement plans are provided in terms of a defined contribution arrangement (pension and provident fund).

Vodacom also provides other benefits to employees, including healthcare, retirement and risk (death and disability) cover.



› Human rights and labour relations

Vodacom's grievance policies and procedures encourage employees to report matters to management and propose possible resolutions through internal channels. Our grievance process ensures that a fair internal dispute resolution is reached. A total of 29 grievances were reported in financial year 2021, of which four were lodged between employees and 25 against line managers.

Our SpeakUp process addresses grievances or complaints lodged outside of the grievance process. An employee or a business partner may feel unable to raise a genuine concern that might damage our reputation or our people. We, therefore, enable anonymous grievance or complaint submissions. We received 25 SpeakUp cases during financial year 2021.

Human rights policies and procedures

Our permanent employees receive training on human rights policies and procedures. This year, 79% of employees completed training on sexual harassment, 58% completed training on diversity, and 59% attended training related to GBV. Vodacom encourages freedom of association and labour representation across the workforce and promotes good relations with trade unions at our respective operations. In South Africa, approximately 7.28% of the workforce are members of the Communication Workers Union. In Mozambique, 9.8% of the workforce participates in an active union that is regarded as a partner with management. The DRC has an active trade and employee union. Members engage monthly with management on employee matters and biannually on disciplinary matters. Lesotho and Tanzania are not unionised.

Active engagement with employees

Vodacom respects employees' wishes, needs and concerns. We believe in consistent engagement with employees. In financial year 2021, Vodacom revised its annual employee engagement survey in favour of the frequent pulse surveys that enable regular engagement with employees about core strategic and business objectives. Vodacom also has various internal communication platforms with 4 179 employees being active users. Vodacom introduced employee circles to enhance employee engagement, including cooking, golf, running, travel and toastmasters clubs.

Fireside chats with our CEO

In financial year 2021, Vodacom continued to host frequent question-and-answer sessions with our CEO. These sessions – called fireside chats – enable employees to discuss the business with Vodacom's CEO. The Group's approach to COVID-19 was also discussed during these discussions. The 34 sessions held this year were attended by employees across our markets.



› Health and safety in the workplace

Maintaining a safe working environment is one of Vodacom's fundamental responsibilities and priorities. Vodacom implements a robust health and safety management approach that addresses the workplace environment and work-related transport conditions for permanent employees, contractors, suppliers' employees and contractors. We implement a robust health and safety strategy to mitigate our top five operational risks: road travel, electrical work, working at heights, working in proximity to power sources, and management and control of suppliers.

Vodacom's absolute rules mitigate risks with the greatest potential to harm our people. In addition, Vodacom's supplier policy on health, safety and well-being details additional safety requirements for high-risk activities.

To further demonstrate our commitment, we adopted our 100% HomeSafe culture in financial year 2021. We want everyone who works for and on behalf of Vodacom to go home safely to their loved ones every day. Our mature incident reporting system ensures this with a standard socialised among all stakeholders and entrenched in our safety culture.



Digital innovation solutions to achieve 100% HomeSafe

Vodacom Tanzania, on its journey to become a leading technology company both locally and globally, has implemented digital initiatives – including the permit to work app and the journey management plan – to enhance control of electrical, working at heights and occupational road risks. The tools are accessible on a mobile app and web page for Vodacom employees and suppliers.

Health and safety performance

Road travel remains our principal risk especially among contractors, who accounted for 72% of road incidents reported in financial year 2021 (up from 62% in 2020). Vodacom's reporting system, Road Guardian, addresses these incidents across our markets by monitoring driver behaviour through a tracking system. This online platform monitors and manages road incidents by generating driver behaviour events and sharing this with the head of health and safety for mitigation. The platform has significantly improved driver behaviour, as summarised below.

Improvements in driver behaviour (%)

Market	2021	2020	2019
South Africa	99.17	98.95	99.07
Mozambique	97.56	95.52	91.50
Lesotho	99.02	98.96	97.90
Tanzania	97.27	96.67	n/a
DRC	97.95	97.25	n/a

>90%: indicates excellent driving.

80%-89%: indicates average driving, requires coaching to improve.

<60%: indicates poor driver behaviour, requires disciplinary action.

Vodacom has established health and safety committees in line with the Occupational Health and Safety Act, 1993 (OHS Act), which provides direction on the establishment of workplace committees across our markets. We have health and safety committees for each workplace building with more than 20 employees. A nominated chairperson, and health and safety representative for every 100 employees, use occupational health and safety regulations as guidelines. Safety matters are actioned and managed by stakeholders every quarter, while serious matters are actioned immediately to avoid incidents. All nominated people are trained, as prescribed by the OHS Act.

Tragically, Vodacom reported one fatality in Mozambique in financial year 2021. A Vodacom contractor was travelling in the northern region of the country to conduct maintenance work and collided with a cyclist. Sadly, the cyclist later passed away in hospital. Vodacom has investigated the incident and, to mitigate against any such future reoccurrence, will improve the driver behaviour monitoring system for our suppliers. Vodacom upholds zero harm and considers any loss of life due to our activities unacceptable.

During the year, vehicle incidents accounted for 54% of safety incidents across the Group (2020: 46%), followed by electrical fires (9%) and criminal activity (5%). South Africa accounted for 70% of safety incidents (2020: 76%).

Safety incidents	2021	2020	2019
Fatalities	1	2	1
Major incidents	2	4	2
Lost-time incidents*	7	2	2
High-potential incidents	368	252	97
Minor incidents	28	53	56
Near-miss incidents	11	16	7
LTIFR	0.00	0.07	0.07

* All five lost-time incidents were caused by suppliers and not Vodacom employees.

Health and safety compliance training

Vodacom is committed to ensuring a safe working environment for our people in operational roles, particularly those performing high-risk activities. We provide annual health and safety training that complies with the highest safety standards and practices. The training focuses on risks related to working at heights, road safety and safety in the work environment. In financial year 2021, Vodacom invested R849 726 in certifying 514 employees who completed health and safety courses, which commenced in April 2019.

