Vodacom Group Limited

Integrated Report

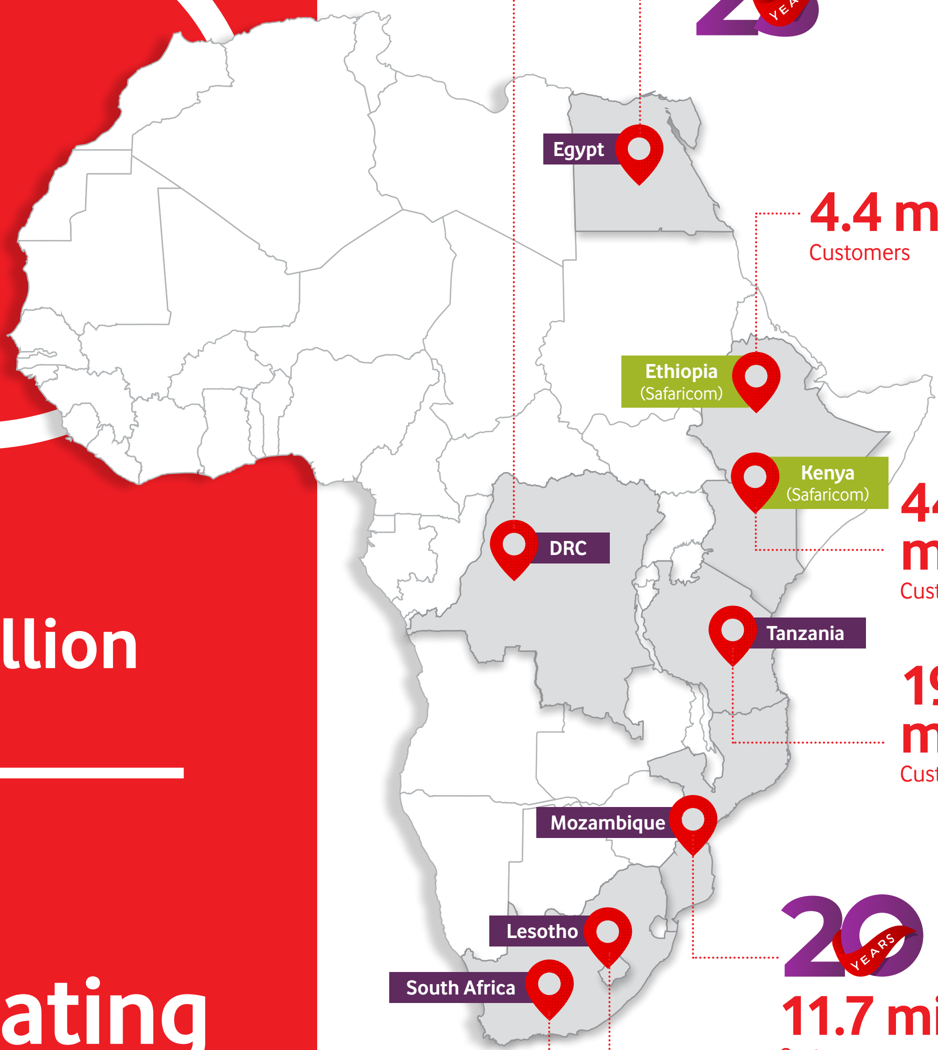
For the year ended
31 March 2024

Further together

Group

203.1 million
Customers

Celebrating milestones across our footprint



21.3 million
Customers

48.3 million
Customers

4.4 million
Customers

44.7 million
Customers

19.6 million
Customers

11.7 million
Customers

1.5 million
Customers

51.7 million
Customers

OpCos   Safaricom

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This is an interactive report. Navigation tools at the top right of each page and within the report are indicated below.

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This report is best viewed in Adobe Acrobat for desktop, mobile or tablet.
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Adobe Acrobat Reader

Navigate our report

Throughout the report, we use the following icons to indicate the elements of our business model in terms of the Integrated Reporting Framework:

Capitals impacted

- FC Financial capital
- MC Manufactured capital
- HC Human capital
- SRC Social and relationship capital
- IC Intellectual capital
- NC Natural capital

The six capitals are defined from **Page 52** of our capitals performance

- Value created
- Value eroded
- Value sustained

Stakeholder groups

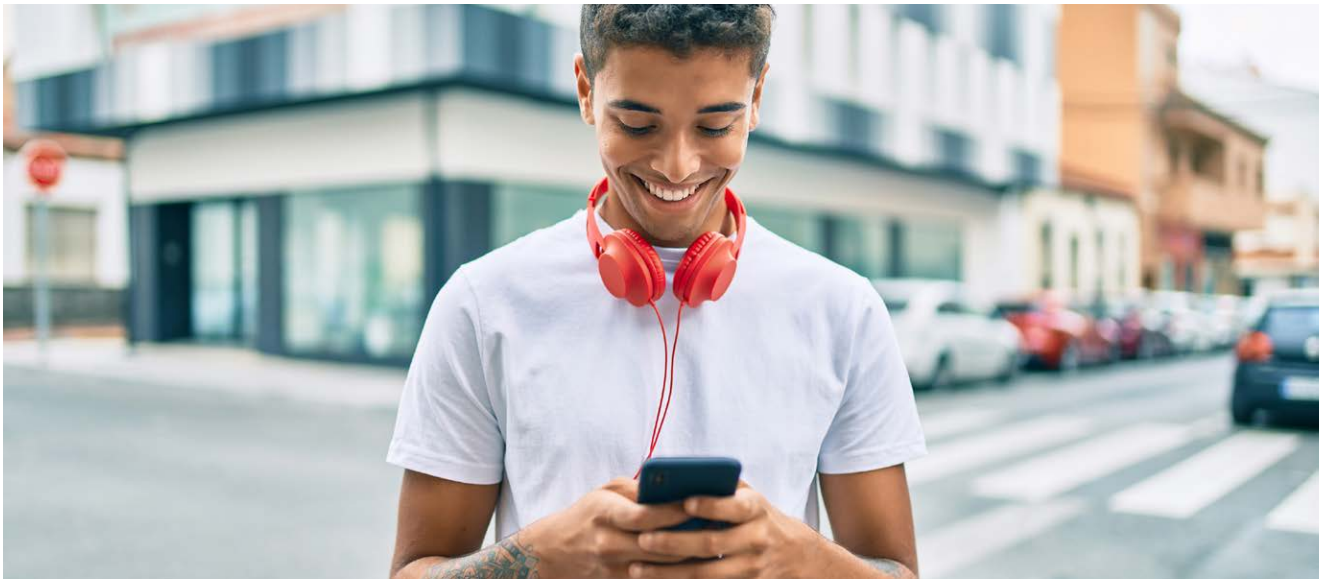
- Customers
- Communities
- Employees
- Suppliers
- Investors and analysts
- Government and regulators
- Media
- Strategic and business partners

Strategic pillars

1. Healthy markets and leadership
2. Secure leadership in mobile and fixed
3. Scale financial and digital services
4. Digital partner of choice for enterprises
5. World-class loyalty and customer experience
6. Personalisation through customer value management (CVM) and Big Data
7. Optimise assets through sharing
8. Technology leadership in network and information technology (IT)
9. TechCo organisation and culture
10. Trusted brand and reputation

Material matters

- MM1 Financial and digital inclusion
- MM2 Network and technology resilience
- MM3 Accelerating growth while delivering returns
- MM4 Competitive environment
- MM5 Economic and political landscape
- MM6 Complex regulatory environment
- MM7 Our people
- MM8 Increased focus on ESG



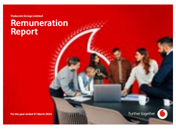
Welcome to our reporting suite

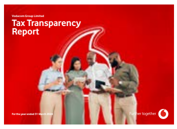
Our reporting suite aims to meet the diverse information needs of Vodacom Group Limited's (Vodacom or the Group) stakeholders. This enables the Group's stakeholders to fairly assess our financial and ESG performance for the **financial year ended 31 March 2024 (FY2024).**

Vodacom's integrated reporting suite is available online and in PDF format

FY2024 integrated report

Our integrated report serves as our primary communication with our stakeholders and is complemented by additional disclosures in our reporting suite.





FY2024 environmental, social and governance disclosures

Our various topic-specific reports provide detailed environmental, social and governance disclosures to meet the diverse information needs of our stakeholders:

- Environmental, social and governance (ESG) report
- ESG addendum
- ESG addendum methodology
- Climate and TCFD report
- Corporate governance report
- Tax transparency report
- Remuneration report

FY2024 financial disclosures

We provide detailed information relating to our financial position and performance in the following reports and presentations:

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

FY2024 shareholder information

We support shareholders with valuable information to enable their participation at our annual general meeting through the following documents:

- Notice of annual general meeting (AGM)
- Form of proxy

Where to find more information:

Find relevant information in **this report**

Read more on our website at **www.vodacom.com**

Visit Vodafone Group Plc's (Vodafone's) website for more information at **www.vodafone.com**

ESG Find relevant information in our **ESG report**

TAX Find relevant information in our **tax transparency report**

GOV Find relevant information in our **corporate governance report**

AFS Find relevant information in our **annual financial statements**

REM Find relevant information in our **remuneration report**

TCFD Find relevant information in our **climate and TCFD report**

The Board's support of value creation

To our investors, shareholders and other interested stakeholders

Our integrated report showcases how our purpose – to connect for a better future – drives our strategy, impacts our value creation and shapes our stakeholder engagements within our operating context. The report also provides insights into the Group's outlook and articulates why we believe Vodacom offers an attractive long-term investment case.

The Board of Directors (Board) is committed to ensuring the integrity of this integrated report and, accordingly, interrogated its content to ensure it materially complies with the Integrated Reporting Framework. This report was prepared under the supervision of executive management, on behalf of the Board, and we conducted a thorough internal and external review process to ensure its accuracy and reliability. The Board believes this report addresses all material matters and presents a balanced and fair account of the Group's performance in FY2024. It also includes material events between year end and the report approval date. We are confident that the report is a reasonable reflection of Vodacom's strategic commitments for the short term (less than one year), medium term (one to three years) and long term (beyond three years).

Guided by the Audit, Risk and Compliance Committee (ARCC), the Board approved the FY2024 integrated report and consolidated financial statements on 7 June 2024.

For more detail on our Board, refer to **Page 16**

Sakumzi Macozoma
(Chairman)

Shameel Joosub
(Chief Executive Officer (CEO)

Raisibe Morathi
(Chief Financial Officer (CFO)

Khumo Shuenyane
(Lead independent non-executive director)

Phuthi Mahanyele-Dabengwa
(Independent non-executive director)

Nomkhita Nqweni
(Independent non-executive director)

Clive Thomson
(Independent non-executive director)

Pierre Klotz
(Non-executive director)

John Otty
(Non-executive director)

Joakim Reiter
(Non-executive director)

Leanne Wood
(Non-executive director)

Sateesh Kamath
(Non-executive director)

Connect with us

We welcome and encourage our stakeholders to hold us accountable and share their views on our integrated report, performance and roadmap for delivering sustainable value.

For quick and easy feedback, scan the QR code on your smartphone

You can also send any feedback to **vodacomir@vodacom.co.za**

About this report

Driving value creation through integrated thinking

Our purpose is pivotal to our strategy development, business management and approach to value creation for all our stakeholders. By embracing integrated thinking as a core tenet of our strategy and purpose-led business model, we manage the effects of our business activities on the six capitals, referenced in the Integrated Reporting Framework.

Our purpose-led strategy aims to positively influence our operating environment and contribute to the United Nations Sustainable Development Goals (UN SDGs) by connecting for a better future.

ESG Refer to our **ESG report** for more information on how we deliver on our two purpose pillars and our impact on the UN SDGs

Reporting boundary and scope

The information included in this report relates to our activities at a Group level, but also includes disclosure relating to our operating companies (OpCos). We consolidate both the financial and non-financial data of our OpCos. Vodafone Egypt Telecommunications SAE (Egypt) was consolidated on 8 December 2022, representing the effective date of the transaction.

We use * to indicate normalised growth, representing performance on a constant currency basis and excluding the impact of mergers and acquisitions (M&A) and disposal activities. Additionally, we use ^ to indicate *pro forma* growth, which is comparable with our medium-term targets. *Pro forma* results have been presented as if the effective date of the Egypt acquisition was 1 April 2022, thus showing the segment's financial information on a full year basis.

All growth rates quoted are year on year and refer to the year ended 31 March 2024 compared with 31 March 2023, unless stated otherwise.

Materiality

Our business deals with evolving market dynamics and allocates resources to ensure that we deliver on our strategy. This report reflects on issues that could impact Vodacom's ability to create value, and Vodacom's influence on broader society. The content of this report is based on the outcome of our FY2024 review and assessment of material matters, and reflects on matters that could, in our judgement, significantly impact value creation. This is supplemented by an ESG specific materiality assessment disclosure within our ESG report.

For more information, refer to **Page 26**

Integrated reporting boundary

IR Integrated report

Financial reporting boundary

AFS Consolidated annual financial statements

Our organisational structure

Vodacom Group

- South Africa
- International business (IB)
  - Democratic Republic of the Congo (DRC)
  - Lesotho
  - Mozambique
  - Tanzania
- Egypt
- Other subsidiaries
  - For other information on our enablers, refer to **Page 36**
- Associates
  - Safaricom Kenya
  - Safaricom Ethiopia
- Joint venture
  - M-Pesa Africa

Reporting segments

OpCos

Reporting frameworks and process

The Executive Committee (ExCo) owns the Group's integrated reporting process, and executive management approves the content and commitments. The reporting suite is reviewed in detail by the ARCC and signed off by our Board.

We align with best reporting practices and are guided by the principles and requirements in the International Financial Reporting Standards (IFRS); the Integrated Reporting Framework; King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)[1]; the JSE Limited (JSE) Listings Requirements and the Companies Act No 71 of 2008, as amended (the Companies Act). For frameworks guiding our ESG disclosures, please refer to our ESG report. We also provide extracts from the condensed consolidated financial statements in this report. Vodacom's Social and Ethics Committee (SEC) fulfilled its mandate as prescribed by the regulations of the Companies Act, and there are no instances of material non-compliance to disclose.

The consolidated financial statements and our suite of additional reports are available online or can be requested from investor relations

Combined assurance

We use a combined assurance model for assurance from internal and external providers. Ernst & Young Inc audited our FY2024 consolidated financial statements and issued an unmodified opinion thereon. While sections of our consolidated financial statements included in this report were extracted from audited information, such sections are not audited herein.

KPMG Inc conducted limited assurance on select ESG metrics, and the information relating to the scope and conclusions are contained in the independent limited assurance report within our ESG addendum which is available on our Group website

Our transformation performance in South Africa was independently verified by EmpowerLogic and we retained our Level 1 status.

The Group's B-BBEE certificate is available on our Group website

The Group's internal audit function assesses financial, operating, compliance and risk management controls, which the ARCC oversees.

Outlook

Throughout this report, we provide readers with forward-looking information on potential risks impacting Vodacom, and opportunities we intend to pursue as part of our strategy. Where feasible, we aim to clearly articulate the implications thereof on our expected performance. However, it is important to note that forward-looking statements are inherently speculative and the actual results may differ from the outlook provided.

For more information, refer to **Pages 15, 25** and **60**

Who we are

Vodacom is a leading and purpose-driven African operator which offers connectivity, digital and financial services to its customers. Including Safaricom, the Group serves 203.1 million customers.

Over a rich 30-year history in the telecommunications industry, we have expanded our business from South Africa to include controlled operations in DRC, Egypt, Lesotho, Mozambique and Tanzania and have exposure to Kenya and Ethiopia through our associate holding in Safaricom. We are evolving from being a TelCo to Africa's leading TechCo, pioneering innovative solutions to shape the future of connectivity and technology.

Empowering people

Protecting the planet

Maintaining trust

Our purpose pillars

Our purpose is to connect for a better future

Strategic ambition

1 Africa's leading communications company

2 Diversify and differentiate with our digital ecosystem

3 Optimised, future-ready TechCo

We are listed on the JSE and A2X

Our market capitalisation was **R205 billion** as at 31 March 2024

Vodafone – one of the world's largest communications companies in terms of revenue – **has a 65.1% shareholding in Vodacom**

Where we operate

Our operations reach over half a billion people and more than 40% of the African continent's gross domestic product (GDP).