Creating a healthy work environment

Vodacom is committed to a healthy work environment. We, therefore, implement initiatives that promote physical and mental health and well-being. ICAS has been our integrated well-being programme provider since January 2018. We have 110 trained well-being ambassadors across the business to convey the basic facts of mental health, promote annual initiatives and make appropriate referrals to our employee assistance programme.

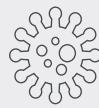
Vodacom also relaunched the ICAS-on-the-Go app to specifically cater for employees working from home and who might be experiencing personal or family problems or be subjected to domestic violence and abuse. The app is managed by trained counsellors through a live chat which can be accessed every day of the year. The app makes it convenient for an employee or family member to speak to a professional counsellor in private without having to make a phone call making it convenient and confidential.

Employee wellness programme

Our Group employee wellness programme was particularly active during COVID-19, supporting employees with virtual counselling and webinars. A mental health survey in financial year 2021 enabled Vodacom to bring the employee wellness programme objectives up to speed with the following current needs:

- Determine the well-being of our people (coping during lockdown, working from home, levels of stress and happiness indicators);
- Barometer of employee well-being proposition;
- Leads into Vodafone (world mental health awareness campaigns and well-being challenge); and
- Align with renewed employee experience initiatives.





Internal COVID-19 response and support

Vodacom supported employees during the COVID-19 lockdown, ensuring adherence to health and safety measures at all times. We established a COVID-19 Risk Committee to drive our approach and ensure we protect our employees during the pandemic.

Vodacom set aside over R2 million from our disaster fund to assist permanent South African employees financially impacted by COVID-19. Eligible employees may have experienced a loss or reduced household income resulting in their inability to meet their financial obligations or COVID-19-related medical expenses not covered by their medical aid, or suffered the tragic death of a family member.

COVID-19 workplace controls

We shared our contingency plan with employees through a webinar, discussing symptoms, professional and personal travel protocols, quarantine requirements and hygiene rules. Employees were pre-screened with a daily questionnaire, and we placed health condition and daily symptom screening questionnaires on the Engage app. We also included an induction video, well-being and medical support and ergonomics advice. In addition, we developed a tracking tool to support and monitor employees who tested positive for COVID-19.



Accelerating digital transformation through the Engage app

The Engage app supported movement permits for critical employees and offered 24/7 well-being support to those working at home during lockdown. When employees returned to offices, the app hosted an online health risk assessment to ensure we complied with regulations. It also collects data for post-incident tracking and tracing.

Provision of healthcare resources

Vodacom appointed a general practitioner to contact employees and family members. Primary care nurses were also appointed to assist employees who presented COVID-19 symptoms at work. In addition, we administered over 22 000 individual tablets of multi-vitamins to essential employees. We also shared a medical advisory facility, which was available 24 hours via a toll-free line, WhatsApp and email.

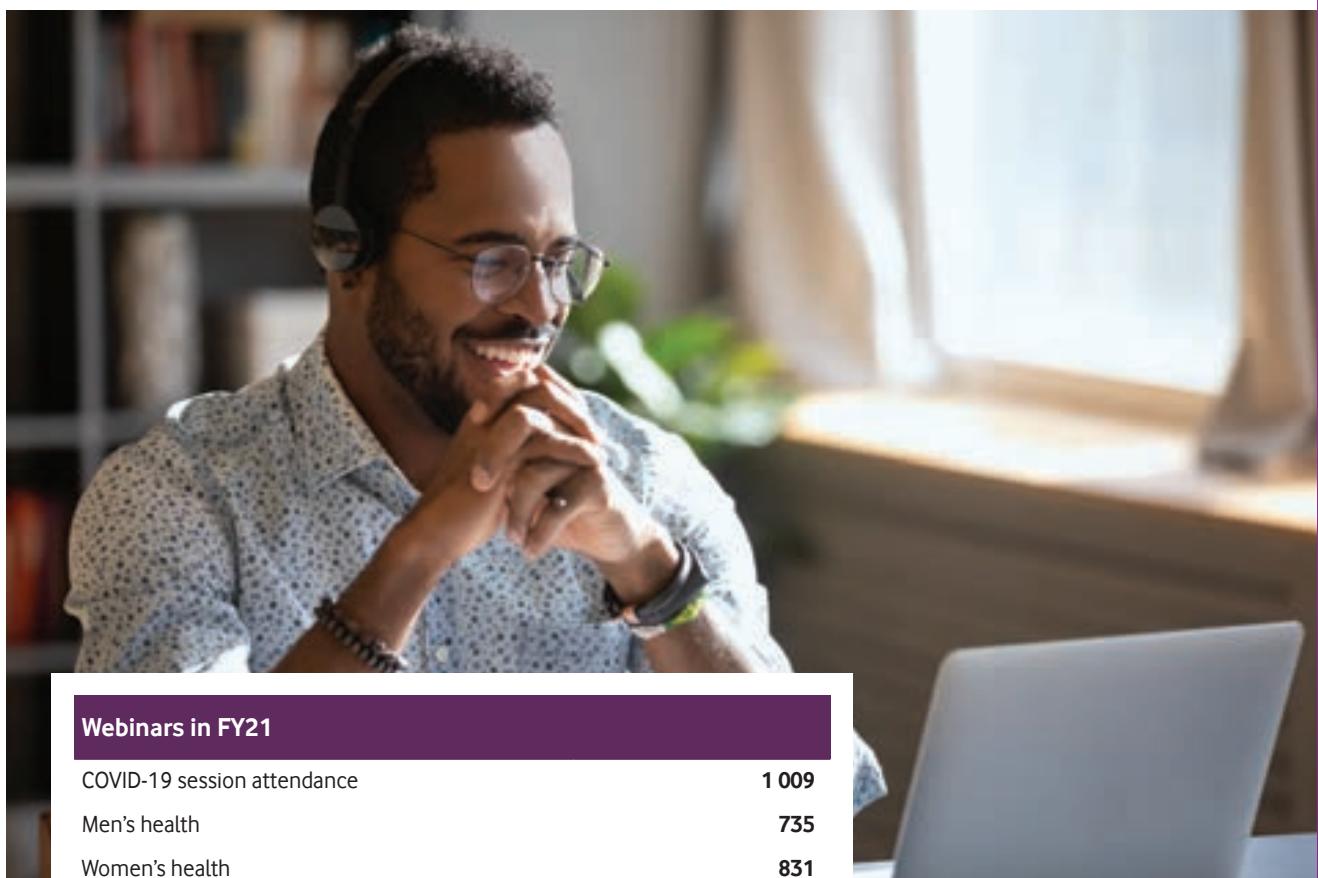
Mental health and well-being support

We implemented various initiatives to support our employees' mental health and well-being during COVID-19, including a flexible meeting-free period, discounted rates for office chairs and other supplies, a virtual parenting support programme and a financial mindfulness webinar.

In South Africa, we introduced COVID-19-related special leave. It is paid leave for employees who have been impacted by the pandemic. This special leave came into effect on 1 February 2021. It was introduced with the understanding that our business success is largely underpinned by the well-being of our employees who are our most valuable asset. It is categorised as special illness leave and special family responsibility leave. Special family responsibility leave allows additional time off for funerals and/or care for immediate and extended family members who are ill as a result of COVID-19.

We organised town hall sessions for employees who had been contact with others who tested positive for COVID-19. An email group was also monitored by a medical panel and webinar awareness sessions were conducted for employees. Attendance at mental health sessions is summarised on the next page.





Webinars in FY21

COVID-19 session attendance	1 009
Men's health	735
Women's health	831
Mental health resilience	987
Finance	350
Making your way through the COVID-19 maze	685
Are you executives ready for the fight?	320
Compensation in accordance with the Occupational Injuries and Diseases Act, 1993	335
Digital wellness solutions	435

Physical training

Four classes per week from May to November
Average of 50 employees per class

Protecting employees and medical personnel

Every employee must wear a cloth face mask before entering the workplace. Vodacom also ensured that medical personnel attending to employees had the necessary PPE.

Remote working and hiring

At the onset of COVID-19, Vodacom implemented remote working practices across all our markets which were adapted based on local requirements. All employees were provided with the necessary tools, digital solutions and other related IT requirements. Vodacom further allocated additional data to employees that ranged from 10GB to 20GB to ensure that all employees were able to deliver their work effectively. The working from home approach excluded staff who were required to do on-site operations and maintenance and those who work in our contact centres and critical areas with a dependency on specialised system access.

Domestic violence support

Domestic violence continued to be a major concern during the COVID-19 lockdown when employees worked from home. We reminded our employees about Vodacom's domestic violence policy and continued to communicate the importance of reporting abuse and seeking support. The policy supports employees and their family members with up to 10 days of paid leave in any calendar year for medical appointments, legal proceedings and other activities addressing domestic violence. This leave is in addition to existing leave entitlements and may be taken as consecutive or single days or as a portion of a day.

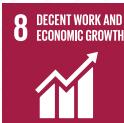


Responsible business practices and disclosures

Through responsible business practices, we create value by addressing the urgent need to merge financial performance with ethical conduct that places the needs of people and the planet before profit.



Responsible and inclusive supply chain



8 DECENT WORK AND ECONOMIC GROWTH



17 PARTNERSHIPS FOR THE GOALS

› Supply chain management

We aim to ensure integrity in our supply chain processes by identifying and managing legal, social, ethical and environment-related risks. Vodacom encourages suppliers and business partners to adopt sustainable business practices. Enhancing supplier performance supports improved service quality and productivity, stimulates innovation, and cultivates a responsible working environment. In financial year 2021, Vodacom worked with more than 9 495 (2020: 11 374) suppliers and invested over R57.3 billion (2020: R48.3 billion) to meet our business and customer needs across our markets.

Supply chain management in FY21

Market	Total spend (R billion)	Number of suppliers
South Africa	49.3	7 139
Tanzania	4.1	504
Lesotho	0.2	208
DRC	1.9	470
Mozambique	1.8	266

Vodafone Procurement Company (VPC) centrally controls the Group's purchasing and supplier management function. VPC manages most of Vodacom's spend with global suppliers, supporting the needs of Vodacom's operating companies and Group functions. This centralised procurement approach supports the delivery of efficient supplier performance management across Vodafone businesses. Vodacom has built commercial relationships with several local suppliers involved in service-related procurement such as merchandising or field operations. Supporting these local businesses creates employment and socioeconomic development opportunities in communities across our markets.

In financial year 2021, 862 (2020: 653) companies qualified as Vodacom suppliers. Our procurement spend is predominantly on network infrastructure and related services. We procure these services from a limited number of suppliers who collectively have the investment, capabilities and scale required to invent, build, install and maintain network infrastructure equipment. The products we offer customers, such as phones and tablets, also account for a significant part of our procurement spend.



› Supply chain policy and governance

All Vodacom suppliers must comply with our code of ethical purchasing, which compels them to understand, accept and commit to Vodacom's required ways of working. The code of ethical purchasing is based on international standards, including the Universal Declaration of Human Rights and the International Labour Organisation's fundamental conventions on labour standards. It sets out clear expectations across a range of issues applicable to our supply chain, including the safety of people working with Vodacom. Fair disciplinary practices, anti-bribery guidelines, responsible sourcing of minerals and protecting the environment are a key requirement for our suppliers. Child labour, forced labour and discrimination are prohibited. Common risks faced by Vodacom employees and suppliers in their daily delivery of services stem from driving, working at heights or with high-voltage equipment. Therefore, Vodacom implements a robust health and safety management approach that addresses the workplace environment and work-related transport conditions for permanent employees, contractors, suppliers' employees and contractors.

Furthermore, Vodacom's mandatory code of conduct requires suppliers to adhere to and encourage support of our business principles across their operations. By doing this, we aim to ensure safe and fair working conditions, as well as responsible and continual improvement, in managing environmental and social issues across our supply chain. These commitments extend across the supply chain – a supplier with a direct contractual relationship (tier 1 supplier) must ensure compliance across its own direct supply chain (tier 2 supplier) and beyond.