Customers

million	FY2024	FY2023
South Africa	**51.7**	44.2
Egypt[1]	**48.3**	45.5
DRC	**21.3**	21.0
Lesotho	**1.5**	1.7
Mozambique	**11.7**	10.7
Tanzania	**19.6**	16.7
Ethiopia[2]	**4.4**	2.1
Kenya[3]	**44.7**	43.8
Total	**203.1**	**185.8**

Revenue (entity local currency)

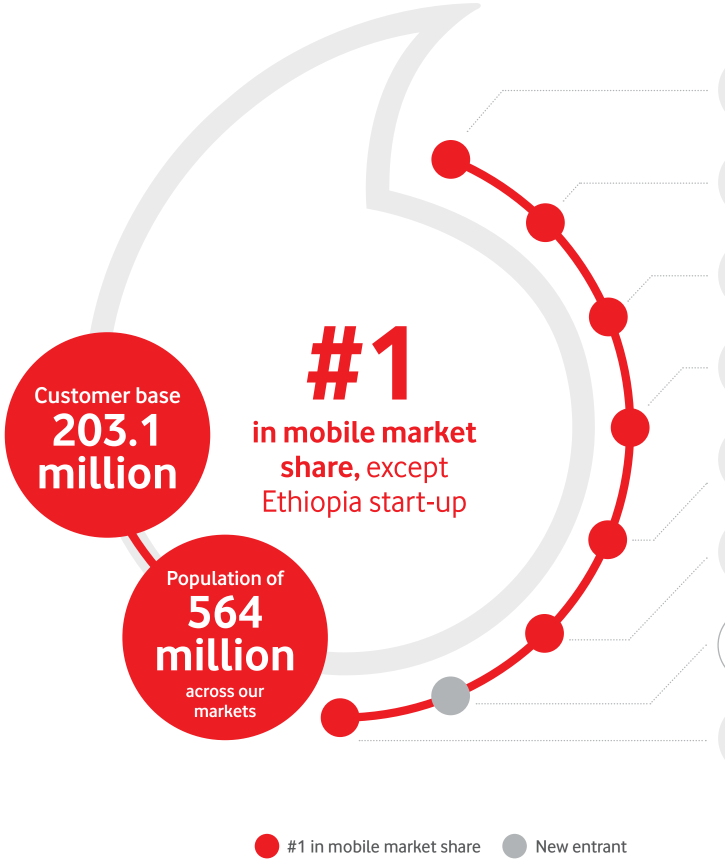
million		FY2024	FY2023
South Africa	(R)	**88 304**	84 715
Egypt[1]	(EGP)	**55 381**	13 463
DRC	(US$)	**663**	619
Lesotho	(LSL)	**1 309**	1 204
Mozambique	(MZN)	**23 259**	26 368
Tanzania	(TZS)	**1 278 216**	1 073 018
Safaricom[3]	(KES)	**349 447**	310 905

Revenue (rand equivalent)

Rm	FY2024	FY2023
South Africa	**88 304**	84 715
Egypt[1]	**32 502**	8 252
DRC	**12 416**	10 531
Lesotho	**1 309**	1 204
Mozambique	**6 814**	7 012
Tanzania	**9 675**	7 838
Other	**(426)**	(382)
Total	**150 594**	**119 170**
Safaricom[3]	**44 903**	43 607

For more information on the countries where Vodacom Business Africa operates, refer to our website on **http://vodacom.com/where-we-operate**

1. Consolidated from 8 December 2022.
2. The Group, excluding indirect interest via its shareholding in Safaricom, has an effective interest of 5.7% in Safaricom Telecommunications Ethiopia Plc. The Group has indirect exposure through Safaricom's 55.7%. This implies an overall look-through stake of 25.2%.
3. Vodacom Group Limited owns 87.5% of Vodafone Kenya Ltd, which in turn holds 39.93% of Safaricom Plc, giving Vodacom an effective holding in Safaricom of 34.94%. The Group's effective interest of 34.94% in Safaricom Plc is accounted for as an investment in associate. Results represent 100% of Safaricom and are for illustrative purposes only.



	Digital services Smartphone penetration (%)	Financial services Customers (million)
South Africa	61.7	15.3
Egypt	74.3	8.2
DRC	23.6	5.5
Lesotho	72.6	0.9
Mozambique	48.5	5.8
Tanzania	37.2	10.2
Ethiopia	–	0.6
Kenya	66.2	32.4
Moonshot:	**All customers** having access to a smartphone	**All customers** having access to financial services

	South Africa	Egypt	DRC	Lesotho	Mozambique	Tanzania	Ethiopia[2] (Safaricom)	Kenya[3] (Safaricom)
Population[Ŧ] (million)	61.0	114.5	105.6	2.4	34.9	69.4	129.7	56.2
GDP per capita[Ŧ] (USD)	6 180	2 831	657	992	569	1 230	961	2 003
GDP growth estimate[Ŧ] (%)	1.5	3.0	5.1	1.4	4.3	5.4	6.8	5.5
Ownership (%)	100	55	51	80	85	75	5.7	34.94
Licence expiry period	2028/2041	2031	2028/2032/2038[µ]	2036	2038	2031	2036	2024/2026/2032[∞]
Customers (thousand)	51 654	48 335	21 343	1 545	11 658	19 563	4 351	44 666
ARPU (rand/month)	90[Δ]	48[Δ]	46[Δ]	61[Δ]	44[Δ]	42[Δ]	17[β]	75[β]
ARPU (local currency/month)	90[Δ]	81[Δ]	2.5[Δ]	61[Δ]	151[Δ]	5 523[Δ]	51[β]	622[β]

Notes:

Ŧ The Bureau for Economic Research for South Africa and Business Monitor International for all other countries (extraction date: March 2024).

µ 2028 (2G licence), 2032 (3G licence) and 2038 (4G licence).

∞ Licence period based on spectrum band rather than technology.

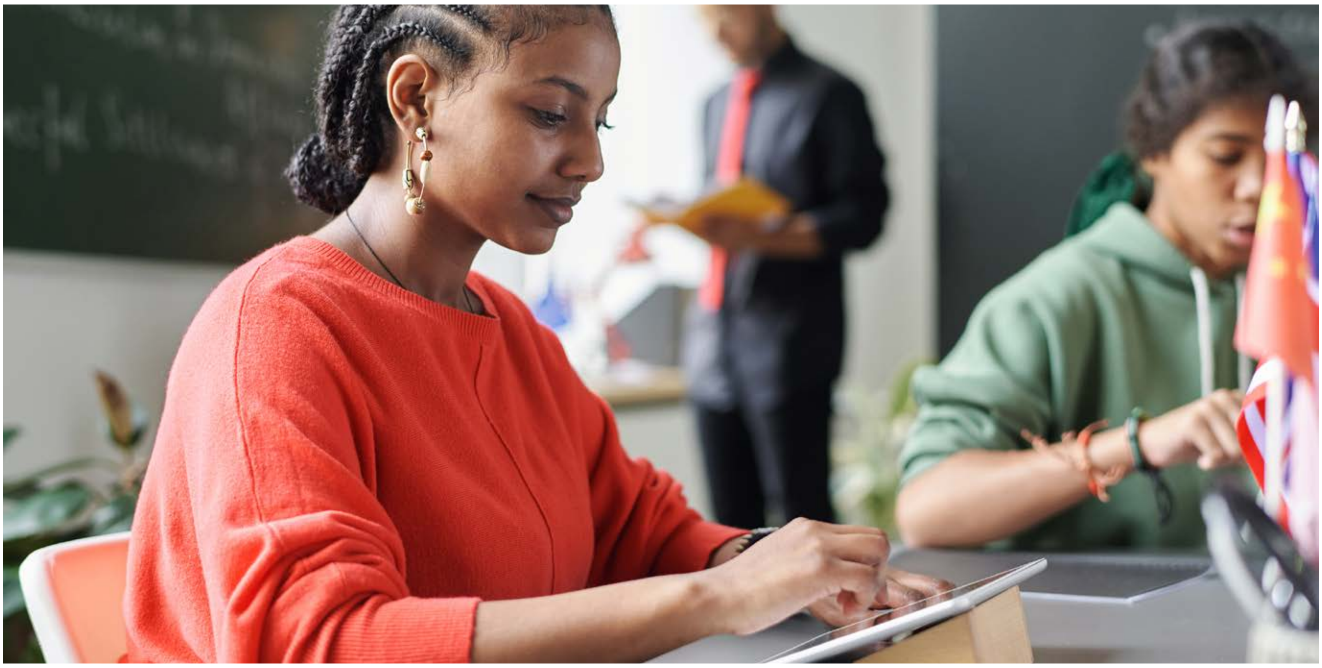
Δ Total ARPU is calculated by dividing the average monthly service revenue (including fixed line and other service revenue) by the average monthly customers during the period.

β Total ARPU is calculated by dividing the average monthly service revenue (excluding fixed line and other service revenue) by the average active monthly customers during the period.

Our material matters

Annually, Vodacom assesses matters that may impact our ability to deliver on our value creation and our purpose – to connect for a better future. Our materiality approach identifies and prioritises material matters based on the extent of their impact on our ability to create value (inward-focused) and on society, communities and the environment (outward-focused) – a process known as double materiality. The outcome of this process guides the content of our integrated and ESG reports, respectively.

ESG Read our **ESG report**



Our materiality determination process in FY2024:

Step 1
Board analysis and deliberation
of principal risks and associated opportunities and stakeholder engagement reports

Step 2
Identifying and assessing
trends impacting our business context and external environment

Step 3
Compiling
a list of material matters with the potential to impact our ability to create sustainable value for stakeholders

Step 4
Receiving feedback
from internal and external stakeholders through an online survey to evaluate the importance of each potential material matter

Step 5
Interviewing
our senior management during the report preparation to ensure the reporting suite content covers the identified material matters

Who leads us structure
Page 20

Step 6
Reviewing and approving
the material matters as included in our integrated report at an executive management level

Step 7
Validation
of material matters as included in our integrated report by the ARCC

Through this process, we identified and ranked the following eight material matters from highest to lowest based on their impact on Vodacom:

MM1

Financial and digital inclusion

Why this is important

Enabling a digital society by increasing connectivity, supporting enterprises and educating consumers helps to create a more equitable society.

We believe that increasing the **affordability of products and services** is critical to addressing societal challenges. This includes providing **affordable and accessible financial services.**

Our commitment to our purpose and **delivering on our Social Contract** with stakeholders guides us in connecting people and things to the internet and facilitating a digital future that is accessible to everyone.

Capitals impacted: FC PG 56, MC PG 70, IC PG 76, SRC PG 88

Related strategic pillars: 3 4 6 10

Related risks: 2 7 9 10

ESG For more information, refer to our **ESG report**

MM2

Network and technology resilience

Why this is important

Our ability to maintain **network availability, quality, reliability and security** plays a critical role in our growth strategy.

Considering the nature of our industry, we increasingly face **cyber security** threats. Cyber resilience is therefore essential to prevent interruption to our service or the breach of confidential customer data.

We consider how **stability in infrastructure and utilities**, including energy, water, waste and road infrastructure, impact and challenge our service continuity.

We also remain aware of the need to monitor **supply chain reliability** as global supply chain disruption risks persist.

We **leverage technology and innovation to grow and mitigate risk of technology failure** through our multi-product strategy – the System of Advantage.

Capitals impacted: FC PG 56, MC PG 70, NC PG 102

Related strategic pillars: 2 3 4 6 7 8 10

Related risks: 3 4 6 7 9 10

ESG For more information, refer to our **ESG report**

Hot topics impacting our operating context **Page 46**

MM3

Accelerating growth while delivering returns

Why this is important

We aim to deliver **performance consistent** with our medium-term targets, enabling sustainable growth in our earnings and dividends.

We **execute strategic projects while delivering returns** by combining our geographic footprint with diversifying our product offering through Big Data analytics, machine learning and world-class technology.

Our strategy distinguishes us from competitors, **attracts funding and delivers favourable shareholder returns.**

Innovating through partnerships and collaboration accelerates our growth even further.

Capitals impacted: FC PG 56, MC PG 70, IC PG 76, SRC PG 88, NC PG 102, HC PG 110

Related strategic pillars: 1 2 3 4 5 6 7 8 9 10

Related risks: 1 2 3 5 7 8 9 10

Our approach to value creation **Page 28**

MM4

Competitive environment

Why this is important

Our focus on innovation provides us with the necessary tools to mitigate risks and leverage opportunities associated with **new competitors and disintermediation** in a continuously changing competitive environment.

Within this complex and competitive operating environment, we must effectively manage **customer experience and satisfaction**, and **develop innovative and competitive products and services** that meet their needs and remain a provider of choice.

Capitals impacted: FC PG 56, MC PG 70, IC PG 76, SRC PG 88

Related strategic pillars: 1 2 3 4 5 6 7 8 10

Related risks: 8 9 10

Hot topics impacting our operating context **Page 46**

Our principal risks and associated opportunities **Page 40**

Our material matters continued

MM5
Economic and political landscape

Why this is important

Our markets continue to experience **constrained economic growth and an evolving inflationary and interest rate environment**, potentially impacting our borrowing costs, pricing decisions and demand for our products.

Macroeconomic and political uncertainty remains, influenced by election cycles, currency volatility and high unemployment rates. In particular, operating across multiple countries amplifies our **exposure to foreign exchange risks**, which could significantly affect our financial performance. In addition to this, **increasing tax pressures** persist as governments grapple with economic pressures, which may affect our profitability.

Global unrest and risks associated with regional conflicts pose unforeseeable challenges in our markets. In an unpredictable world, Vodacom must continue to enhance its **ability to withstand or respond to unforeseen global shocks**.

Capitals impacted	FC PG 56, SRC PG 88
Related strategic pillars	2 3 4 7 10
Related risks	1 2 4 9

Hot topics impacting our operating context **Page 46**

MM7
Our people

Why this is important

We need to **attract and retain scarce and critical technical skills** to create a future-ready organisation.

Prioritising our people's **health, safety and well-being** is essential to ensure they can do their best work.

We **develop and empower our people** because they live our purpose and embody the Spirit of Vodacom.

Creating a **diverse and inclusive workspace** drives innovation and enables us to contribute to a digitally connected society.

Capitals impacted	IC PG 76, HC PG 110
Related strategic pillars	3 4 5 6 8 9
Related risks	9

ESG For more information, refer to our **ESG report**

Our principal risks and associated opportunities **Page 40**

MM6
Complex regulatory environment

Why this is important

We are exposed to regulatory and compliance risks resulting from market-specific challenges. Vodacom must meet these **complex compliance requirements**, including customer data regulations, or may face reputational and financial risk.

Delays in regulatory approvals can impact the Group's ability to grow, scale and deliver quality services.

Data privacy and security regulations, for example, continue to evolve, requiring us to invest human and financial capital to remain compliant.

Capitals impacted	FC PG 56, IC PG 76, SRC PG 88, HC PG 110
Related strategic pillars	1 2 3 4 6 8 10
Related risks	1 2 3 5 7 8 9 10

Hot topics impacting our operating context **Page 46**

MM8
Increased focus on ESG

Why this is important

In addition to the specific ESG matters, Vodacom is increasing its focus on ESG-related issues pertinent to the Group.

We apply **sound corporate governance** principles, **operate transparently, and advocate within the industry** to contribute to its long-term success and resilience. Vodacom must ensure ethical leadership and conduct through transparent and appropriate governance structures to maintain stakeholder trust and legitimacy. The Board, as custodian of Group corporate governance, must therefore have appropriate skills, diversity and composition.

Our respect for **human rights** throughout our value chain demonstrates our commitment to ethical business practices and our positive contribution to society.

Managing the **energy** and **water** we use, reducing our **waste** and managing our **climate and biodiversity impact** is embedded in our daily business management. This involves investing in climate-smart, energy-efficient networks and solutions, developing water-wise practices, and minimising waste across the value chain.

We extend this focus beyond our operations through **responsible sourcing**.

Capitals impacted	IC PG 76, SRC PG 88, NC PG 102, HC PG 110
Related strategic pillars	3 4 7 10
Related risks	2 5 9

Our governance **Page 14**

GOV For more information, refer to our **corporate governance report**

ESG For more information, refer to our **ESG report**

Showcasing how we connect customers for a better future

Our value creation in practice

Our dedication to our purpose – **to connect for a better future** – drives our performance across the six capitals. In FY2024, we remained focused on our customers' experience across our markets. Leveraging our multi-market presence in the execution of our strategy – the System of Advantage – cultivates a culture of cross-market learning, enhancing our overall performance as we become a pan-African TechCo.

FC Financial capital

Group revenue of
R150.6 billion
up 26.4% (10.1%^)
(FY2023: R119.2 billion)

Group service revenue growth of
29.1%
(7.8%^)

Group EBITDA
R56.1 billion
representing a **margin of 37.3%** (FY2023: R45.1 billion)

Headline earnings per share
846cps
(FY2023: 948cps)

Ordinary dividend per share
590cps
(FY2023: 670cps)

Return on capital employed of
23.1%
(FY2023: 21.8%)

Free cash flow of
R18.2 billion
(FY2023: R18.5 billion)

Contributing to public finances

Total contribution to public finances[1]
R36.7 billion
(FY2023: R25.4 billion)

Direct tax
R11.9 billion
(FY2023: R8.8 billion)

Indirect tax
R17.2 billion
(FY2023: R12.6 billion)

Direct non-tax
(e.g. spectrum costs)
R7.6 billion
(FY2023: R4 billion)

Diversity leader in South Africa

Vodacom South Africa

80% of our employees are black (FY2023: 79%)

78% of our Board members are black (FY2023: 80%)

56% black female representation on the Board (FY2023: 50%)

Vodacom Group

77% of our employees are black (FY2023: 75%)

50% of our Board members are black (FY2023: 50%)

25% black female representation on the Board (FY2023: 25%)

HC Human capital

Paid
R10.1 billion
to 13 716 employees
(FY2023: R7.7 billion)

39.3%
of management and senior leadership roles are held by **women,** up from 35.4%[2]

Committed to upskilling
1 million
young people in Africa in the next three years through partnerships

Ranked as Africa's
#1 employer
by
Top Employer Institute

IC Intellectual capital

Served a combined
203.1 million
customers across the Group, including Safaricom
(FY2023: 185.8 million)

Served
78.9 million
financial services customers
(FY2023: 70.6 million)

Supported
10.3 million
Internet of Things (IoT) connections
(FY2023: 9.4 million)

Top ranked
TelCo in the Ask Afrika Orange Index

4.9 million
M-Pesa super-app users
(FY2023: 4.0 million)

VodaPay downloads reached
10.4 million
in South Africa, with >100 mini-apps
(FY2023: 5.7 million downloads)

#1 mobile wallet in Egypt
and **15 million**
Ana Vodafone app users

Acquired additional spectrum in DRC and Tanzania

MC Manufactured capital

Group sites added

5G sites	4G sites	3G sites	2G sites
900 (FY2023: 1 150)	2 306 (FY2023: 2 352)	1 613 (FY2023: 1 136)	1 276 (FY2023: 1 037)

668
rural sites added in the year
(FY2023: added 384), as we look to leverage new satellite partnerships, RuralCo and new technologies to accelerate deployment

Leading networks
across our footprint, with #1 network Net Promoter Score (NPS) in four of six OpCos and #1 in Kenya

R20.4 billion
capital investment in network capacity and resilience
(FY2023: R16.5 billion)

NC Natural capital

Committed to the Science Based Targets initiative (SBTi) to set near-term and net zero greenhouse gas (GHG) emissions reduction targets

Pioneered virtual wheeling in South Africa

Achieved ISO 50001 certification across all OpCos

Percentage of renewable energy consumption increased to **26%**
(FY2023: 6%)

48%
reduction in GHG emissions per terabyte of data
(FY2023: 35% reduction)[3]

93%
of network waste reused or recycled
(FY2023: 97%)[3]

1. Total taxes borne, taxes collected on behalf of governments, and other payments to government.
2. Including Safaricom Kenya.
3. FY2023 data restated to include Egypt for comparability.