Vodacom's Slavery and Human Trafficking Statement outlines the measures we take to address the risk of modern slavery in our businesses and supply chain. Vodacom complies with International Labour Standards, and all contracts with our suppliers include an annexure requiring compliance with these standards. We provide our suppliers with access to applicable policies and requirements as part of the contracting and onboarding process.





> Supplier monitoring and auditing to ensure compliance

We expect every supplier to continually monitor their compliance with our code of ethical purchasing and, if they fail to do so, promptly implement mitigating actions. Suppliers must immediately report serious non-compliance to Vodacom to ensure effective and timely corrective action. The nature of risks and activities determine the level of supplier scrutiny. High-risk suppliers – including those operating in industries, sectors or countries with a history of poor standards – are required to complete a detailed evaluation process.

Suppliers complete an ethical, labour and environmental risk questionnaire, and provide supporting evidence to validate their responses. Our supply chain team validates submissions and determines an overall sustainability score. Vodacom conducts intensive on-site audits of local suppliers when we evaluate their compliance with our code of ethical purchasing. During the year, 65 key suppliers completed this evaluation process. The audits also examine contractual requirements in accordance with the underlying risk profile of each supplier. Those who do not meet our standards must present evidence of a completed corrective action plan.

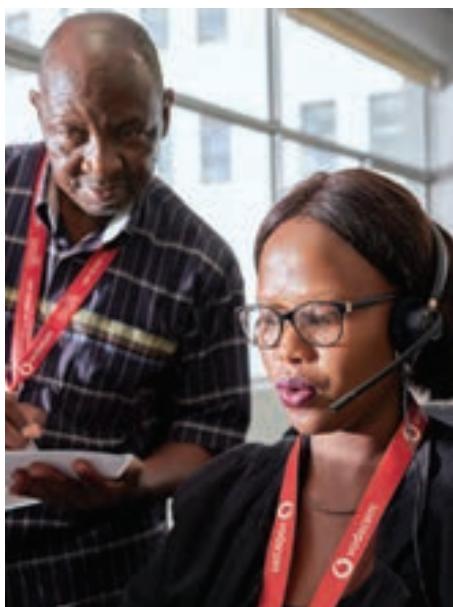


Estimated supplier audits to be conducted over the next five years

Supplier audits	2026	4
2021	4	(2 were cancelled due to COVID-19)
2020	7	
2019	9	
	2025	4
	2024	4
	2023	4
	2022	4

The top two areas of non-compliance in FY21 were:

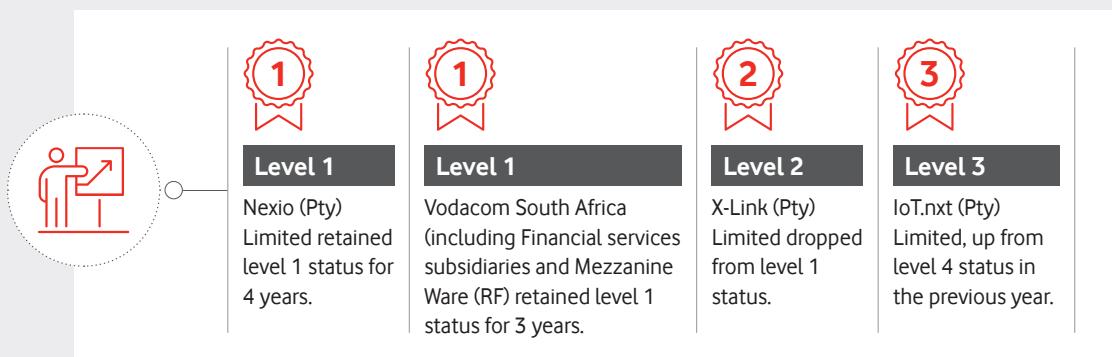




Business integrity, principles and practices

B-BBEE results for Vodacom Group

In a move that positively deepens Vodacom's transformational role in South Africa and demonstrates our commitment to the ideals of B-BBEE, Vodacom Group Limited (including all South African subsidiaries) achieved the highest B-BBEE contributor status of Level 1 for the second consecutive year. Vodacom's Level 1 B-BBEE status is a clear demonstration of our unwavering commitment, especially related to the rebuilding of our economy post-COVID-19. In addition to retaining our Level 1 status, the Group also saw an impressive increase in total points to 123.40 (2020: 120.84 points).



In addition, VBA and its subsidiary, GS Telecoms (Pty) Limited were consolidated under Vodacom Group.

Given the challenges of COVID-19 during the past financial year, the Group improved significantly across all elements except for a slight drop in points for enterprise and supplier development. This drop was as a result of Vodacom South Africa exceeding its projected net profit after tax (NPAT) for the year.

Scoring element	Target points	Achieved points	Achieved points 2020	Achieved points 2019
		2021		
Ownership	25	23.23	22.75	21.33
Management control	23	18.23	15.90	17.39
Board representation	8	6.83	4.67	5.83
Top management representation	5	4.90	4.82	5.00
Employment equity	10	6.50	6.41	6.56
Skills development	20	21.97	20.90	23.32
Enterprise and supplier development	50	47.98	49.29	43.65
Procurement	25	22.05	21.29	19.54
Supplier development	10	8.93	11.00	7.11
Enterprise development	15	17.00	17.00	17.00
Socioeconomic development	12	12.00	12.00	12.00
Total	130	123.41	120.84	117.69

Ownership

Vodacom's increase in ownership percentage, calculated using the normal flow-through principle, increased from 30.71% to 32.35%. This resulted in an increase of 0.84 points from 22.75 to 23.23 points. Net asset value points also increased from 5.75 to 6.23 out of eight points.

Management control

This element achieved an increase of 2.33 points from 15.9 points to 18.23 points, resulting from increased black female representation on the Board, improvement in black representation on Exco and an increase in black female representation against all occupational levels. Vodacom South Africa demonstrated the biggest improvement, while Nexio (Pty) Limited and IoT.NxT (Pty) Limited declined.

Skills development

The Group's combined spend for skills development increased by R48.9 million from the previous year – an increase that resulted in a R324 million spend on training of black employees and black people, of which over R18 million was spent on training for persons living with disabilities. In addition, the Group retained 45 learners more than the previous year, ensuring that 89 unemployed persons on learnerships obtained full-time employment. This element saw a 1.07 point increase from 20.90 to 21.91 points.

Enterprise development

An investment of over R405 million went towards the development and support of close on to 200 black-owned SME and youth entrepreneurs operating in the broader ICT sector. The full points plus bonus was once again attained.

Procurement

The Group increased its spend by R5 billion in FY2021 to R43 billion, up from R38 billion the previous year. Of this, R38 billion was spent on suppliers of Level 4 or higher, R6.4 billion on greater than exempted micro enterprises/ qualifying small enterprise suppliers, R14.9 billion on greater than 51% black-owned suppliers and R18 billion on suppliers with greater than 30% black female ownership. Over R1.2 billion spend went to black designated suppliers. Points increased from 21.29 to 22.05.

Supplier development

This element incorporates various transformation initiatives, from retail transformation and deep rural tower transformation to equipment support through grants and most importantly, given the onslaught of COVID-19 on SME businesses, our SME early payment terms. Notwithstanding the fact that the company invested over R200 million in the various initiatives, we paid over R1.1 billion to SME suppliers within three days from invoice. We experienced a 2.07 point drop (8.93 points down from 11 points) in overall score as a result of exceeding net profit after tax projections for the year.

Socioeconomic development

Our investment of R278 million was focused on development programmes for women, youth, people living with disabilities, healthcare and education programmes excluding COVID-19 obligations. Full points were attained against this element.



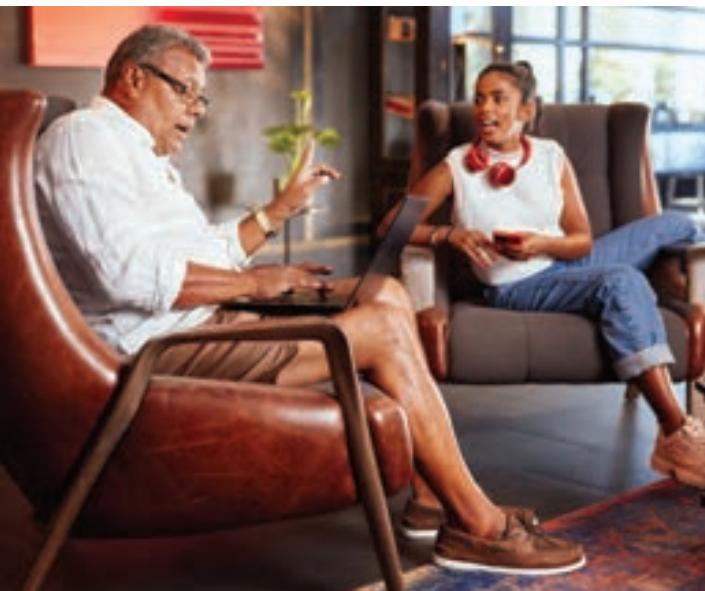


Promoting business integrity

➤ Promoting ethical conduct

The Vodacom Group Company Secretary is the head of ethics and takes overall responsibility for the ethics portfolio of the Group. It includes education and awareness around ethical behaviours, code of conduct, provision of advice and support around conflicts of interest as well as maintaining the conflicts of interest register as an ambassador for the DWR campaign. Vodacom's code of conduct, supported by our 10 underlying business principles, defines what we expect from every employee, contractor, supplier and business partner. The code also sets out our responsibilities to our people, partners, shareholders and the broader societies in which we operate. The Code of Conduct is underpinned by an extensive and well-established framework of policies and systems to ensure we manage our responsibilities.

In February 2021, the Chairman hosted the annual ethical leadership event, which was held online for the first time and attended by 3 816 employees across the Vodacom Group. A panel discussion by members of Vodacom's senior leadership team addressed employees' questions about ethics-related matters, including Vodacom's ethical responsibilities toward our customers, influencing the accounting profession, dealing with ethical dilemmas in harnessing business opportunities in all our markets, ethical leadership qualities and collaborating with government to deliver on our Social Contract.



➤ Raising awareness of business integrity

Vodacom provides training and awareness initiatives on our Code of Conduct, ethical values and ethical decision-making to employees through our DWR programme. In the reporting period, we reached over 4 200 leaders, employees and suppliers through the induction programme, ethical leadership event, and graduate and employee workshops. Vodacom continued to roll out the five modules of the DWR 2.0: e-learning, game-based training initiative on the Code of Conduct, anti-bribery, security, health and safety, and privacy. The average completion rate of this training was 94% among permanent employees across the Group. In December 2020, we launched the new DWR 3.0 online training in South Africa and Lesotho, and will be introducing the course to the other markets in financial year 2022. DWR 3.0 focuses on the behaviours required by our Code of Conduct, information and cyber security, and diversity and inclusion policies. South Africa and Lesotho reported a completion rate of 77% and 62% respectively. In Tanzania, a refresher online module on privacy and health and safety was launched in December 2020 with a completion rate of 80%.

The roll out of the DWR communication campaign continues to create awareness of the behavioural standards set out in our Code of Conduct. Vodacom employees, contractors, business partners and suppliers are reminded of the expectations to protect the Vodacom brand and reputation. In collaboration with the ethics office, policy champions and internal communications, policies are communicated to the workplace via email and screensavers. During the reporting period, campaigns on high-risk policies in various markets covered gifts and hospitality, whistle-blowing (SpeakUp), ethics advice line, conflict of interest policy, privacy, cyber security, security, anti-money laundering and competition law.



The **digital Code of Conduct** is available on the Vodacom intranet and corporate website at <https://www.vodacom.com/pdf/code-of-conduct/2019-vodacom-digital-code-of-conduct.pdf>.

› Managing conflicts of interest

Vodacom continually raises awareness of the conflict of interest policy through campaigns. The registered number and quality of declarations continued to improve during the year. The due diligence process for onboarding suppliers and business partners incorporates conflicts of interest to ensure we identify potential risks upfront, and manage these risks appropriately.