SRC Social and relationship capital

NPS leadership
in half our OpCos

Scaling Tech for Good solutions across agriculture, education, energy and health

Agriculture: **9.6 million**
small-scale registered farmers

Education: **2.6 million**
learners on our platforms

Energy: supported customers in avoiding **1.4 million** tCO_2e of GHG emissions

Health: **14.7 million**
citizens impacted

Contributed to transformation in South Africa
Level 1
broad-based black economic empowerment (B-BBEE) contributor status
(FY2023: Level 1)

Rated MSCI ESG
AAA leader

Chairman's statement

Saki Macozoma

Vodacom celebrated several significant milestones in FY2024, including the Group's 30th anniversary and the highlight of connecting over 203 million customers across Africa. Throughout this remarkable 30-year journey, Vodacom's unwavering commitment to purpose has been the cornerstone of our achievements.

Continuing Vodacom's purpose-driven journey

Vodacom's activities are driven by our purpose – **to connect for a better future**. Connectivity and innovative technology play important roles in promoting equality across geography, race, and gender, as well as open access to critical economic opportunities, education, healthcare, and agricultural resources. Our products and services unlock opportunities that create value for our customers and drive economic growth and inclusion across our markets.

During FY2024, our Board oversaw the re-focusing of our purpose pillars to empowering people and protecting the planet – underpinned by maintaining and enhancing the trust of our stakeholders. We aim to deliver on this purpose by combining in-market programmes with local governments and communities. This will be complemented by Group-wide projects in areas such as financial inclusion, gender empowerment and environmental programmes.

We empower our people by working to close the digital divide, providing services that help people prosper, and supporting communities. In FY2024 we added 2 300 4G sites across the Group, with the International business 4G sites up an impressive 22.1% from FY2023. Our innovative prepaid financing model for smartphones has the potential to transform digital and financial inclusion across our markets, particularly in low-income areas. In addition to our efforts to close the digital divide and foster a digital society, we incorporate financial inclusion and gender-based targets in senior management remuneration. We target 16% growth in financial inclusion customers and 44% representation of women in senior management by FY2027.

We are committed to reducing our environmental impact and assisting with decarbonising society as part of our purpose. Digital technology is instrumental to energy management and the efficient use of natural resources and is a key lever in climate change mitigation and adaptation. Our primary environmental issue is managing GHG emissions. Recently, across the Group we aim to achieve net zero emissions from our operations (scope 1 and scope 2) by FY2035, in line with a science-based pathway to limit global warming to 1.5°C of warming by 2100. We are making progress towards this goal and we have applied for the validation of the Group through the Science Based Targets initiative (SBTi). E-waste is our second-most-material environmental issue, and encouraging circularity is a key enabler of our planet strategy.

Acting ethically, lawfully and with integrity is critical to our long-term success. To deliver on this success, we focus on maintaining and enhancing trust through regulatory compliance, protecting people's health and safety, respecting human rights, ensuring a responsible and inclusive supply chain in each of our markets, and contributing to tax and the economy. In addition, we monitor compliance with legal and regulatory standards to ensure our employees, business partners, and suppliers conduct themselves appropriately. Across these focus areas, cyber threats remain at the top of our minds as these risks could disrupt our services and compromise confidential data. Cyber threats are listed as one of our principal risks.

For more information, refer to our ESG framework **Page 26**
For more information on our risks and mitigation actions, refer to **Page 40**

Investing in our growth strategy through the cycle

The **System of Advantage**, Vodacom's strategy, has achieved its goal of expanding footprint and market share and realising new opportunities and synergies that transform customers' lives. While our strategy is focused on having a positive impact in pursuit of our purpose, it also differentiates us from competitors and delivers sustainable returns to shareholders.

Vodacom made significant progress in strengthening our footprint in FY2024. Our network rollout in Ethiopia, Africa's second-most populous country, is progressing, and Egypt, our most recent acquisition, was fully incorporated into the Group for the financial year. Egypt remains a compelling opportunity in terms of growth potential, return profile, and people capabilities as it has invested in a differentiated network and brand with exposure to exciting growth opportunities in financial and digital services, and connectivity.

Macroeconomic challenges across our key markets have affected operations and, ultimately, the Group's share price in FY2024. This pressure is evident in the shift of unstable economic and market conditions from third to first in our Group risk register. Slow growth in South Africa, start-up costs in Ethiopia, high interest rates and exchange rate volatility in Egypt and Kenya created headwinds for the Group in FY2024. The practical challenges of ensuring network resilience in the face of unstable electricity supply remain ongoing across key markets. Against this backdrop, we continued to invest in our connectivity networks and digital ecosystem, such that we are well positioned to capture the compelling growth potential of our markets.

Enhancing stakeholder value

Vodacom's business model and purpose-led approach continued to demonstrate resilience, and this was evidenced by strong free cash flow generation in FY2024. Our focus on customers and commitment to delivering innovative solutions that support our affordable offerings were instrumental in preserving value. We acknowledge the impact of increasing financial pressure on our customers and appreciate their loyalty in this economic climate.

Testament to our ability to create value for stakeholders, is the recognition of Vodacom as Africa's top employer by the Top Employer Institute. Independent benchmarking organisations also recognise our outstanding customer service, engagement and network reliability, in the markets in which we operate.

We engage with governments and regulators on issues such as spectrum and commercial services expansion to ensure we conform with the evolving regulatory landscape. We also monitored regulatory compliance and the macroeconomic impacts of relentless geopolitical conflicts in Europe and the Middle East on the Group's markets. Relationships with these stakeholders remain strong across our footprint. Pleasingly, our average RepTrak score – an independent measure of reputation – improved to 74.4 out of 100 (FY2023: 70.8), with a notable improvement in DRC during the year.

The impact we have on communities is critical to influencing our operating context positively. Our initiatives cover numerous aspects of community upliftment, including, increased broadband coverage and smartphones, addressing digital gaps, building platforms for financial inclusion, supporting small and medium enterprises (SMEs) to thrive in a digital world, democratising education and helping those with disabilities. Of the many purpose-led initiatives that we led over the past year, we are particularly proud of m-mama, Code like a Girl, and Je Suis Cap. With the support of partners like Amazon Web Services (AWS), Huawei, Microsoft, US Agency for International Development (USAID) and the Vodafone Foundation, these initiatives are expanding across our markets to changing lives. We also partner with global relief agencies to maximise our impact. A prime example of this was a partnership with the World Wide Fund for Nature (WWF) in South Africa, where we leveraged our technology to support a fishing community struggling with problems caused by overfishing, pollution and climate change.

The impact of this initiative is narrated in this video

Engaging with our shareholders

Prior to our FY2023 AGM held in July 2023, I hosted a Chairman's roadshow with institutional investors, together with our Remuneration Committee (RemCo) Chairman, Ms Mahanyele-Dabengwa. We covered aspects of ESG, human capital, our Group strategy and risk profile, the Board structure and Group's ownership. A notable hot topic was our acquisition in Egypt. As a Board, we remain confident in the long-term value creation potential of the business, and appreciate the support of our institutional investors in this regard. Our constructive view on the Egyptian business was re-affirmed during the Board's in-market review in October 2023 and by the accelerating growth trajectory of the asset in FY2024.

In January 2024, the Board also had the pleasure of hosting Vodafone Group Plc's (Vodafone) leadership in South Africa. The visit confirmed Vodafone's support of Vodacom and our strategic plan.

REM For more information on our human capital matters, refer to our **remuneration report**

Maintaining the appropriate balance of Board skills and composition

The Board's diverse set of knowledge, skills and experience informs our business decisions with a commitment to demonstrating and entrenching a culture of ethics and good governance across the Group. At its biennial evaluation of its performance for FY2023 and FY2024, which is conducted by an independent service provider, it was demonstrated that the Board remained confident in its balance and composition.

During the year, Sunil Sood and Anna Dimitrova resigned, and Govinda Sateesh Kamath and Joakim Reiter joined the Board as Vodafone representatives. We thank Sunil and Anna for their contributions and welcome Sateesh and Joakim, who bring valuable experience and skills to the Board, specifically with regard to financial services and external affairs.

The Board is confident that our management team's skills and experience will continue to drive the Group's evolving strategic goals.

Key Board focus areas during FY2024

During the year, the Board focused on the following key areas that underpin the execution of Vodacom's purpose, to deliver the System of Advantage, including the integration of Egypt, scaling our financial and digital services, enterprises and Big Data capabilities, and securing customer experience.

In addition, the Board provided oversight on:

- Unstable economic and market conditions;
- Continued strategic development required to deliver the System of Advantage;
- Regulatory compliance across the markets and proactive stakeholder engagement;
- Embedding ESG into business processes on a Group-wide basis;
- Scaling financial and digital services, enterprises and Big Data capabilities.

GOV Read more on the work of the Board and its committees, in to our **corporate governance report**

Legal and regulatory developments

We were surprised and disappointed by the Supreme Court of Appeal's judgment on the Please Call Me matter in February 2024. We disagree with the decision, and we are concerned about the precedent it will set for the Group and the attractiveness of South Africa as an investment destination. With the aim of resolving the matter amicably and reaching a timely conclusion, we have launched an application in the Constitutional Court for leave to appeal the judgment and expressed an intent to enter into settlement negotiations with Mr Makate.

In respect of our planned strategic investment with Community Investment Ventures Holdings (CIVH) to acquire 30% to 40% joint control of Maziv, a leading South Africa fibre company, we were pleased to showcase the strong public interest and pro-competitive advantages of our proposed joint venture, to the Competition Tribunal in May 2024. In October 2022, the Independent Communications Authority in South Africa (ICASA) approved the transaction subject to licence conditions such as open-access. In August 2023, the Competition Commission announced its recommendation to the Competition Tribunal to prohibit the transaction. We remain hopeful that the Competition Tribunal process, which commenced on 20 May 2024, will yield a positive result.

Appreciation and outlook

I would like to thank my fellow Board members for their contributions and support during the year.

On behalf of the Board, I extend our gratitude to Vodacom's executive team for their tireless efforts in driving the strategy and the Group's growth.

We also appreciate the ongoing support of Vodacom's broader stakeholder groups, including our customers who continue to choose Vodacom. Our success depends on products and services that appropriately meet the needs of our customers. We look forward to continuing to meet these needs.

As we approach the end of Vision 2025, which enabled the Group's steadfast progress towards our goal of becoming a leading African TechCo, we look forward to the next stage in the evolution of the Group's growth strategy. As digital technology, including artificial intelligence (AI), is embedded in our ways of working, we acknowledge the need to reassess the way we lead by embedding digital ethics in the consciousness of our people. In the medium term, we will focus on four imperatives: amplifying Vodacom's commitment to purpose and customers, excelling at simplicity, innovating for growth, and continuing Vodacom's TechCo transition.

While strategic refinement is underway, we trust the Group's transition from TelCo to TechCo will continue to leverage various capitals and new technologies to ensure we meet the needs of our customers.

Saki Macozoma
Chairman
7 June 2024

Who governs us

The Board is the custodian of governance at Vodacom, setting the tone at the top for delivering our purpose of connecting for a better future. Ethical leadership underpins the Board's overarching view of the strategy to be a leading African TechCo with a clear **System of Advantage.**

Gender

Female 33%

Male 67%

Independent non-executive demographic

Black 80%

White 20%

Unitary Board structure

12 members

2 Executive

5 Non-executive

5 Independent non-executive

95% Board meeting attendance

Excludes alternate director

ESG For the detailed demographics of our Board, please refer to the **ESG addendum**

Board composition

Independent non-executive directors

Sakumzi (Saki) Justice Macozoma (67) N S

Appointed in July 2017 and as Chairman in July 2020, with knowledge, skills and experience in:
- Broad stakeholder and external affairs expertise
- Extensive leadership at CEO level
- Banking, insurance and financial services
- Risk management

Khumo Lesego Shuenyane (53) S I A N

Appointed in July 2020, with knowledge, skills and experience in:
- Telecommunications and mobile telephony
- Financial management
- M&A and corporate finance
- Banking, insurance and financial services
- Risk management
- African and international business leadership

Phuthi Mahanyele-Dabengwa (53) R N

Appointed in January 2019, with knowledge, skills and experience in:
- IT and digital
- Technology
- Leadership at CEO level
- M&A and corporate finance
- Banking, insurance and financial services
- Risk management
- International business leadership

Nomkhita Cylda Nqweni (49) A S

Appointed in April 2020, with knowledge, skills and experience in:
- Banking, insurance and financial services
- Financial management
- Leadership at CEO level
- M&A and corporate finance
- Risk management
- International business leadership

Clive Bradney Thomson (58) A R I

Appointed in April 2020, with knowledge, skills and experience in:
- Financial management
- Leadership at CEO level
- M&A and corporate finance
- Risk management
- African and international business leadership

Chairman | A ARCC | I Investment Committee (InvestCo) | R Remuneration Committee (RemCo) | N Nomination Committee (NomCo) | S SEC

Non-executive directors

Sateesh Kamath (50)

Appointed in March 2024, with knowledge, skills and experience in:

- Financial management
- Telecommunications and mobile telephony
- Marketing, commercial and consumer matters
- M&A and corporate finance
- Technology
- Banking, insurance and financial services
- IT and digital
- Risk management
- External affairs
- African and international business leadership

Pierre Klotz (48) I

Appointed in April 2020, with knowledge, skills and experience in:

- M&A and corporate finance
- Telecommunications and mobile telephony
- Financial management

John William Lorimer Otty (60) I

Appointed in September 2012, with skills, knowledge and experience in:

- Financial management
- M&A and corporate finance
- Telecommunications and mobile telephony
- Technology
- IT and digital
- External affairs
- African and international business leadership

Joakim Reiter (49) S

Appointed in October 2023, with knowledge, skills and experience in:

- External affairs and legal matters
- Telecommunications and technology
- Marketing, commercial and consumer matters
- Technology
- African and international business leadership

Leanne Susan Wood (51) N R S

Appointed in July 2019, with knowledge, skills and experience in:

- Human resource leadership
- Marketing, commercial and consumer matters
- External affairs
- African and international business leadership

Francesco Bianco (52) N R

Alternate non-executive director (NED) (to Leanne Wood)

Appointed in January 2019, with knowledge, skills and experience in:

- Telecommunication and commercial skills
- Human resources
- African and international business leadership
- M&A and transformation
- Operating and governance models

Executive directors

Mohamed Shameel Aziz Joosub (53) S I

Appointed in September 2012, with knowledge, skills and experience in:

- Telecommunications and mobile telephony
- Leadership at CEO level
- Financial management
- Marketing, commercial and consumer matters
- M&A and corporate finance
- Technology
- IT and digital
- External affairs
- African and international business leadership

Raisibe Morathi (54) I

Appointed in November 2020, with knowledge, skills and experience in:

- Financial management
- M&A and corporate finance
- Banking, insurance and financial services
- Risk management
- African business leadership

Age

Age	
45 – 49	3
50 – 59	7
60 – 65	2

Tenure

Tenure	
0 – 3 years	2
4 – 10 years	8
10+ years	2

Skills and experience

33%
- Marketing, commercial and consumer matters
- IT and digital

42%
- Technology

50%
- Telecommunications and mobile telephony
- Leadership at CEO level
- Banking, insurance and financial services
- External affairs or legal matters

67%
- Financial management
- Risk management
- African business leadership

75%
- M&A and corporate finance
- International business leadership

100%
- General management

Excludes alternate director

Board governance at a glance

How good corporate governance supports the delivery of our purpose

Vodacom's purpose is to connect for a better future. The Group's strategy and sound corporate governance practices are designed to support the delivery of our purpose by ensuring all business functions are executed ethically and with integrity and professionalism.

As a business, we strive to be a trusted brand and partner in the markets where we operate. We entrench good corporate governance principles and ethics into our corporate culture, the **Spirit of Vodacom**, enabling our employees to execute our strategy ethically, responsibly, fairly and professionally.

How good corporate governance supports the System of Advantage

The Board remains cognisant that in order for Vodacom to create value, risks and opportunities, strategy, business model, performance and sustainable development should constitute inseparable elements of the Group's strategic ambitions set out in the System of Advantage.

The Board takes responsibility for setting and steering Vodacom's strategic direction, taking into account the manner in which specific governance areas are to be approached, addressed and conducted. It regularly reviews Vodacom's performance against the System of Advantage, focusing on implementing the strategic and operational plans by management, approving the material policies and processes, and ensuring that an effective control environment is in place to give effect to the delivery of the System of Advantage.

Board committee attendance

GOV For more details, refer to our **corporate governance report** on our website

Name of director		Board (Quarterly meetings)	Board (Teleconference)	ARCC	RemCo	NomCo	SEC	InvestCo	Total
Number of meetings[1]		4	6	5	4	4	5	4	31
SJ Macozoma (chairman)		4/4	6/6	–	–	4/4	5/5	–	19/19
KL Shuenyane (lead independent director)		4/4	6/6	5/5	–	4/4	5/5	4/4	28/28
MSA Joosub (CEO)		4/4	4/4	–	–	–	5/5	4/4	17/17
RK Morathi		4/4	6/6	–	–	–	–	3/4	13/14
F Bianco		4/4	5/6	–	4/4	4/4	2/2	–	19/20
A Dimitrova[2]		1/1	0/1	–	–	–	–	–	1/2
GS Kamath[3]		1/1		–	–	–	–	–	1/1
P Klotz		3/4	4/6	–	–	–	–	3/4	10/14
P Mahanyele-Dabengwa		4/4	5/6		4/4	4/4	–	–	17/18
NC Nqweni		4/4	5/6	5/5	–	–	5/5	–	19/20
JWL Otty		4/4	6/6	–	–	–	–	4/4	14/14
JH Reiter[4]		3/3	5/5	–	–	–	2/2	–	10/10
S Sood[5]		2/2	1/1	–	–	–	–	–	3/3
CB Thomson		4/4	6/6	5/5	4/4	–	–	3/4	22/23
LS Wood[6]		4/4	5/6	–	4/4	4/4	3/3	–	20/21
Total	**Number**	**50/51**	**64/71**	**15/15**	**16/16**	**20/20**	**27/27**	**21/24**	**213/224**
	Percentage	**98.0%**	**90.1%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**87.5%**	**95.1%**

1. The Board holds a minimum of four meetings, three teleconferences and a two-day strategy session every year. Special Board meetings are convened when necessary. In addition to the scheduled teleconferences, three special Board meetings were convened during the year and were held by teleconference.
2. Anna Dimitrova resigned with effect from 15 September 2023.
3. Sateesh Kamath was appointed with effect from 15 March 2024.
4. Joakim Reiter was appointed with effect from 6 October 2023.
5. Sunil Sood resigned with effect from 5 October 2023.
6. In instances where Leanne Wood tendered her apologies, Francesco Bianco (alternate director), was in attendance.

Board

Board committees

- ARCC
- RemCo
- NomCo
- SEC
- InvestCo

CEO

ExCo

- South Africa
- Egypt
- Safaricom
- International Business
- Vodacom Financial and Digital Lifestyle Services
- Finance
- Technology (including Cyber Security)
- Legal, Risk and Compliance
- Human Resources
- M&A and Business Development
- Commercial and Strategy
- External Affairs

ExCo

Assurance

- Risk Management
- Internal Control
- Internal Audit
- Doing What's Right ethics programme
- Compliance
- Technology Governance

Management committees

The following management committees and reviews support the effective exercise of authority and responsibilities:

- ESG and Reputation Committee
- Risk Management Committee
- Finance Committee
- Technology Committee
- Financial and Digital Services Committee
- Legal, Risk and Compliance Committee
- M&A and Business Development Committee
- Customer Experience Committee
- Combined Assurance Forum
- Technology Resilience Governance Board
- Customer Experience Board
- Monthly performance reviews with respect to each OpCo

CLICK HERE TO SEE EXPLANATION OF ICONS

Key Board focus areas during FY2024

During the period under review, the Board focused on the following key areas that underpin the execution of Vodacom's purpose:

	Affected stakeholders	Capitals impacted	Strategic pillars	Material matters
Unstable economic and market conditions The Board monitored the impact of currency volatility, interest rate increases, and hyperinflation in relation to its OpCos, including the impact on liquidity in Egypt and Kenya, as well as the ability to repatriate dividends. The Board has discussed and assessed the impact of unstable economic and market conditions as the top principal risk. For more information on our principal risks refer to **Page 40**		FC	2, 3, 4, 8	MM1, MM3, MM5
Oversight of the continued strategic development required to deliver the System of Advantage The Board monitored the delivery of key strategic activities, including the integration of Egypt in the Group, enhancing customer experience, the operationalisation of Ethiopia, increasing access to spectrum in Tanzania and DRC, incorporating joint venture structures to further Tower Companies (TowerCo) and FibreCo expansion, and monitoring the progress in finalising the strategic investment with CIVH to acquire up to 40% joint control of assets in Maziv, which remains under review by competition authorities.		FC, IC, SRC	1, 2, 3, 4, 5, 6, 7, 8, 9, 10	MM2, MM3, MM4, MM6, MM7
Regulatory compliance across markets and proactive stakeholder engagement The Board and management continued to work with government and regulatory bodies across its operating footprint, to support policy development and find solutions to common challenges, on a proactive basis. For more information on our principal risks, refer to **Page 40**		FC, IC, SRC	1, 3, 4, 6, 8	MM3, MM5, MM6, MM7
Embedding ESG into business practices on a Group-wide basis The Board continued its focus on ESG and embedding this into the System of Advantage. Areas of focus for the year included considering material ESG risks, reflecting on increasing ESG-related disclosure requirements and the systematic programmes that must be implemented to deliver against the requirements, and deliberating the Group's net zero pathway within the context of Africa's transition. The Board also noted new and expanding partnerships in support of Vodacom's purpose-led strategy.		FC, SRC, MC, NC, IC, HC	1, 2, 3, 4, 5, 6, 7, 8, 9, 10	MM1, MM2, MM7, MM8
Scaling financial and digital services, enterprises and Big Data capabilities The Board considered strategic initiatives that would further scale the Group's existing financial and digital services, enterprise businesses and SMEs, and leverage the benefits of its Big Data capabilities. The Board also continued to monitor controls and compliance in financial services, as well as mechanisms to enhance resilience to cyber security risk, particularly with regard to distributed denial of service (DDOS) incidents. For more information on intellectual capital, refer to **Page 76**		FC, IC, SRC	1, 3, 4, 6, 8	MM1, MM3, MM5, MM6

Who leads us

Our Group ExCo

Mohamed Shameel Aziz Joosub (53)

CEO

Appointed in September 2012

Raisibe Morathi (54)

CFO

Appointed in November 2020

Sitholizwe (Sitho) Mdlalose (44)

CEO: Vodacom South Africa

Appointed in July 2022

Mohamed Abdallah (48)

CEO: Vodafone Egypt

Appointed in December 2022

Mariam Cassim (42)

Chief Officer: Vodacom Financial and Digital Lifestyle Services

Appointed in June 2019

Diego Gutierrez (48)

Chief Officer: International Business

Appointed in August 2017

Matimba Mbungela (52)

Chief Officer: Human Resources

Appointed in May 2014

Nkateko Nyoka (61)

Chief Officer: Legal, Risk and Compliance

Appointed in December 2010

Peter Ndegwa (56)

CEO: Safaricom

Appointed in August 2020

Dejan Kastelic (47)

Chief Technology Officer

Appointed in May 2020

Stephen (Steve) Chege (50)

Chief Officer: External Affairs

Appointed in November 2021

Sean Bennett (55)

Chief Officer: M&A and Business Development

Appointed in October 2022

Murielle Lorilloux (51)

Chief Officer: Commercial and Strategy

Appointed in August 2023

Demographics of our Group ExCo

Nationality

13 members

5 South African

8 Non-South African

Ethnic diversity

Black
61%

White
31%

Arabic
8%

Gender

Female
23%

Male
77%

Age

Age	
45 – 49	5
50 – 59	7
60 – 65	1

Tenure

Tenure	
0 – 3 years	5
4 – 10 years	5
10+ years	3

ESG For the detailed demographics of our Board, please refer to the **ESG addendum**

CEO's statement

Shameel Joosub

As I reflect on our journey over the past 30 years, I am filled with a profound sense of gratitude to have been part of Vodacom's growth journey and the positive impact we have had on communities where we operate. From our humble beginnings in South Africa, providing network connectivity for calls and SMS, we now reach more than 200 million customers across eight countries through innovative digital and financial services with the power to make a difference. While I reflect proudly on the milestones we have achieved over the past three decades, it is our ongoing purpose to connect for a better future and drive inclusion that fuels my passion to lead this company.

Our growth journey has not been without challenges. We operate in markets with high levels of unemployment, gender inequality, income disparity and limited access to education, healthcare and basic services. Extreme weather events, such as flooding and droughts, are negatively impacting economies and people. The global macroeconomic environment is also undeniably precarious, characterised by ongoing geopolitical tensions, supply chain disruptions, high inflation and interest rates, energy uncertainty and foreign exchange rate volatility. This challenging operating context informs our purpose and drives our strategy. As a growth-oriented company, we navigate adversities with resilience and adaptability, reimagining problems to create inclusive opportunities enabled by digital connectivity. This mindset is a key enabler to our success.

Refining our purpose

In FY2024, we reviewed our purpose ambitions, affirming Vodacom's commitment to supporting an inclusive, sustainable and trusted digital society where individuals and businesses can thrive. We updated our purpose pillars to focus on empowering people and protecting the planet. We believe connectivity is a force for good. It is an essential part of our lives. If we use technology for the things that really matter, it can improve our lives and the world around us. Our ambition is to empower people, help protect the planet, and maintain and enhance trust with our stakeholders through our connectivity and technology.

Vodacom has made substantial progress in empowering people through our connectivity, digital and financial services products. With connectivity at our core, and supported by innovative new rural funding partnerships, we remain committed to investing in infrastructure to increase our 4G coverage by an additional 70 million people across our footprint, as part of the International Telecommunication Union's Partner2Connect Digital Coalition. In FY2024, we rolled out an additional 2 306 4G base stations across our markets.

To empower people, we actively explore new ways to increase smartphone penetration and tailor connectivity services to promote digital inclusion. These initiatives include 4G prepaid device subsidies of R250 million, our Good as New-certified refurbished devices and groundbreaking prepaid device financing bundles. Once a consumer is empowered with a data-enabled device, we support data affordability through personalised offers. Targeted initiatives focus on specific geographies and market segments through initiatives like Just4You, Just4YouTown, and NXT LVL. Our ConnectU portal provides zero-rated access to basic internet and essential services for 14.4 million users.

The Group's financial services foster inclusion by creating an ecosystem that empowers consumers and merchants with products that include e-Commerce, payments, savings, investments, lending and insurance services. As key drivers of this ecosystem, our super-apps – VodaPay, Vodafone Cash and M-Pesa – integrate our products and services with our partners' best offerings. Vodacom's expanding financial services ecosystem connects 78.9 million customers and facilitates US$1.1 billion a day in mobile money transaction value, demonstrating the Group's impact on financial inclusion and clear leadership in the African FinTech space.

Beyond our efforts to close the digital divide and drive financial inclusion, we aim to impact communities positively in the areas in which we operate, focusing on youth, the underserved, marginalised people and victims of natural disasters. We leverage the power of connectivity, our foundations and partnerships with global aid agencies to expand access to high-quality education, support jobseekers, and assist people living with disabilities or experiencing abuse.

We scaled our Code like a Girl programme, bringing the total number of young women in Africa empowered through technological inclusion to almost 16 000. We promoted the digital inclusion of people with disabilities through tailored commercial propositions and supported infrastructure such as the National Relay Service in South Africa, a call centre for deaf customers in Egypt, and dedicated help desks for blind customers and sign language interpreters in Tanzania. In DRC, through Je Suis Cap (I Am Capable), we established 1 450 women with disabilities as M-Pesa agents, and our Insight Centre in Lesotho provides visually impaired people with equal access to information. We also continue to support the government-led, technology-based, affordable emergency transport system known as m-mama, in partnership with the USAID and Vodafone Foundation. This programme is now expanding beyond Tanzania.

We show our commitment to protecting the planet by operating responsibly, preserving our natural resource base and ensuring our success does not come at a cost to society or the environment. This commitment ensures that we reimagine problems to create opportunities. Our landmark virtual wheeling agreement with Eskom in South Africa is testament to our commitment to working with others and driving innovative solutions. In addition to offsetting up to 30% of our electricity consumption with renewable power, the solution provides a blueprint for other South African corporates and new private-sector investment opportunities in renewable energy generation. In Egypt, our agreement with the New and Renewable Energy Authority supplies us with electricity from renewable projects that powers the majority of our operations in the market.

Across the Group, we invest in climate-smart networks and solutions to reduce GHG emissions through increased efficiency. In FY2024, we achieved ISO 50001 certification across all our OpCos. We completed our largest on-site solar project at our Midrand campus in South Africa. This project has an installed capacity of 6MWp, producing up to 10.8GWh per annum and saving an estimated 10 908tCO_2e annually. We are working on additional power purchase agreements, and are exploring innovative hydrogen cell solutions to increase the amount of energy from renewable sources in other locations. These combined efforts and the purchase of renewable energy certificates resulted in a 28% reduction in GHG emissions in FY2024.

Pleasingly, our progress and reporting on purpose and ESG were again recognised by leading rating agencies in FY2024, including Sustainalytics, which considers Vodacom a low ESG risk. We retained our ESG leader AAA rating from MSCI and improved our International Shareholder Services rating to Prime. We are also proud that Vodacom was recognised for leadership in addressing climate change and was awarded an A- rating in the latest CDP (formerly the Carbon Disclosure Project) climate change assessment, recognising our progress in assessing and managing our environmental impact, risk and opportunities.

As we near the conclusion of **Vision 2025**, we are excited to continue our strategic evolution. Anchored in four strategic imperatives, our medium-term path is focused on sustained growth, ensuring our business remains agile and resilient in the face of challenges and opportunities while remaining true to our purpose.

2021 – 2025

A leading
African TechCo

- Africa's leading communications company
- Diversify and differentiate with our digital ecosystem
- Optimised, future-ready TechCo

Vodacom Vision 2025

2027

The next phase of our strategy we will focus on sustained growth through:

1. Amplifying our commitment to purpose and customers
2. Strengthening the fundamentals
3. Innovating for growth, as we continue to scale our new services beyond mobile
4. Embracing digital transformation

2027

Powered by the System of Advantage

Partnering with platforms that promote inclusion

We partner with governments and other stakeholders across our markets to provide innovative solutions enabled by technology. Our Tech for Good solutions are key enablers of inclusion and address challenges across critical industries, including healthcare, education and agriculture.

The Group's digital education solutions and partnerships facilitate access to educational resources for 2.6 million learners. Each initiative focuses on in-country needs. These include the e-learning platform in South Africa, Ta3limy in Egypt, VodaEduc in DRC, Vodacom Faz Crescer in Mozambique and Instant Network Schools in multiple countries in partnership with the UN Refugee Agency. These initiatives illustrate the power of connectivity and technology to enhance education.

Technological innovations also improve efficiencies and productivity for healthcare service providers and promote access to quality facilities. Notable initiatives range from our stock visibility services in South Africa, to m-mama for maternal and neonatal emergencies in Tanzania and Lesotho, to digitalising Universal Health Insurance (UHI) in Egypt. We are working with the Vodafone Foundation, USAID and local governments to expand m-mama to more African countries. In Egypt, our partnership with the government to digitalise the country's healthcare system through UHI and the Egyptian University Hospitals programmes reaches 309 hospitals and serves 6.3 million people.

Agricultural productivity is vital for Africa's economic future, and enhancing productivity and competitiveness is key to unlocking this potential. We partner with our subsidiaries, Mezzanine, M-Pesa and IoT.nxt, to provide various agriculture digitisation tools and platforms that enable the efficient distribution and use of inputs, provide access to insurance and funding, unlock markets, and facilitate payments and subsidies. Mezzanine's eVuna, MYFARMWEB™ and e-Vouchering solutions reach over 6.4 million beneficiaries. In Tanzania, the M-Kulima agricultural platform, which is integrated with M-Pesa, has 3.2 million registered farmers.

ESG For more information on our Tech for Good solutions, refer to our **ESG report**

On track for a strong finish to Vision 2025

Vision 2025, informed by the System of Advantage, has been fundamental to the Group's success, driving our transition from a traditional TelCo to a leading African TechCo. The System of Advantage is underpinned by three strategic ambitions and supported by 10 strategic pillars.

For more information on our strategic ambitions and pillars, refer to **Page 29**

Ambition 1: Africa's leading communications company

Our customer base, including Safaricom, reached 203.1 million in FY2024, up 9.3%, as we added 17.3 million customers across the Group. Our efforts to foster inclusion and positively influence our operating context was reflected in the scale of our data and smartphone customer bases, which reached 106.4 million and 97.3 million, respectively. By leveraging partnerships and innovative financing models, we expect to support smartphone adoption, 4G coverage and digital inclusion over the medium term.

Our mobile market leadership across our OpCos positions us as the partner of choice for consumer and enterprise customers. We are expanding our mobile coverage and fixed offering to provide network connectivity that matches the increase in data adoption and volumes in both customer segments. We also acquired additional spectrum in DRC and Tanzania in the year, adding to spectrum acquired in Mozambique and Tanzania in FY2023 and South Africa in FY2022. Combined with our focus on empowering people through digital inclusion, pioneering handset financing and rural coverage models, we expect further meaningful connectivity growth opportunities across our markets.

In FY2024, we invested R20.4 billion (FY2023: R16.5 billion) in increasing network reach, resilience and capacity. Group 4G sites increased 7.4%, with the majority of these new sites added in our International business. Including Safaricom, network sites increased to over 46 000, making us one of Africa's largest tower owners. Having completed the Vodafone Egypt transaction in the prior financial year, we further strengthened our footprint in FY2024 by rolling out network connectivity to 4.4 million people in Ethiopia as part of a Safaricom-led consortium.

Energy availability proved an incremental challenge to network resilience in FY2024. Inconsistent grid availability in South Africa was compounded by emerging pressures in other key markets like Egypt and Kenya. We deployed Group best practice energy resilience initiatives to manage this headwind, with our leading networks testament to a best-in-class execution when challenges arise.

Ambition 2: Diversify and differentiate with our digital ecosystem

We made excellent progress on diversifying our revenue beyond mobile, by scaling our new services, which include fixed, IoT, digital and financial services. The contribution of new services to Group service revenue reached 20.0% in FY2024, moving closer to our 25% to 30% medium-term target. A key drive of this ambition is financial services, which grew 19.9%^ in the year, having added 8.3 million customers.

Vodacom's digital ecosystem uses Big Data to accelerate our capabilities across CVM, loyalty and financial services, diversifying our offerings and driving inclusion. Powered by Big Data, we assess more than 10 000 attributes to create a 360-degree customer view that enables us to develop digital and data-driven solutions with improved price competitiveness and tailored customer value propositions. Looking ahead, we plan to further enhance our loyalty programme with a new Group-wide platform developed by Egypt. This is expected to enhance customer loyalty and drive NPS leadership.

Our one-app strategy advanced significantly in FY2024 when we began merging our telecommunication apps into our super-apps. Combining the strength in connectivity with financial and digital services creates a rich ecosystem that promotes digital and financial inclusion, and opens up new marketplace opportunities such as e-Commerce. Egypt is a case study for the one-app approach, as we accelerated financial inclusion by leveraging the scale of our connectivity business. Our Vodafone Cash users increased by 52% to over 8.2 million – an important Group growth lever for the longer term.

Our enterprise solutions support large enterprises, SMEs, governments and universities through mobile and fixed connectivity as well as our complementary digital and financial services. Our progress in transforming enterprise through digital technology was reflected in the growth of our cloud, hosting and security revenue, which was up 30.7% in FY2024, while our Tech for Good solutions are driving the digitalisation of healthcare, agriculture and energy. We believe partnerships, like our recent strategic partnership with Microsoft, will accelerate our IoT, cloud and SME offerings. This will enable us to support livelihoods and help society connect for a better future.