› Ethics advice and confidential reporting

In financial year 2021, Vodacom received and responded to 126 (2020: 209) employee requests for advice through our ethics advice line. Issues related primarily to conflicts of interest, policy clarification and favouritism in the workplace.

Employees and contractors report suspected breaches of our Code of Conduct to our SpeakUp confidential whistle-blowing hotline and Vodacom investigates the reports. In financial year 2021, Vodacom Forensic Services received 56 (2020: 118) disputes or allegations for investigation.

SpeakUp addresses grievances or complaints lodged outside Vodacom's process in instances where employees or business partners are not comfortable raising genuine concerns that may damage our reputation. The number of incidents submitted to the SpeakUp hotline and investigated internally is summarised below.

Grievances reported in FY21

19

› Disciplinary processes and procedures

All breaches of the Code of Conduct are investigated and, where substantiated, applicable disciplinary measures are taken. We also impose sanctions as appropriate. In financial year 2021, three (2020: 100) permanent employees were dismissed for absenteeism and dishonesty. In addition, 18 (2020: 93) external people and contractors were arrested. To mitigate the risk of recurrence we, *inter alia*, 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.

Compliance programme

Vodacom continues to comply with the relevant laws, regulations and policies across our markets. Our compliance programme is guided by an overarching compliance management framework that sets target dates for full compliance with legal obligations. The framework also provides guidelines for implementing, managing and monitoring internal controls. It specifically focuses on high-risk compliance areas such as competition law, anti-bribery and anti-corruption, anti-money laundering and terrorist financing, and privacy law. The compliance function also focuses on leveraging digitisation to ensure compliance, as well as embracing a risk-based approach, investing in our people and tools, and using data analytics and AI – all key to the function's ethos.

Trade control and sanctions

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

Anti-money laundering programme

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

Anti-bribery and anti-corruption programme

This year, our anti-bribery and anti-corruption programme focused on reviewing and enhancing our processes related to third-party relationships through an automated solution. We have a clear anti-bribery policy and programme in place, which applies across Vodacom's markets, 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 also prohibits Vodacom markets from funding or contributing to party political activity.

› Media ethics and editorial guidelines

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



› Ethical advertising

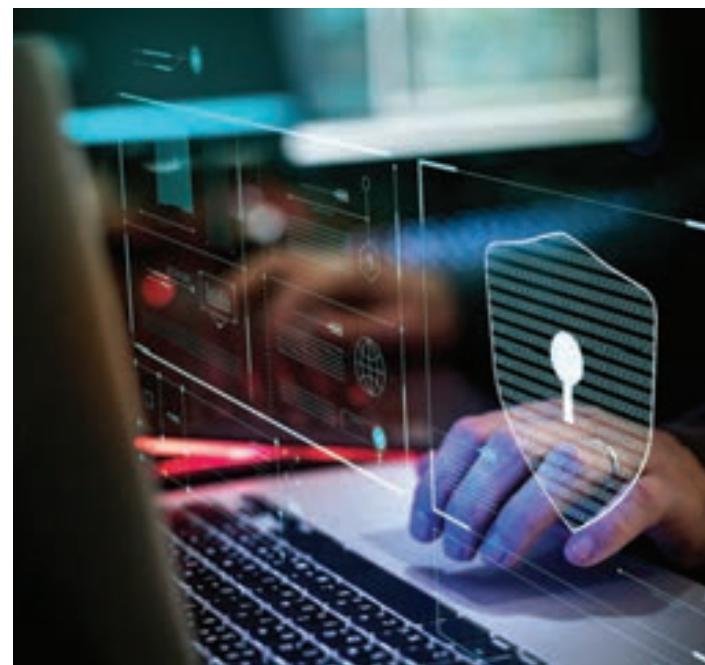
Vodacom subscribes to the codes and guidelines issued by the Advertising Regulatory Board of South Africa. We are committed to ensuring that communication on our products and services is clear and ethical, and supports our customers, colleagues and communities in connecting for a better future. When we advertise our products and services, we act with integrity, sensitivity towards society and respect for human rights. This approach helps build trust among customers, business partners and our local communities. In financial year 2021, Vodacom did not infringe on any advertising codes of practice.

**Vodacom subscribes
to the codes and
guidelines issued by
the Advertising
Regulatory Board of
South Africa.**

Protecting customer privacy and security

The Group's privacy programme was adopted as "business-as-usual" during the 2021 financial year. Our operations have a risk-based approach to privacy. Privacy controls were implemented to ensure alignment with best practice. To this end, the Group Privacy Framework was adopted across Vodacom operations, with delivery of an effective programme through 12 domains:

- **Programme management**
- **Baseline risk management**
- **Individual rights**
- **Data management**
- **Security for privacy**
- **Third-party management**
- **Organisational security and privacy impact assessments**
- **Permissions and transparency**
- **Processor obligations**
- **Training and awareness**
- **Management of external influence**
- **Supplier reviews**



Consistent supplier reviews and assessment of new and legacy suppliers are part of business as usual. Suppliers are assessed to ensure they meet our privacy and security policy requirements, implement technical and organisational measures to protect the privacy and security of personal information, and conclude appropriate data protection agreements to regulate data sharing. In South Africa, in terms of the Protection of Personal Information Act, 2013, the services of a consultancy were procured to fast-track the assessment of high-risk suppliers.

Dedicated privacy and security teams across Vodacom's markets provide advice, support and solutions. Our executive team is firmly committed to providing adequate resources to ensure effective operation of privacy and security operations. In pursuit of our ambition to become a digital services company, we intend to digitise activities in privacy and security operations. We use OneTrust to assess security and privacy, as well as the impact on privacy. These assessments included design and assurance. In most markets, including South Africa, a data loss prevention tool tracks location and monitors the use of personal information to prevent unauthorised use and access. We also use Riskonnect to record, manage and report privacy risks.

> Privacy governance

Vodacom's privacy framework describes accountability with clearly defined roles and responsibilities, risk management processes, privacy requirements, diverse methods of solving recurring privacy problems, and privacy by design and assurance methodology.