Ambition 3: Optimised, future-ready TechCo

Our Spirit of Vodacom initiatives aim to keep employees engaged, boost morale and create a progressive and conducive organisational culture. We are particularly proud that Vodacom's human capital initiatives have been acknowledged with certification as Africa's Top Employer by the Top Employer Institute. This reflects the hard work of cementing the Spirit of Vodacom across our footprint. We also recognise that our employees, much like our customers, face elevated cost of living pressures. This necessitated out of cycle salary reviews and hardship allowances during FY2024, in certain cases.

With a focus on developing digital skills to drive the Group's transition from a TelCo to a TechCo, we invest in employee development and training to ensure we achieve our strategic goals while helping employees grow. In FY2024, we invested R0.5 billion in skills development and training (FY2023: R0.5 billion) and implemented our Grow my Impact people performance management system to align individual performance with Group strategic goals. As an evolution of our talent management framework, the system refines our measurement and differentiation of individual potential.

As part of our focus on optimising our ROCE, we leverage best practice, sharing models and partnerships to scale solutions that deliver customer value. To maximise on this approach we introduced a new ExCo role in the year, Group's Chief Officer: Strategy and Commercial, which is accountable for the development and implementation of the Group's strategy through the coordination and alignment of all strategic programmes, in collaboration with all our markets across our African footprint.

The Group remains committed to establishing FibreCos and TowerCos across each of our markets as we continue to optimise our assets. In FY2024, we finalised the separation of our South African tower portfolio into a standalone TowerCo business called Mast Services. Additionally, our planned strategic investment with CIVH to acquire up to 40% joint control of assets in Maziv remains under review by the competition authorities. We believe it has tremendous potential to scale our fibre offerings in South Africa, foster economic development and help bridge South Africa's digital divide in some of the most vulnerable parts of society.

Appreciation and outlook

My heartfelt gratitude goes to Vodacom's leadership and employees for their tireless commitment to the Group and our shared purpose. I would also like to thank our business partners, shareholders and other stakeholders for their unwavering support.

In the year ahead, we will focus on finishing strong to meet our Vision 2025 targets and developing the Group's next strategic phase to support our TechCo transition. Over the medium term, we will focus on four major imperatives to position the business for sustained growth: amplifying our commitment to purpose and customers, excelling at simplicity, innovating for growth and continuing our TechCo transition. Core to this strategy will be accelerating mobile and fixed connectivity, scaling handset financing and the rollout of our innovative digital and financial services in all our markets. We also intend to expand our partnerships across Africa to power Vodacom's growth, drive infrastructure sharing to increase rural and fibre connectivity and expand the reach of our Tech for Good platforms.

As our strategy evolves into its next stage, we are steadfastly focused on our purpose of connecting people for a better future, which we will fulfil by providing access to a smartphone, financial services, healthcare and education to every person across our markets.

Shameel Joosub
CEO
7 June 2024

Our ESG framework

At Vodacom, we recognise that to deliver on our purpose – to connect for a better future – ESG must be integrated into what we do.

ESG is not a distinct strategy or set of activities separate from our daily management of the business; it is embedded into Vodacom's purpose-led strategy, business model and activities through priority ESG initiatives.

Our purpose-led strategy serves as our ESG framework, driving the Group to manage ESG risks and deliver positive impact through ESG-related opportunities, considering our operating context, stakeholder expectations and developing ESG regulations and standards.

This strategy – which at its core remains connecting for a better future by enabling a trusted digital society that is inclusive and sustainable – has evolved to focus on empowering people and protecting the planet. This is underpinned by our commitment to maintaining trust in everything we do.

We have defined ESG goals linked to local and global ambitions, such as local government development plans and UN SDGs. Through our progress on these goals, we demonstrate tangible value to stakeholders and fulfil evolving ESG regulations and standards in the business environment. This deep integration ensures our relevance and impact, cultivates trust with stakeholders and helps us deliver on our purpose.

Transparency and measurement

Transparency is essential to our ESG approach and we seek to provide comprehensive disclosure and measure our ESG progress using multiple mechanisms such as ESG ratings, reputation tracking and stakeholder feedback.

Connecting for a better future

We enable an inclusive, sustainable and trusted digital society where individuals and businesses can thrive

Empowering people

We aim to close the digital divide and help people benefit from digitalisation

Closing the digital divide
Extending our network and making connectivity more accessible to all

Empowering our customers
Providing products and services to help address societal challenges, increase productivity and enable SMEs to thrive

Supporting communities
Supporting the digitalisation of education and leveraging technology to address gender-based violence and assist people living with disabilities

Protecting the planet

We want to help protect the planet and enable our customers to do the same

Responding to climate change
Committed to a low-carbon future and playing our part in addressing the climate crisis

Delivering net zero operations (scope 1 and 2 GHG emissions)
Increasing our efficiencies to reduce energy consumption and sourcing alternative energy to reduce our GHG emissions

Managing scope 3 GHG emissions
Engaging our supply chain to reduce indirect GHG emissions

Driving circularity
Following a circular approach to reuse, resell and recycle resources to reduce waste in our produce and service ecosystem

Supporting biodiversity
Understanding and managing our biodiversity impact while collaborating with partners to minimise loss through technology solutions

Maintaining trust

Doing business ethically

Ensuring that our business operates ethically, lawfully and with integrity wherever we operate

Promoting ethical conduct
We hold our employees, business partners, and suppliers to a high standard

Complying with policy
Complying with the relevant laws, evolving regulations and policies across our operations including our zero-tolerance policy on bribery and corruption

Developing our employees

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

Fostering workplace equality
Removing barriers to workplace equality and accelerating transformation

Developing employee skills
Developing diverse, future-capable talent and skills to support our transformation into a new-generation connectivity and digital services provider

Living the Spirit of Vodacom
Creating a workplace culture where people feel empowered to thrive and positively impact their careers

Protecting privacy and data

Maintaining customers' trust in our ability to protect their data

Managing data privacy
Respecting the privacy rights and preferences of our customers and help improve society through the responsible use of data

Managing cyber security
Prioritising cyber and information security across everything we do

Protecting people

Protecting the fundamental rights of our customers, employees and communities where we operate

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

Respecting human rights
Respecting, protecting and remedying human rights, while supporting socioeconomic development

Promoting responsible and inclusive procurement

Managing relationships with our direct suppliers and evaluating their commitments to consider social, environmental and ethical impacts when sourcing goods and services

Managing our supply chain
Ensuring safe and fair working conditions, and responsibly manage environmental and social issues across our supply chains

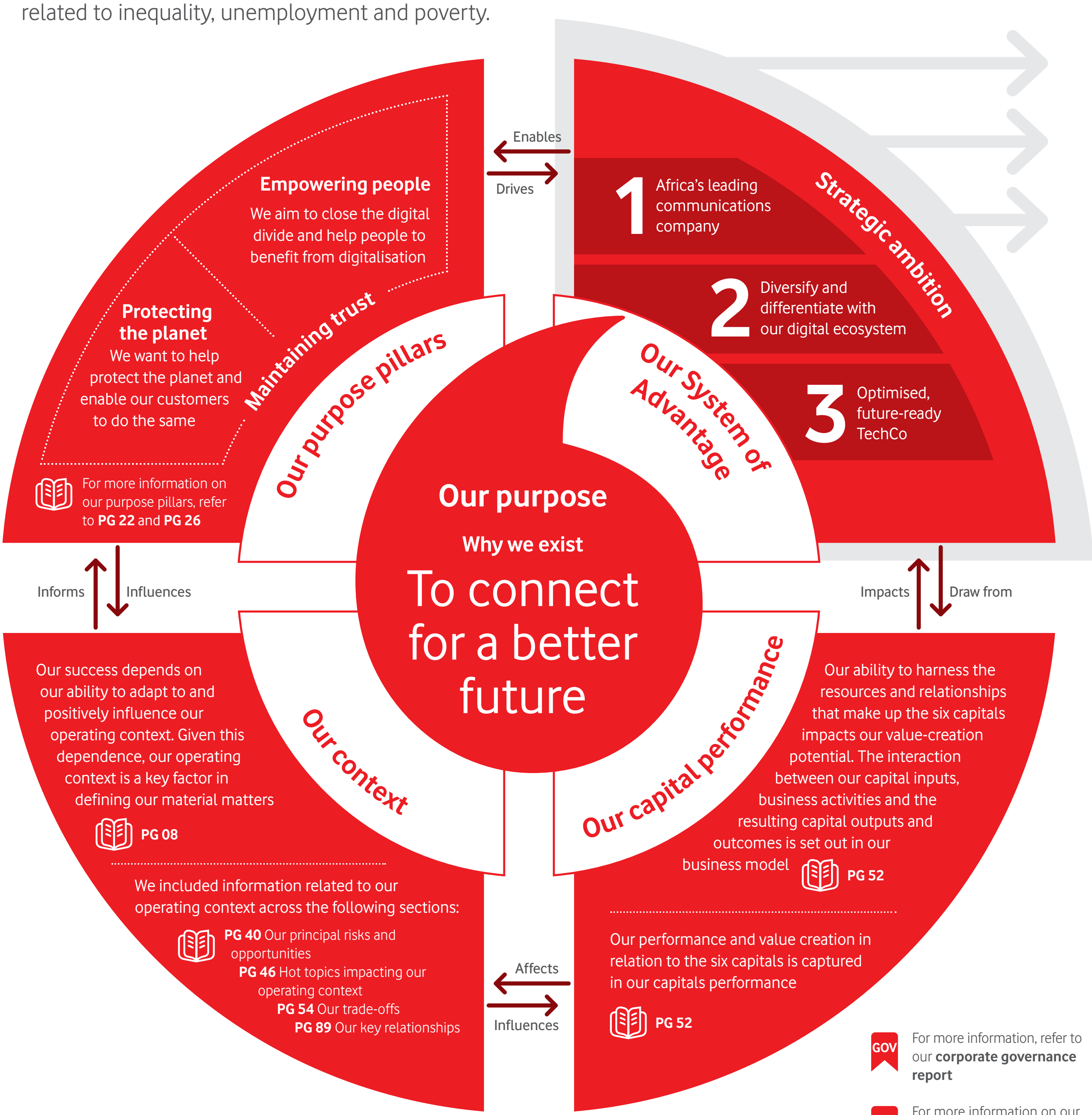
Supporting local economic development
Supporting local enterprises for economic empowerment and the creation and endurance of employment and socioeconomic development opportunities

Limomonane Trust
Lesotho

M-Pesa Impact story
Tanzania

Our approach to value creation

Our footprint and technology reach millions of consumers, empowering them to connect for a better future through our connectivity, digital, and financial solutions. Our expertise, geographic presence and scale contribute to our significant role in the continent's socioeconomic development, addressing challenges related to inequality, unemployment and poverty.



GOV For more information, refer to our **corporate governance report**

ESG For more information on our responsible business practices, refer to our **ESG report**

Governance oversight and responsible business practices

Sound governance and acting ethically, lawfully and with integrity form a critical part of sustainable value creation and our long-term success.

Our strategic ambitions

CLICK HERE TO SEE EXPLANATION OF ICONS

Our System of Advantage

Our strategy, the System of Advantage, is supported by 10 strategic pillars and forms the foundation of how we do business. This powerful and multi-product strategy aims to deliver attractive and sustainable returns to our shareholders while maintaining purpose and customer needs at the core.

We are pleased with the progress we have made through the System of Advantage to deliver on Vision 2025. As we near the completion of Vision 2025, we enter a new phase of strategic development and execution. As reflected in our medium-term priorities, we will remain focused on innovating for growth and amplifying our commitment to our purpose – to connect for a better future – and our customers' unique needs. In our pursuit of becoming a TechCo, we are deliberate in aiming to simplify our products, services and processes, elevating customers' trust and loyalty towards Vodacom.

Ambition 1

Africa's leading communications company

Our leadership in mobile has positioned us well to scale and diversify our market offerings into fixed, financial and digital lifestyle propositions. As we advance our transition from a TelCo to a leading African TechCo, we aim to build the best infrastructure for both mobile and fixed networks, facilitate affordable smartphone penetration and foster regulatory environments that promote digitalisation and inclusion for all in the countries where we operate.

1 Healthy markets and leadership

Supporting our purpose

The integration of Egypt and continued expansion into Ethiopia have extended our population footprint to 564 million people across the African continent. Our footprint provides a unique platform to scale our strategy and connect people for a better future.

Related material matters: MM1 MM3 MM4 MM5 MM6 MM8

Primary capitals utilised and impacted: FC MC SRC HC

Looking ahead

Short-term priorities

- Foster pricing regulation that supports customer simplicity and return on investment
- Continued site expansion in Ethiopia
- Rapid scaling of mobile and M-Pesa customers in Ethiopia
- Manage the impact of foreign exchange rates' volatility on profit and loss, capital expenditure and cash repatriation

Medium-term priorities

- **Diversify Group operating profit mix, such that South Africa's contribution falls below 50%**
- **Maintain market leadership in all markets**
- Ambitions for Ethiopia for FY2026:
  - Network rollout of 4 000 sites
  - Attract 15 to 20 million customers
  - Reach EBITDA break-even

2 Secure leadership in mobile and fixed

Supporting our purpose

Investing in the quality and penetration of mobile and fixed connectivity services empowers people by increasing inclusion and unlocking the potential of a digital society. This is complemented by data-led personalised consumer and enterprise propositions and innovative smartphone financing solutions that support affordability. Likewise, accelerating our fibre reach across our markets has the potential to support economic development and narrow the digital divide.

Related material matters: MM1 MM2 MM3 MM4 MM5 MM6 MM8

Primary capitals utilised and impacted: FC IC SRC

Looking ahead

Short-term priorities

- Secure 4G rural coverage financing partnerships, leveraging our existing relationships
- Accelerate network leadership in all markets
- Increase smartphone penetration through local assembly, affordable devices and device financing opportunities
- In South Africa, enhance our home and business fibre reach through our proposed joint venture investment in Maziv
- Finalise the construct of our fibre joint ventures across our International business

Medium-term priorities

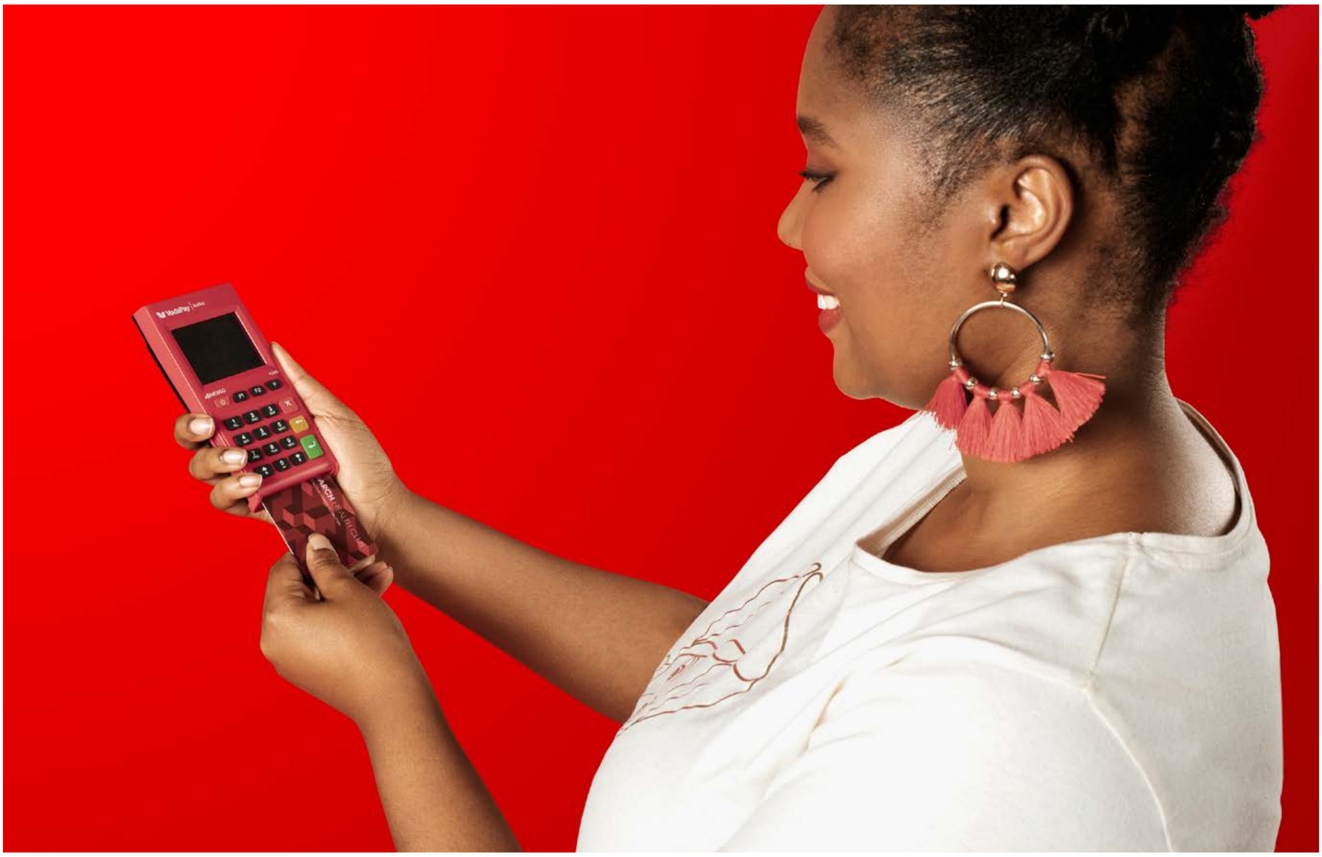
- **High single-digit Group service revenue**
- Accelerate our "future of home" initiative through fibre internet service provider propositions and beyond connectivity offerings such as security, consumer IoT and home support
- Make significant progress on our International Telecommunication Union Partner2Connect pledge to increase 4G population coverage by 70 million people by 2027
- Accelerate smartphone penetration through affordable handset financing
- Scale our fibre footprint across our markets

Our strategic ambitions continued

Ambition
2

Diversify and differentiate with our digital ecosystem

We endeavour to create diverse and innovative products and solutions that drive financial and digital inclusion. This supports our ambition of creating a digital ecosystem powered by Big Data and builds on our connectivity leadership. We are committed to creating deeper customer engagement opportunities supported by a 360-degree customer view, empowering us to maintain market leadership during intensified competition across all growth engines.



3 Scale financial and digital services

Supporting our purpose
Our affordable and accessible financial solutions promote inclusion and create opportunities for consumers and merchants to grow. In addition to financial inclusion, we promote digital literacy and digital community development through our various educational and informative platform offerings. Our super-apps combine our strengths in financial and digital services to provide a rich ecosystem for our customers. As we bring together financial, e-Commerce and lifestyle services, we allow our merchants to expand their addressable markets.

Related material matters
MM1 MM2 MM3 MM4
MM5 MM6 MM8

Primary capitals utilised and impacted
FC MC IC

Looking ahead

Short-term priorities
- Execute our one-app strategy by merging our telecommunication apps into our super-apps across the footprint
- Scale affordable financial services across lending, insurance, payments, savings, investments and insurance
- Grow our merchant services across markets
- Provide consumers and merchants with personalised financial and digital propositions driven by Big Data insights

Medium-term priorities
- **Financial services to contribute mid-teens to Group service revenue**
- **Increase our reach to >100 million financial services customers**
- Expand our e-Commerce capabilities to drive inclusion, promote SME growth and better serve our customers through digital channels
- Partner with local and global service developers, including Alipay and Microsoft, to deliver a compelling ecosystem of third-party propositions
- Enable a seamless system for customers to use their mobile phones to connect, find entertainment, shop, and access financial services

4 Digital partner of choice for enterprises

Supporting our purpose

We partner with enterprises through our digital technology and financial services solutions to drive growth and transform their operations. Our tailored proposition enables large enterprises, SMEs, governments and universities to unlock efficiencies through our flexible mobile, fixed, IoT, cloud and hosting, and managed security solutions. By enhancing enterprise productivity and growth, particularly among SMEs, we support livelihoods and help society connect for a better future.

Related material matters

MM1 MM2 MM3 MM4 MM5 MM6

Primary capitals utilised and impacted

SRC

Looking ahead

Short-term priorities

- Scale IoT solutions and Centres of Excellence
- Expand SME financial services offerings
- Accelerate our cloud offerings
- Expand our coverage to support further SME inclusion through our proposed joint investment in Maziv
- Expand our wholesale offering to empower more partners

Medium-term priorities

- **Increase the contribution of new and digital services to Vodacom Business to more than 30%**
- Unlock the scale benefits of the Group's strategic partnership with Microsoft to accelerate IoT, cloud and SME offerings
- Scale our fixed network, SD-WAN and mobile private network capabilities
- Build our intelligent business and digital transformation capability to unlock cloud and hosting services
- Expand our platform and solutions in critical sectors, including education, health and agriculture
- Grow our managed services and partnerships to sell with and sell through to assist corporates with their digitalisation
- Drive the digitalisation of governments to improve service delivery

5 World-class loyalty and customer experience

Supporting our purpose

Maintaining and growing our customer base is critical to our purpose. We continuously evolve and enhance our customer experience strategy, adapting to current and future customer needs to provide personalised omnichannel digital experiences that promote inclusion and generate brand loyalty.

Related material matters

MM3 MM4 MM5 MM7

Primary capitals utilised and impacted

FC MC SRC

Looking ahead

Short-term priorities

- Simplify customer journeys
- Leverage customer experience boards to understand the root causes of complaints, reduce escalations and pain points
- Extend and scale our loyalty programmes across all markets
- Digitise, optimise and automate the end-to-end customer experience journey using robotic process automation (RPA) technology

Medium-term priorities

- **NPS leadership in all markets**
- Support world-class customer journeys with predictive analytics, generative AI and our Africa Service Operations Centre capabilities
- Enhance our loyalty programme through a unified platform that operates across our markets and cuts across connectivity and financial services
- Reduce deep detractors across our markets

6 Personalisation through CVM and Big Data

Supporting our purpose

As a customer-centric and purpose-led business, we tailor our propositions to the unique needs of our customer segments. In recent years, we have invested heavily in world-class, flexible Big Data technology to gain insights into our customers' day-to-day behaviours, and aspirations. We can promote accessibility and inclusion by meeting specific needs through segmentation and personalisation and by offering nano-sized connectivity and financial services propositions.

Related material matters

MM1 MM3 MM4 MM5 MM6 MM8

Primary capitals utilised and impacted

FC MC IC

Looking ahead

Short-term priorities

- Increase active days on the network
- Increase Big Data-led recommendations, including upgrades
- Leverage Big Data to support credit scoring across our markets

Medium-term priorities

- **Align all our markets with the maturity of South Africa's Big Data and 360-degree customer attribute analysis**
- Leverage our advanced CVM capabilities across our portfolio of services to deliver affordable, tailored propositions
- Roll out Big Data capabilities in all markets and embed these in our super-apps
- Humanise technology and simplify and transform the customer experience to achieve true convergence of our multi-product offerings

Ambition 3

Optimised, future-ready TechCo

We utilise the strength of our connectivity reach and digital ecosystem to promote financial inclusion, enhance our customer value propositions and build trust with our stakeholders. We invest in network technology and digital systems that improve efficiency and expand connectivity in network and IT. As part of our focus on optimising our ROCE, we leverage partnerships and sharing models to develop innovative and smart technology platforms and connectivity solutions that deliver customer value. Embedding our agile employee culture – the Spirit of Vodacom – across the organisation further supports the skills and capabilities we need on our journey to becoming a trusted, leading African TechCo.

7 Optimise assets through sharing

Supporting our purpose

We continuously explore ways to optimise our assets and create exceptional value for our stakeholders as we become a leading TechCo. Asset-sharing opportunities across our portfolio reduce the cost of communicating while expanding our rural footprint.

Related material matters

MM2 MM3 MM4 MM5

Primary capitals utilised and impacted

FC MC IC

Looking ahead

Short-term priorities

- Realise TowerCo efficiencies in South Africa
- Develop a Group-wide data centre strategy
- Explore further infrastructure partnership models with global technology companies and developmental finance institutions
- Optimise capital expenditure through Big Data-led smart capital expenditure planning
- Share more elements of the network with other industry players
- Leverage shared services within the Vodafone Group Plc

Medium-term priorities

- **Establish an African FibreCo and TowerCo with strategic partners to accelerate fibre coverage across our International business**
- Leverage our Africa Service Operations Centre to transition our architecture towards TelCo as a service, with a digital cloud-based ecosystem of network and IT capabilities, managed centrally and deployed regionally
- Build software factories across the Africa region, with standardised tooling to develop and deliver scalable products and services across all markets
- Enable satellite partnerships to expand and improve our coverage

8 Technology leadership in network and IT

Supporting our purpose

We invest in state-of-the-art digital systems to enhance customer connectivity and leverage our experience in the latest technologies to drive accessibility and inclusive growth. Our use of Big Data capabilities enables intelligent decision-making across our operations. We explore alternative energy options in our pursuit of greater energy efficiency and expand our coverage and platforms to connect more people for a better future.

Related material matters

MM1 MM2 MM3 MM4 MM5 MM6 MM7 MM8

Primary capitals utilised and impacted

FC MC NC

Looking ahead

Short-term priorities

- Improve network NPS in every market
- Achieve cyber security baseline score across markets
- Mitigate fraud through Big Data
- Scale multi-tenant and cloud-based platforms in all of our markets

Medium-term priorities

- **Network NPS leadership across our markets**
- Enable the evolution of mobile and fixed network access, network simplification and cloud, focusing on making the network smarter through automation and AI
- Develop new capabilities across our network and IT platforms, including increased accessibility to Big Data and machine learning capabilities
- Embed security and privacy in our projects, products and services throughout their life cycle
- Increase the speed of delivery and leverage economies of scale to reduce our cost of delivery

CLICK HERE TO SEE EXPLANATION OF ICONS

9

TechCo organisation and culture

Supporting our purpose

We continuously strive to build a future-fit organisation driven by digital innovation and agility, fostering a unique digital employee experience to motivate our customers to thrive. Above all, we prioritise inclusivity and diversity and a mindful organisational culture to ensure alignment with our purpose in everything we do.

Related material matters

MM3 MM5 MM7

Primary capitals utilised and impacted

IC SRC

Looking ahead

Short-term priorities

- Continue to transform the skills profile of the organisation to enable our transition to a TechCo
- Invest in generative AI skills
- Gender diversity progress across all markets

Medium-term priorities

- **Drive 42% representation of women in senior management by 31 March 2026**
- Embed a culture of inclusivity by promoting our commitment to workforce diversity and localisation
- Promote future-fit skills development in current employees, ensuring that no-one is left behind
- Drive the digital transformation agenda by embedding agile structures and RPA
- Differentiate the work environment through positive employee engagement
- Ensure the physical and mental well-being of our employees
- Identify requisite future skills and empowering youth by aligning our graduate and bursary programmes to attract these skills
- Identify high-performing females across our markets to develop future skills and leadership through a female empowerment training programme

10

Trusted brand and reputation

Supporting our purpose

We are a purpose-led organisation, connecting for a better future by enabling a digitally inclusive society, with a low environmental impact. We embed these values into our culture and actions, enhancing our reputation by integrating our purpose into product offerings and customer experience. We prioritise earning and maintaining trust through ethical conduct guided by our Social Contract, ensuring responsiveness and transparency to diverse stakeholders.

Related material matters

MM1 MM2 MM3 MM4 MM5 MM7 MM8

Primary capitals utilised and impacted

IC SRC NC

Looking ahead

Short-term priorities

- Develop products and services with our purpose at the core
- Improve communication on our purpose across all markets, ensuring appropriate investment in our Social Contract
- With our foundations funded in the market by OpCos, explore partnerships to scale impact of programmes like m-mama, Je Suis Cap and Code like a Girl
- Leverage our Tech for Good solutions to deliver societal benefit across key verticals such as agriculture, education, energy and health
- Increase focus to maintain and secure brand leadership and reputation across all our markets
- Help people with disabilities, people experiencing abuse and victims of disasters

Medium-term priorities

- **Brand leadership across all markets**
- Continue to combine Vodacom's technology with the potential of the human spirit
- Scale strategic initiatives to drive digital inclusion, such as rural coverage and handset financing
- Provide access to essential services such as healthcare, financial inclusion and education while making the lives of our customers easier, healthier and smarter

Measuring our value creation

Our System of Advantage

Strategic ambition	Strategic pillar	How we measure success
1 Africa's leading communications company	1 Healthy markets and leadership	Leading market share (R)
	2 Secure leadership in mobile and fixed	Group service revenue growth (R)
2 Diversify and differentiate with our digital ecosystem	3 Scale financial and digital services	Group customers using financial services[1] (R)
		Financial services contribution to service revenue
	4 Digital partner of choice for enterprises	Contribution of new and digital services to Vodacom Business service revenue
	5 World-class loyalty and customer experience	NPS
	6 Personalisation through CVM and Big Data	The penetration of personalised offers through CVM across our markets
3 Optimised, future-ready TechCo	7 Optimise assets through sharing	Capital expenditure intensity (R)
	8 Technology leadership in network and IT	Network NPS
	9 TechCo organisation and culture	Employee engagement index
		Team Spirit index
	10 Trusted brand and reputation	Brand leadership
		Reputation survey
Financial value created	Group	EBITDA growth rate (R)
		ROCE

1. Including Safaricom.

As we approach the conclusion of our current strategic vision – Vision 2025 – which is driven by the System of Advantage, we are pleased to report on the progress towards our targets. We are committed to reporting against strategic targets and will align our future targets with our forthcoming strategic vision.

- Value created
- Value eroded
- Value sustained
- Link to executive directors' remuneration

Vision 2025 target (medium-term)	Group FY2024 performance		FY2023	FY2022	FY2021	FY2020 (baseline)
Market share leader in all markets	Value created	All markets, except Ethiopia (new entrant)	Value created	Value created	Value created	Value created
Upgraded: high single-digit (from mid-to-high single-digit)	Value created	9.2%^	Value sustained	Value created	Value created	Value created
Upgraded: 80 million (from >77 million)	Value created	78.9 million	Value created	Value created	Value created	Value created
>12%	Value created	10.8%	Value created	Value created	Value created	Value created
>30%	Value created	32.2%	Value sustained	Value sustained	Value sustained	Value sustained
#1 in all markets	Value eroded	#1 in half our OpCos	Value sustained	Value eroded	Value eroded	Value eroded
60%	Value created	DRC 27% Egypt 45% Lesotho 49% Mozambique 50% South Africa 61% Tanzania 56%	Value created	Value sustained	Value sustained	Value sustained
Maintain capital expenditure intensity between 13.0% and 14.5%	Value created	13.6%	Value created	Value created	Value created	Value created
#1 in all markets	Value sustained	#1 in DRC, Egypt, South Africa and Tanzania	Value created	Value sustained	Value sustained	Value sustained
82%	Value created	82%	Value sustained	Value sustained	Value sustained	Value sustained
75%	Value created	87%	Value created	Value created	Value created	Value created
#1 in all markets	Value created	#1 across our OpCos	Value sustained	Value sustained	Value sustained	Value sustained
#1 in all markets	Value created	#1 in DRC, Egypt, South Africa and Tanzania #2 in Lesotho and Tanzania	Value sustained	Value sustained	Value sustained	Value sustained
High single-digit Group EBITDA growth Improve/maintain ROCE	Value sustained	Group EBITDA growth 7.8%^ ROCE 23.1%				

What we offer

Our offering includes products and services ranging from mobile and fixed connectivity, including cloud, hosting and security, digital and financial services, to IoT offerings. Our Big Data capabilities allow us to leverage these products to provide customers with personalised solutions that drive customer engagement and loyalty. We partner with enterprises and governments to accelerate growth and transform their processes through digital technology.

Our products and services

Mobile

Consumer
- Personalised pricing
- Zero-rated service platforms
- Handset financing
- Fixed wireless access

Business
- Unified communications
- Fixed wireless access
- Access point name
- Carrier and wholesale

Fixed

Consumer
- Fibre to the home (FTTH)

Business
- Fibre to the business (FTTB)
- Cloud, hosting and managed security services

Financial services

Consumer
- Peer-to-peer payments
- Cash in and cash out
- e-Commerce
- Scan to pay
- Insurance
- Services and bill payments
- Savings and lending
- Global payments
- International money transfer
- Airtime Advance and Voucher Advance

Business
- Merchant point of sale
- Business-to-business payments and cashless distribution
- Global payment partnerships
- Bank to wallet transfers
- Payment collections
- Disbursements (unrestricted or through vouchers)
- Digital marketplaces
- Business term advance
- Business cash advance
- Insurance
- Group risk schemes
- e-Vouchering

Digital services

Consumer
- Mobile gaming
- Lifestyle applications
- Music and video

Business
- V-Hub
- V-Digital Accelerator
- Digital marketing

IoT

Business
- Mobile private networks
- Smart asset tracking
- Workforce management
- Agriculture, health and energy:
  - Software-as-a-service
  - Platform-as-a-service
  - Marketplace-as-a-service

VodaBucks rewarding loyalty

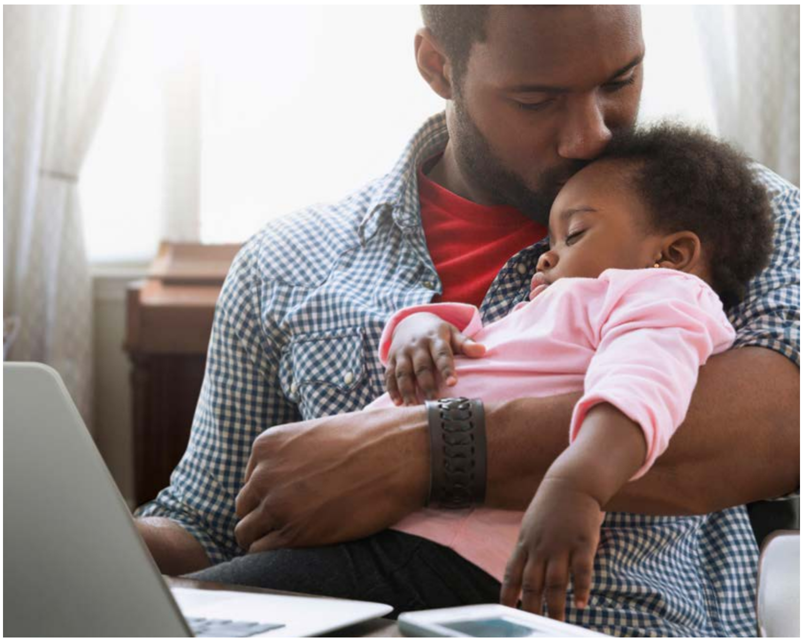
Big Data

CVM

Enablers

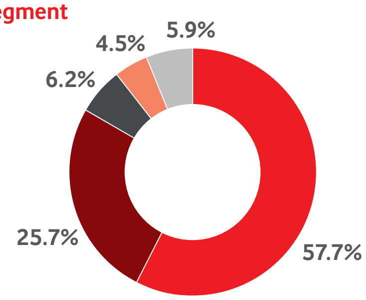
Partners

facebook Google amazon Alipay Microsoft VISA



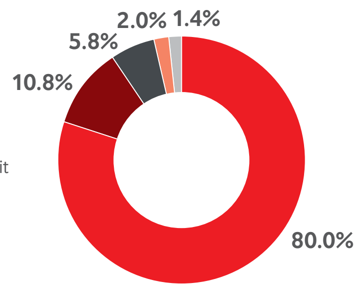
Contribution to Group service revenue per profit and loss segment

- Mobile prepaid revenue (FY2023: 56.0%)
- Mobile contract revenue (FY2023: 27.8%)
- Fixed service revenue (FY2023: 5.9%)
- Mobile interconnect (FY2023: 3.6%)
- Other service revenue (FY2023: 6.7%)



Contribution to Group service revenue by product

- Core mobile and wholesale (FY2023: 80.7%)
- Financial services (FY2023: 10.5%)
- Fixed line excluding transit (FY2023: 5.2%)
- Digital lifestyle services (FY2023: 2.0%)
- IoT (FY2023: 1.6%)



Our growth formula

Investing in our networks to provide core mobile and fixed services is key to attracting and retaining customers and is the main contributor to Group service revenue. Our core communication capabilities are complemented by financial and digital services that provide comprehensive lifestyle solutions. Focusing on the quality of our network and infrastructure and developing innovative products and services differentiates us from the competition and is core to our growth formula. This approach is supported by our strong market-specific distribution channels, our leadership position in the markets in which we operate, effective cost management and investment in value-enhancing opportunities.