> Privacy legal regime

Vodacom adheres to local and global protection of personal privacy legislation. In line with the global privacy management programme, our markets implement good practice principles based on the general data protection regulations implemented across Vodafone's entities in Europe and the United Kingdom. To enforce data protection, Vodacom South Africa has controls to ensure compliance with the provisions of the Protection of Personal Information Act, 2013. Vodacom also appreciates the role of the Information Regulator in ensuring the protection of personal information. We engage with the regulator to share our approach to privacy in the interests of transparency.

> Our approach to privacy and security

Information security is an essential part of our business. We can only ensure our customers' privacy if we secure their information and communication. Our key principles on information security define our secure creation, use, storage and disposal of the information we manage so that it cannot be lost, stolen, manipulated or used without Vodacom's authorisation. Our privacy and security strategy strengthens our security culture, raising employee awareness of security risks and mitigation measures.

> Data management and protection

Securing customer data remains critical to Vodacom. To secure personal and proprietary data, we have several security measures across the Group which prevent data loss, leakage, obfuscation and enhance encryption.

We also apply appropriate data management practices to govern the processing of personal information. We carefully select partners involved in processing personal information. In line with our privacy notices and as authorised by our customers, these partners only have access to the personal information necessary to perform their duties. We implement appropriate technical and organisational measures to protect personal information against unauthorised access, use, modification or loss. Our Code of Conduct and DWR campaign support a culture of respect for the privacy and security of every customer's personal information. We have established data retention and deletion policies with defined guidelines on data retention periods and practice.



> Privacy training and awareness

In financial year 2021, our privacy training and awareness initiatives were delivered through our e-learning platform, which tracks completion rates with oversight by line managers. Currently, the average rate is between 82% and 97%. In addition, specialised training was provided in online sessions. The interactive training focused on solving practical business privacy and security issues in high-risk business areas. Material topics included conditions for lawful processing, the rights of data subjects and transparency, security and privacy by design and assurance, security compromises and breaches. With information about our privacy principles and applicable laws, our employees are empowered to understand and promote compliance in their daily business activities. This embeds a culture of respect for the privacy and security of personal information.



➤ Maintaining cyber security

Our renewed five-year cyber security strategy will introduce next-generation security technologies and principles to enhance our current prevention and detection capabilities. We have begun implementing this strategy across our markets.

We drive optimal security of our systems, products and services. We have data loss prevention solutions across Vodacom endpoints to manage and prevent communication of sensitive, critical and confidential information outside our corporate network.

We have multiple security operation centres and a cyber intelligence centre, which monitor potential security breaches 24/7. We also implement several machine learning solutions across our technology endpoints to continuously monitor potential threats and anomalies. Our systems also automate incidence response activities.

Vodacom uses a leading security programme. We manage and monitor key security initiatives in terms of the five key pillars of our cyber security strategy. Aligned with the cyber security strategy and based on the internationally recognised standard of good practice for information security, ISO/IEC 27002, we also use a regularly updated capability maturity model with 48 key cyber security controls.

The Group's cyber security code is a user-friendly guide to enforcing and strengthening cyber security within Vodacom. The cyber security code has rules applicable to Vodacom's employees, contractors and third parties.

We regularly evaluate our third-party supplier and vendor security positions to ensure their cyber security measures align with the Vodacom and Vodafone standards.

➤ COVID-19 response



 Refer to pages 16 to 19 for details on our response to COVID-19.

Our privacy and security teams provide general advice and assessments to identify risks and ensure mitigation actions are implemented to protect the privacy and security of personal information. Vodacom is committed to improving governments' insights into people's movements in affected areas to support public health and research efforts. As requested by public authorities, NGOs and approved entities, Vodacom provided some aggregated and anonymised network data, such as generalised patterns in the movement of people, to assist with planning the response to COVID-19. The outputs did not contain data that could identify specific individuals.

To ensure the protection of shared personal information, we implemented appropriate controls to respect the fundamental rights and freedoms of our customers:

Aggregation and anonymisation: Vodacom shares aggregated and anonymised data sets such as heat maps of mobile device movements.

Governance: Our internal oversight procedures, along with guidance from regulators, ensure that we consider legal, ethical, security and human impact in relation to governments' responses to COVID-19.

Proportionality: We only share data strictly necessary to achieve the objective.

Retention: We periodically review data-sharing initiatives and stop the sharing of information when it is no longer necessary.

Transparency: We use online channels to increase transparency.

No personal data: We do not share personal data unless required by law.

Security: We have appropriate security measures in place such as managing access of people who view data sets.

Legitimate: We only share data for fair and legitimate purposes as in, for example, the context of the public response to COVID-19.

These controls, along with Vodacom's broader approach to data sharing, help ensure we act ethically and effectively to serve the public interest.

Vodacom and Vodafone Group provide insights about COVID-19 to the World Bank. In addition, Vodacom South Africa joined the United Nations Economic Commission for Africa to create a platform that assists governments in Africa. In addition to privacy impact assessments, we conducted a human rights impact assessment of our COVID-19 data-sharing exercise.

Appendix A

Independent Auditor's Limited Assurance Report on the selected sustainability information in Vodacom's Sustainability Report 2021

To the directors of Vodacom Group Limited

We have undertaken a limited assurance engagement in respect of the selected sustainability information, as described below, and presented in the Sustainability Report of Vodacom Group Limited (the "Company", "Vodacom" or "you") for the year ended 31 March 2021 (the Report). This engagement was conducted by a multidisciplinary team; including environmental and assurance specialists with relevant experience in sustainability reporting.

Subject matter

We have been engaged to provide a limited assurance conclusion in our report on the following selected sustainability information, marked with a "A" on the relevant pages in the Report. The selected sustainability information described below has been prepared in accordance with the Company's reporting criteria that accompanies the sustainability information on the relevant pages of the Report (the accompanying reporting criteria).