Maximising customer potential

Our multi-product strategy, the System of Advantage, provides differentiated and relevant offerings to our customers, supporting their digital and financial needs. Our core mobile services – data and voice – remain our primary use case for our customers. Mobile services adoption is supported by increased network coverage, smartphone penetration and the affordability of data. Our new services, including digital and financial services, fixed and IoT, add to our customer proposition. By leveraging Big Data, loyalty and CVM capabilities, we are able to personalise our offerings, enhancing customer experience and driving even higher levels of customer service.

Our revenue mix is largely consumer-driven, with Vodacom Business (including wholesale) contributing

21.2%

of Group service revenue. The contribution decreased from the prior year as we consolidated Egypt for a full financial year (FY2023: 23.4%).

Key customer differentiators

- A clear and powerful purpose-led strategy, supported by 10 strategic pillars of success to deliver shareholder value
- Our financial services business – the largest contributor to new services revenue and a clear strategic priority – positions Vodacom as the leading FinTech operator on the continent, enriched by our super-apps.
- Best-in-class customer service support systems
- Vertically integrated solutions for consumers and enterprises, acting as enablers of inclusion and economic growth
- Leveraging our global enterprise relationships for pan-African service delivery and our relationship with Vodafone to drive global best practice
- Loyalty programmes and segmented customer profiles to offer competitive, personalised and compelling solutions
- Customer-centric systems, people and processes.
- Unique Big Data insights we can leverage to improve our offerings to customers
- A market-leading position serving as the platform to deploy our digital ecosystem, giving us scope to partner selectively with global tech giants and the scale to optimise returns
- Consistently high rankings in network quality and network NPS in the countries where we operate, supported by ongoing investment in infrastructure and rolling out 4G and 5G across our markets to increase speed and capacity
- Diversified digital ecosystem, as we scale our new services, which include fixed, IoT, digital and financial services
- Our Tech for Good solutions are driving societal benefit by supporting critical verticals, including agriculture, education, energy and healthcare

Optimising our returns

Managing our cost base and capital expenditure is critical to our return profile. Vodacom has a strong track record of balancing cost efficiency while continuing to invest in new growth areas. We manage our cost inflationary pressures and capital intensity through rigorous budgeting, business case planning and a Fit-for-Growth programme. Additionally, we leverage partnerships and efficiencies from RPA, Big Data, and AI to optimise our spend.

Key efficiency differentiators

- Saved R4 billion through fit-for-growth initiatives across the Group
- Digitalising operations through RPA, Big Data and AI
- Optimal network deployment using AI
- Robust governance processes in place to approve investments and review product, cost and investment decisions
- Benefiting from and sharing best practice with Vodafone
- Shared services and initiatives with Vodafone and across our own African footprint to optimise back-end costs
- Optimising procurement spend using the global purchasing power of Vodafone Procurement Company
- Optimising power utilisation across our buildings and sites using IoT solutions

Our investment case

Our value creation potential is aligned with our purpose – **to connect for a better future**. We believe our consumer and enterprise offerings have the potential to transform lives and, in doing so, create an enduring benefit for the countries in which we operate. In addition to creating a positive societal impact, the opportunities we pursue have the potential to accelerate our growth and enhance our financial performance to support attractive and sustainable shareholder returns.

Supported by our System of Advantage

We are a market leader in the countries where we operate, with an attractive ROCE

- Access to 203.1 million customers.
- ROCE of 23.1%, well above weighted average cost of capital.
- Strategic mindset to enhance value creation and leverage scale.

With a population of 564 million people across our footprint, connectivity is a clear growth path for Vodacom. This reach and our market-leading positions provide us with the platform to scale our digital ecosystems, expand our addressable market and create product diversification.

Meaningful growth opportunities across connectivity, digital and financial services

- Data and smartphone penetration upside. Our Group smartphone penetration reached 58.7%, providing an opportunity to migrate more than 90 million of our existing customers to a smartphone.
- Building Africa's largest FinTech, driven by the VodaPay, Vodafone Cash and M-Pesa super-apps.
- Targeting high single-digit Group EBITDA growth over the next three years.
- Opportunity to accelerate growth and returns through the proposed South African fibre deal, and creating fibre and rural coverage joint ventures across our markets.

We have a trusted management team

- Incentivised to create value and deliver on key ESG variables.
- Strong execution track record.

We are a responsible corporate citizen

- Purpose-led model.
- Recognised as an ESG leader.
- Achieved top employer status in Africa.

For more information, please visit
https://www.vodacom.com/investor-relations.php

Priorities to enhance shareholder value

Execute on our System of Advantage

Leadership in fixed and mobile

Complete Maziv deal (South African fibre)

Accelerate device financing, fixed wireless access, active days

Diversify and differentiate with our digital ecosystem

Pursue a one-app strategy across all markets

Scale tech for good platforms and super-apps

Simplify and improve customer journey, satisfaction, and life cycle

Optimised TechCo

Partner to power growth (rural, fibre)

Drive synergies across all markets

Deliver growth and diversify returns

Targets reflect our ambition

Medium-term service revenue and EBITDA growth

Attractive returns

- Maintain ROCE
- Maintain/improve earnings per share (EPS)

Disciplined capital allocation

De-lever post-M&A transactions

Enhance societal value

People

- Continue to increase female representation at management levels[1]
- Drive financial and digital inclusion[1]

Planet

Net zero for owned operations (scope 1 and scope 2) by 2035[1]

1. ESG metrics included in management long-term incentives (LTIs).

Our principal risks and associated opportunities

Vodacom's enterprise risk management framework is aligned with the ISO 31000 International Risk Management Standard and the requirements of King IV to ensure best practices in the governance of risk. Enterprise risk management enables Vodacom to identify key risks and provide ExCo and the Board with a comprehensive evaluation of the Group's principal risks. Our embedded enterprise risk management process facilitates the identification and management of principal risks. The process adopts a bottom-up and a top-down approach to identify and escalate risks across all levels of the organisation.

Bottom-up approach

Identifies operational-level risks, escalating these upward

- Annual ExCo risk workshop identifies Group-level principal risks
- OpCo-level principal risks are identified at OpCo executive level
- Annual tactical risk assessments
- Bi-annual operational risk assessments

Top-down approach

Identifies strategic-level risks, cascading these downward

- Periodic risk reviews with management and at Risk Management Committee level
- Identified risks are assigned to an ExCo member or risk champion for evaluation, management and reporting at the Risk Management Committee

Emerging risk review

An emerging risk assessment is conducted and reported at the different Risk Management Committees to identify any new or emerging threats and trends. These are allocated to risk owners to investigate and assess

Group-level principal risks

Mitigating actions

Mitigating actions to manage risk to acceptable levels are discussed during the risk workshops with executives and during the risk deep-dive sessions at local and Group Risk Management Committee meetings. This ensures an in-depth review of each principal risk.

Board-level review

The Board reviews and approves the risk appetite for each principal risk to enable informed, risk-based decision-making.

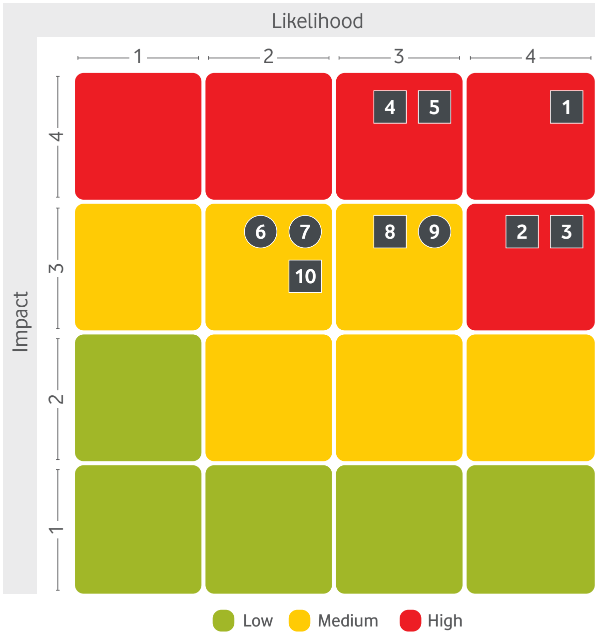
In FY2024, Deloitte reviewed the Group's risk processes and maturity in line with the King IV recommendations. Pleasingly, we received a commendation for maintaining a mature risk culture throughout various levels of the organisation and are initiating measures to further enhance our risk management practices based on the recommendations provided.

For other information on our enablers, refer to **Page 36**

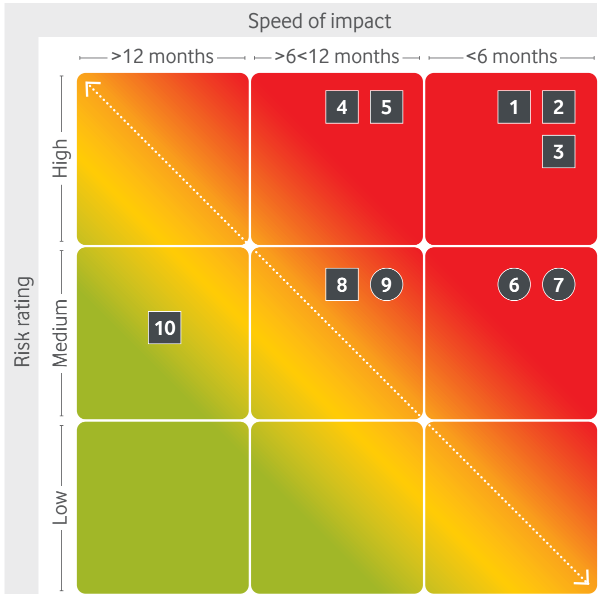
The process outlined above embeds risk management across all levels of the organisation, leading to risk-based, informed decision-making with the appropriate levels of accountability. In order to ensure that all risks are effectively mitigated and managed, we adopt a multiple line of defence model to provide assurance to our stakeholders.

The Group's risk heatmap sets out the top 10 principal risks identified through our risk management process. The heatmap depicts residual risk after considering mitigating risk factors. This is supported by the risk speed of impact diagram, which reflects the rate at which the Group will experience adverse impacts should the risk materialise. This allows the Group to develop effective risk mitigation plans with optimal allocation of resources for those risks that need immediate attention.

Group top risk rating FY2024



Speed of impact FY2024



Risk — ■ External ● Internal

- 1 Unstable economic and market conditions
- 2 Increased taxation, political and social pressures
- 3 Cyber threats
- 4 Vendor strategy
- 5 Adverse regulatory and compliance pressures
- 6 Technology failures
- 7 Financial services platform resilience
- 8 Market disruptions
- 9 Execution of strategic projects for future growth
- 10 Spectrum

1 Unstable economic and market conditions

(FY2023: 3)

Speed of impact: Very rapid

Strategic pillars: 3, 7

Six capitals: FC, HC

Material matters: MM3, MM5

Context and value impact

The prevailing macroeconomic conditions, including uncertain interest, inflation and exchange rates, have weakened consumer spending power and enterprise investment. This presents a risk to our revenue outlook. In addition, inflationary pressures could impact the Group's operating and capital expenditure costs.

Opportunity

Harnessing innovative solutions has the potential to effectively address challenges at the base of the economic pyramid by implementing tailored segmented propositions and digital services across key sectors, including education, health, agriculture and inclusive finance.

Mitigating actions

- Continuously evaluate products and services to enhance our customer value proposition
- Include contingencies in our business plans to provide for the negative operational impacts of lower economic growth and changes in interest, inflation and exchange rates
- Implement a global cost savings programme to combat the effects of inflationary pressure on costs
- Use foreign exchange instruments to mitigate currency fluctuations and minimise exposure to foreign-denominated operating costs
- Manage capital expenditure based on a consistent intensity range per OpCo, mitigating the impact of sudden changes in foreign exchange rates
- An appropriately skilled Group treasury function to ensure the management of free cash flow and the optimal loan portfolio, including a balance between fixed and variable rates

Our principal risks and associated opportunities continued

2 Increased taxation, political and social pressures
(FY2023: 2)

Speed of impact: Very rapid

Strategic pillars: 2 3 10

Six capitals: FC SRC

Material matters: MM1 MM3 MM5 MM8

Context and value impact

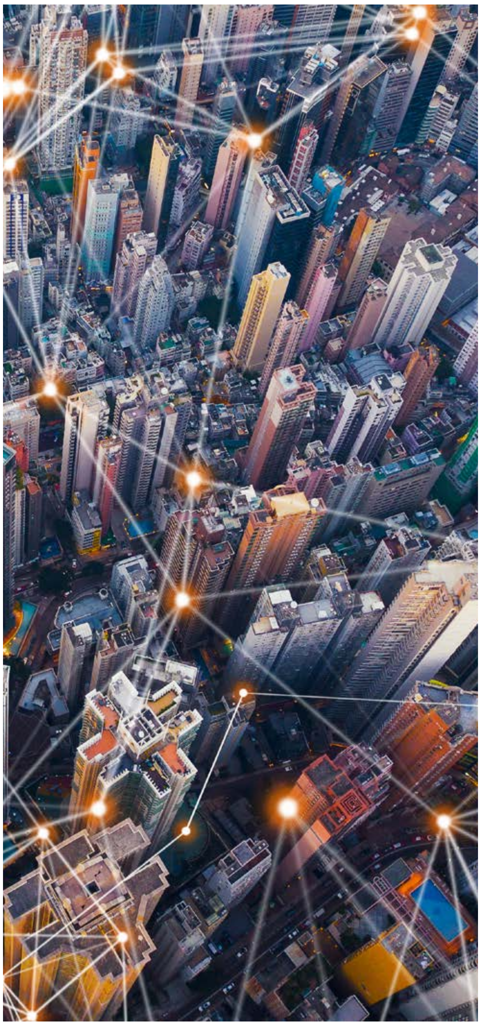
The mobile communications industry confronts escalating and often unforeseeable direct and indirect tax burdens alongside heightened social and political pressures. These challenges contribute to a complex operating landscape characterised by consumer demands for reduced prices. Moreover, external factors such as civil activism pose potential direct threats to our operations. Failure to address these critical issues adeptly may pose significant risks to our brand and reputation.

Opportunity

We play a role as a partner to governments and citizens to positively impact society through our purposed-led strategy. In addition, we pay a significant amount in taxes, enabling governments to support citizens and deliver their developmental agendas.

Mitigating actions

- Enhance our operating model as we deliver on our Social Contract, accelerate the impact of our foundations and support enabling regulation
- Regularly communicate Vodacom's purpose through media statements and campaigns to educate Vodacom's customers
- Monitor changes to our political environments, including instances of social activism
- Consult regularly with tax advisers to understand the impact of our current operating environment
- Proactively understand tax pressures in all jurisdictions and engage with governments to minimise impacts on digital penetration, such as excessive smartphone duties
- Improve technical skills around tax and regulatory-related issues across the Group
- Engage with various government stakeholders in each country to understand strategic priorities and contribute meaningfully
- Pay fair taxes



3 Cyber threats
(FY2023: 1)

Speed of impact: Very rapid

Strategic pillars: 2 3 4 6 8 10

Six capitals: FC IC SRC HC

Material matters: MM2 MM3

Context and value impact

Any cyber attack or breach – whether malicious or accidental, from an external source, insider threat or supplier breach – could disrupt services or compromise confidential data. These incidents could adversely affect Vodacom's customers, revenue potential, and reputation and result in escalated costs associated with fraud management or extortion.

Opportunity

Providing world-class data security as part of our multi-product strategy.

Mitigating actions

- Commission world-class security vendors to enhance methods of detecting sophisticated attackers
- Proactively assess and increase security measures and controls in place across projects, and infrastructure while storing and transmitting confidential information
- Enhance our third-party security reviews through efficient, standardised, automated tooling and processes, which decreases third-party security risk, including the number and impact of third-party incidents
- Monitor the Group's cyber incident response and containment
- Manage security risks by implementing continuous security improvement programmes and developing dynamic and responsive frameworks
- Perform maturity assessments benchmarking exercises against global industry peers
- Embed the Vodafone security risk, control and assurance framework across our business
- Drive a sustainable cyber skills programme aimed at both attracting and retaining scarce cyber skills while also enhancing the skills of our existing workforce

CLICK HERE TO SEE EXPLANATION OF ICONS

4 Vendor strategy
(FY2023: 4)

Speed of impact: Rapid

Strategic pillars: 2 8 10

Six capitals: MC SRC

Material matters: MM2 MM5

Context and value impact

Geopolitical influences could potentially impact our IT and technology vendor strategy, as regulatory changes or trade restrictions have arisen amid geopolitical tensions. Supply disruptions from key vendors may negatively impact operations and our ability to deliver quality service to our customers. These challenges underscore the importance of maintaining resilient vendor relationships and diversifying our supply chain to mitigate potential risks.

Opportunity

Leveraging the purchasing power of Vodacom Procurement Company to capture opportunities from the original equipment manufacturers.

Mitigating actions

- Reduce dependency on single suppliers through risk profiling
- Implement our multi-vendor strategy in critical categories and explore new network architecture options
- Engage with governments, subject matter experts and vendors to manage potential supplier restrictions
- Investigate new technologies to broaden our diversity and decrease reliance on single vendors

5 Adverse regulatory and compliance pressures
(FY2023: 5)

Speed of impact: Rapid

Strategic pillars: 2 3 4 10

Six capitals: FC IC SRC HC

Material matters: MM3 MM6 MM8

Context and value impact

Operating in diverse regulatory environments across Africa, Vodacom faces the risk of more stringent regulatory and compliance requirements. These incremental requirements have the potential to impact our competitive position, profitability and ability to deliver services effectively. As a result, we are exposed to the risk of financial losses and damage to our reputation.

Opportunity

By proactively engaging with regulators, we can provide our customers with more assurance about our products, driving increased uptake.