Carbon emissions category	Selected sustainability information	Unit of measurement	Boundary	Sustainability Report page
Scope 1 carbon emissions	Tonnes of CO ₂ arising from fuel used in stationary equipment (e.g. network sites, data centres and buildings)	metric tCO ₂ e	South Africa	Page 55
	Tonnes of CO ₂ arising from fuel used in mobile fleet	metric tCO ₂ e	South Africa	Page 55
Scope 2 carbon emissions	Tonnes of CO ₂ arising from purchased electricity (e.g. network sites, data centres and buildings)	metric tCO ₂ e	South Africa	Page 55

We refer to this information as the "selected sustainability information for limited assurance".

Your responsibilities

The directors are responsible for the selection, preparation and presentation of the selected sustainability information in accordance with the accompanying reporting criteria as set out on page 99 of the Report (the "Reporting Criteria").

This responsibility includes:

- The identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance, and
- The design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

The directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected sustainability information and for ensuring that those criteria are publicly available to the Report users.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practices on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. Qualitative interpretations of

relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

In particular, where the information relies on carbon and other emission conversion factors derived by independent third parties, or internal laboratory results, our assurance work will not include examination of the derivation of those factors and other third-party or laboratory information.

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors, issued by the Independent Regulatory Board for Auditors' (IRBA Code)*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies the International Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the selected sustainability information based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ISAE 3000 (Revised)), and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements* (ISAE 3410) issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform our engagement to obtain limited assurance about whether the selected sustainability information are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised), and ISAE 3410, involves assessing the suitability in the circumstances of the Company's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected sustainability information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the selected sustainability information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management and senior executives in our interviews;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected sustainability information;
- Performed a controls walkthrough of identified key controls;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the directors in the preparation of the selected sustainability information; and

- Evaluated whether the selected sustainability information presented in the Report is consistent with our overall knowledge and experience of sustainability management and performance at the Company.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's selected sustainability information has been prepared, in all material respects, in accordance with the accompanying Company's reporting criteria.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, and subject to the inherent limitations outlined elsewhere in this report, nothing has come to our attention that causes us to believe that the selected sustainability information as set out in the subject matter paragraph above for the year ended 31 March 2021 is not prepared, in all material respects, in accordance with the reporting criteria.

Other matter

The maintenance and integrity of Vodacom's website is the responsibility of Vodacom's directors. Our procedures did not involve consideration of these matters and accordingly we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of presentation on Vodacom's website.

Restriction of liability

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected sustainability information to the directors of the Company in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Company, for our work, for this report, or for the conclusion we have reached.



PricewaterhouseCoopers Inc.

Director: Jayne Mammatt

Registered Auditor

Johannesburg

18 June 2021

Appendix B

Limited Assurance indicator definitions report

for the year ending 31 March 2021

Carbon emissions category	Selected sustainability information	Boundary	Definition
Scope 1 carbon emissions	Tonnes of CO ₂ arising from fuel used in stationary equipment (e.g. network sites, data centres and buildings)	South Africa	Tonnes of CO ₂ arising from diesel usage in generators at the access and core network sites, data centres and office buildings for the 12 months ended 31 March 2021.
	Tonnes of CO ₂ arising from fuel used in mobile fleet	South Africa	Tonnes of CO ₂ arising from petrol and diesel used by company owned vehicles for the 12 months ended 31 March 2021.
Scope 2 carbon emissions	Tonnes of CO ₂ arising from purchased electricity (e.g. network sites, data centres and buildings)	South Africa	Tonnes of CO ₂ arising from electricity consumption at access and core network sites, data centres and buildings nationwide for the 12 months ended 31 March 2021. Scope 2 emissions are associated with the consumption of purchased electricity from a source that is not owned or controlled by the reporting Company. Under the GHG Protocol, "indirect" sources are those emissions related to the Company's activities that are emitted from sources owned or controlled by another company.

Appendix C

Glossary

ARB	Advertising Regulatory Board
App	Application
B-BBEE	Broad-based black economic empowerment
CDP	Carbon Disclosure Project
CO ₂ , CO ₂ e, tCO ₂ e	Carbon dioxide, carbon dioxide equivalent, tonnes of carbon dioxide equivalent
CFCs	Chlorofluorocarbons
CSI	Corporate Social Investment
EMF	Electromagnetic fields
EMS	Environmental Management System
GIS	Geographic Information System
GHG	Greenhouse gas; unless indicated otherwise, GHG emissions are made up of CO ₂ , methane (CH ₄), nitrous oxide (N ₂ O), hydro fluorocarbon (HFC), perfluorocarbon (PFC) and sulphur hexafluoride (SF ₆). The United Nations has identified these six gases as the main contributors to global warming.
GWh	Gigawatt hours (electricity)
GSMA	Global System for Mobile Communications Association
GBCSA	Green Building Council South Africa
GRI	Global Reporting Initiative
HVAC	Heating, Ventilation, Air Conditioning
ICASA	Independent Communications Authority of South Africa
ICT	Information and Communication Technology
IoT	Internet of Things
IPP	Independent Power Producer
King IV	King IV Code of Corporate Governance for companies operating in South Africa
kl	Kilolitres
kWh	Kilowatt hour (electricity)
LTIR	Lost Time Injury rate indicates performance by dividing the total number of lost time injuries in a certain time period by the total number of hours worked in that period, then multiply by 200 000 to get the LTIR.
MW	Megawatt (electricity)
mtCO ₂ , mtCO ₂ e	Metric tonnes of carbon dioxide, metric tonnes of carbon dioxide equivalent
NGO	Non-governmental organisation
NPO	Not for Profit Organisation
NPS	Net Promoter Score
OECD	Organisation for Economic Co-operation and Development's
SME	Small and medium enterprises
SMS	Short Messaging Service
STEM	A curriculum based on the idea of educating students in four specific disciplines — science, technology, engineering and mathematics
SRAN	Single radio access network
SVS	Stock Visibility Solution
PPA	Purchase Power Agreement
UN SDGs	United Nations Sustainable Development Goals
WHO	World Health Organisation

Corporate information

Vodacom Group Limited

(Incorporated in the Republic of South Africa)
(Registration number 1993/005461/06)
(ISIN: ZAE000132577 Share code: VOD)
(ISIN: US92858D2009 ADR code: VDMCY)
(Vodacom)

Secretary and registered office of Vodacom Group Limited

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Sponsor

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