Mitigating actions

- Engage with governments and regulatory and public bodies through our Social Contract
- Engage with local Communications Regulators and regional standard-setting bodies to shape regulatory requirements and mitigate risk
- Proactively engage with government and other key stakeholders to communicate key messages and proposals on how policy and regulatory decisions positively and negatively impact the sector
- Participate in broader government objectives and public interest through national industry associations, the Global System for Mobile Communications Association and other influential organisations

6 Technology failures
(FY2023: 7)

Speed of impact: Very rapid

Strategic pillars: 2 3 4 5 6 8

Six capitals: FC MC IC

Material matters: MM2

Context and value impact

Our customer value proposition depends on the reliability and availability of a high-quality network. A major failure affecting our network or IT assets and systems could profoundly impact our customers, revenue and reputation. Technology failures could be caused by various factors, including natural disasters, failure to maintain infrastructure, or cyber attacks. The reliability of our network is undermined by the unreliability of grid power and incidents of theft and vandalism targeting network equipment.

Opportunity

Our long-standing leadership in networks and technology has been at the heart of our customer value proposition and is an important foundation for growth.

Mitigating actions

- The increased ranking of technology failure is not an indication of slowing investment in technology as we continue to invest, maintain and upgrade our systems regularly
- Develop and implement comprehensive business continuity and disaster recovery plans with failover, backup, transmission and power redundancies
- Ensure comprehensive insurance policies are in place
- Reduce reliance on external parties through self-provided transmission links on critical routes in our network
- Oversight of technology resilience initiatives by our technology resilience governance board
- Accelerate the deployment of backup power across all markets where we operate to address heightened power availability issues

Our principal risks and associated opportunities continued

7 Financial services platform resilience
(FY2023: 6)

Speed of impact: Very rapid

Strategic pillars	Six capitals	Material matters
3	FC IC SRC	MM1 MM2 MM3 MM6

Context and value impact
Our financial services platforms are pivotal in fostering socioeconomic growth and serve as gateways to the digital economy across our markets. It is imperative that we provide our customers with dependable financial services, as any disruption to the platform could have adverse effects on our customers, revenue streams, and reputation. Ensuring a reliable platform also guarantees compliance with regulatory standards across our markets.

Opportunity
By delivering trusted and reliable financial services, we can drive innovation and inclusion and unlock societal benefits through inclusive growth.

Mitigating actions
- Partner with global and local technology leaders
- Invest in ongoing maintenance and upgrades to our systems
- Focus on comprehensive business continuity and disaster recovery plans
- Drive consistent policy and system implementation across the Group
- Move to cloud-based technologies
- Ensure adequate redundancy with our platforms

8 Market disruptions
(FY2023: 8)

Speed of impact: Rapid

Strategic pillars	Six capitals	Material matters
2 3 4	FC MC IC HC	MM3 MM4

Context and value impact
We segment market disruption into two categories: FinTech risk and the risk of technological evolution disruption. FinTech risk includes the proliferation of new players in the space that could potentially disintermediate our products and erode our market share. Technology evolution risk would erode our value position to customers and dilute returns over time.

Opportunity
By leveraging our leading technology position and global partnerships, we are able to scale a digital ecosystem so that we can add more value to our consumers and entrench ourselves in their lives.

Mitigating actions
- Execute strategies to scale accelerator enterprises, including fixed IT services, digital lifestyle services, financial services, IoT, and cloud services
- Develop technical skills and capabilities to compete with disruptive market players
- Utilise network and personal data assets by leveraging Big Data and real-time analytics to personalise customer services and offers, including integrated service offerings
- Adopt pricing strategies to counter declining traditional voice revenue and migrate voice to data
- Align and position segmented customer offerings to improve understanding of customer behaviour and expectations
- Integrate a superior customer service strategy across the business
- Partner with over-the-top and global technology firms for mutual benefit
- Diversify our financial services offerings through our super-apps, International Money Transfer (IMT), lending, and investment platforms and merchant offerings

CLICK HERE TO SEE EXPLANATION OF ICONS

9 Execution of strategic projects for future growth

(FY2023: 9)

Speed of impact: Rapid

Strategic pillars	Six capitals	Material matters
1 2 3 4 5 6 7 8 9 10	FC MC IC SRC NC HC	MM1 MM2 MM3 MM4 MM5 MM6 MM7 MM8

Context and value impact

Our strategy is focused on delivering diverse and differentiated offerings to our customers. Meeting their unique needs strengthens our relationships with customers. Successful execution of our strategic projects is key to capturing growth opportunities. To remain competitive in an ever-changing market, it is imperative that our product diversification into areas such as digital and financial services, IoT and fixed must be executed successfully and timeously.

Opportunity

Accelerating the Group's growth profile while simultaneously enhancing returns.

Mitigating actions

- Develop a robust programme to monitor the strategic execution of our projects, proactively identify risks and mitigating actions, and capture new opportunities
- Ensure the Group has the requisite skills, expertise and capacity to implement the strategy
- Align the corporate structure to strategic priorities, for example, by the establishment of separate TowerCos
- Leverage our global network and establish strategic partnerships to enhance the value proposition and execution success of all key programmes within the System of Advantage while retaining customer relationships and data
- Partnering to access funding for strategic projects, e.g. rural coverage, fibre and IoT

10 Spectrum

(FY2023: 10)

Speed of impact: Slow

Strategic pillars	Six capitals	Material matters
1 2 5 8	FC MC IC	MM1 MM2 MM3 MM4 MM6

Context and value impact

Spectrum allocation is vital to Vodacom as it serves as the lifeblood of wireless communication infrastructure, enabling the provision of services to customers and facilitating network growth and innovation. Failure to retain spectrum and, where relevant, acquire additional spectrum would hamper our capacity and coverage expansion efforts and future network capabilities.

Opportunity

Realising alternative opportunities for accessing spectrum through partnerships and extending activities in fixed and fibre to enable differentiation.

Mitigating actions

- Engage government and regulatory bodies, highlighting efficient allocation and societal benefits of spectrum
- Actively participate in licence renewal and spectrum allocation processes
- Continue to evaluate and implement re-farming and optimisation strategies
- Embrace a proactive spectrum strategy, including potential acquisitions and strategic partnerships under applicable regulations
- Explore other alternatives to acquire spectrum

Our risk watchlist

In addition to the principal risks, we maintain a watchlist of risks that have the potential to cause significant disruptions to our strategic goals and ambitions. This is due to the velocity and volatility of these risks.

Skill, capacity and talent challenges

As we transition from a TelCo to a TechCo, attraction and retention of skills become increasingly difficult due to attractive and competitive working positions available in the market. This increases the possibility of critical roles becoming vacant at all levels, which would have a negative impact on key business deliverables and our strategy. The sourcing of key talent with the correct mix of skills and experience compounds this risk.

Environmental, social and governance issues

The need to effectively manage ESG risks is increasing. These risks relate to climate change impacts, mitigation and adaptation, environmental management practices and duty of care, working conditions and safety awareness, respect for human rights, anti-bribery and corruption practices, and compliance with relevant laws and regulations. This may result in a loss of investor confidence, statutorily prescribed penalties and exclusions from tender processes due to non-compliance.

Emerging technologies

Risks related to rapid developments in disruptive new technologies, including cognitive, biotech, and AI, are increasing. These emerging technologies result in the need for an organisation to develop or acquire new skills to support the technologies and develop commercially viable solutions that can be integrated into the current technology stacks. As regulators attempt to implement regulations concerning emerging technologies, the ambiguity of these regulations, coupled with a lack of industry standards guiding ethical and safe usage and interoperability across operators, exacerbates the risk. This further complicates the optimal and effective utilisation of technologies such as AI.

Responding to

hot topics impacting our operating context

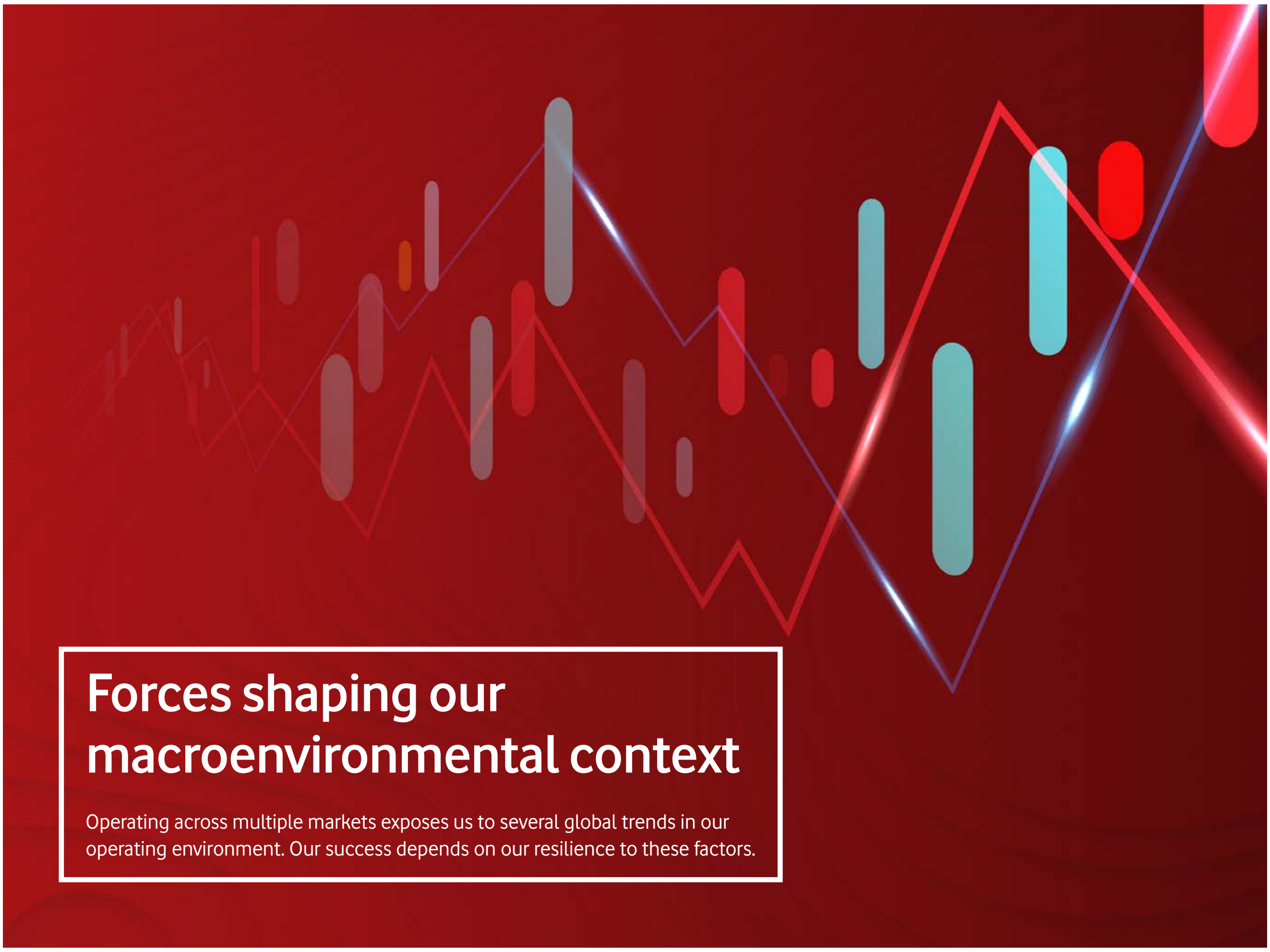
Hot topics in our operating context are the issues in our external environment that affect our ability to create value in the short, medium or long term. These hot topics are often top of mind in stakeholder discussions and inform our material matters process.

An evolution rather than a revolution

To enhance comparability and ease of reference, in the table below we summarise our hot topics for the current and prior financial year. For each of our prior year topics we provide an updated response and additional information resources where appropriate.

	FY2023 topic	Complexity	FY2024 topic	
Macroenvironmental	Volatile and complex macroeconomic conditions	Evolved	**Volatile macroeconomic conditions persist, but reforms announced** in Egypt and Kenya	PG 51
Macroenvironmental	A global energy crisis	Evolved	Localised challenges persist and these are referenced in the hot topic **Network resilience headwinds**	PG 48
Macroenvironmental	Calls for a global response to the climate crisis	Evolved	We have updated our **response to the global climate crisis** to reflect our new initiatives	PG 48
Macroenvironmental	Persistent supply chain disruptions	Reduced	Supply chain disruptions remain an ongoing challenge as discussed in our **vendor strategy risk** Risk 4	PG 43
Macroenvironmental	Increased economic pressure on consumers	Stable	Given the **unrelenting economic pressure on consumers and enterprises**, this remains a hot topic	PG 48
Industry context	Network resilience headwinds in South Africa	Increased	**Network resilience headwinds** have emerged in our other markets, beyond South Africa	PG 49
Industry context	Accelerated adoption of digital technologies	Stable	**Accelerated adoption of digital technologies** is a topic we persistently address	PG 49
Industry context	Competitive landscape	Stable	The impact of our competitive landscape is captured in our **competitive environment material matter** MM4	PG 09
Industry context	Complex tax environment	Stable	The complexity of our tax environment remains topical and is captured in our **increased taxation, political and social pressures risk** Risk 2	PG 51
Industry context	Consumer privacy, data protection and cyber security	Stable	While we also discuss this topic in our **complex regulatory environment material matters** MM6 and our **cyber threat risk** Risk 4, the topical nature of **consumer privacy, data protection and cyber security** requires a specific response	PG 10 PG 42
Company context	The Please Call Me matter	Evolved	Vodacom has launched an application in the Constitutional Court for leave to appeal the judgment handed down by the Supreme Court of Appeal in February 2024	PG 51

Evolved Stable Increased Reduced



Forces shaping our macroenvironmental context

Operating across multiple markets exposes us to several global trends in our operating environment. Our success depends on our resilience to these factors.

Balancing global macroeconomic volatility and country-specific reforms

Affected stakeholders

Principal risks and associated opportunities

1 2 4

Strategic pillars

2 3 4 8

Material matters

MM1 MM3 MM5

Context and key developments

Global interest rates, led by the Federal Reserve of the United States have spiked to multi-decade highs. While central banks in several OpCos appear to have reached the peak of their interest rate cycles, interest rate uncertainty persists.

Instability in global economies and financial markets remains a concern, with foreign exchange rates significantly influencing our business performance and outlook due to our geographic spread across Africa. Across our markets, Kenya and Egypt have witnessed material foreign exchange rate volatility.

In February 2024, Kenya announced the early redemption and new issuance of Euro Bonds. This complemented additional International Monetary Fund (IMF) funding, agreed to in January 2024. Since February, the Kenyan shilling has appreciated materially.

In March 2024, Egypt announced macroeconomic reforms, including monetary policy tightening, the free-float of the Egyptian pound, significant foreign direct investment and an updated IMF loan agreement. Subsequently, the currency depreciated materially against the US dollar, but with a significant associated improvement of liquidity in the inter-bank foreign exchange market.

Our response

Regularly reviewing key risks and opportunities **Page 40**
Focusing on the strength of our financial position **Page 56**

Responding to the global climate crisis

Affected stakeholders

Principal risks and associated opportunities

2 4 5

Strategic pillars

2 8 10

Material matters

MM2 MM6 MM8

Context and key developments

As the global response to the escalating climate crisis continues, pressure on governments, enterprises, and individuals is increasing. The global economy could lose significant value due to climate and pollution-related risks. Climate change is expected to have a more pronounced impact on African countries, including increased economic pressure, large-scale displacement, poverty, and food insecurity.

Individuals increasingly respond to the climate crisis by adopting sustainable lifestyle choices, advocating for environmental conservation, and supporting initiatives to reduce GHG emissions. Governments are expected to set progressive climate policies, while enterprises are expected to set and report transparently on their decarbonisation targets.

The use of renewable energy and a focus on energy efficiency can mitigate the worst effects of the climate crisis and pave the way for a more sustainable and resilient energy future, ensuring reliable access to energy while minimising environmental degradation and dependence on volatile energy markets.

Our response

ESG

Refer to the **ESG report** for: Supporting emergency response and disaster relief

Committed to set a scope 3 GHG emissions reduction target for our value chain in due course **Page 106**

Circularity of network equipment and devices **Page 107**

Managing general waste and water consumption **Page 108**

Supporting biodiversity protection through new technologies **Page 108**

Unrelenting economic pressure on individuals and enterprises

Affected stakeholders

Principal risks and associated opportunities

1 2

Strategic pillars

3 5 6 10

Material matters

MM1 MM3 MM4

Context and key developments

The current macroeconomic conditions continue to exacerbate the cost of living crisis, with inflation rates ranging from 4% to 34% across our OpCos. This significantly impacts the customers' disposable income and behaviour, particularly low-income households where expenditure is allocated to essentials such as energy and food. Coupled with sluggish wage growth, this unrelenting economic pressure contributes to declining growth, reduced living standards, unemployment, poverty, and hunger, potentially sparking social unrest. These challenges extend to enterprise consumers, who face increased operational costs and constrained budgets, further straining their ability to grow in a challenging economic climate.

	Real GDP growth		Average inflation	
	2023 Actuals	2024 Forecast	2023 Actuals	2024 Forecast
DRC	8.6%	5.1%	19.7%	16.5%
Egypt	3.8%	3.2%	33.9%	30.3%
Ethiopia	6.0%	6.8%	30.4%	22.4%
Kenya	5.6%	5.5%	7.7%	4.8%
Lesotho	0.9%	1.4%	7.0%	5.9%
Mozambique	5.0%	3.5%	7.0%	4.9%
South Africa	0.6%	1.3%	5.9%	5.2%
Tanzania	5.1%	5.4%	3.8%	3.0%

Source: Bureau for Economic Research, April 2024, for South Africa; Fitch Solutions, April 2024, for all OpCos. Real GDP and average inflation as per calendar year.

Our response

Focusing on the value and affordability of our products and services **Page 74**
Developing customer-centric propositions **Page 78**
Scaling our financial services, including insurance, lending and saving **Page 82**

CLICK HERE TO SEE EXPLANATION OF ICONS

Forces shaping our industry context

The information and communications technology (ICT) and financial services sectors are influenced by various market dynamics, including accelerated digitalisation. We proactively explore ways of mitigating risks associated with industry and societal change, to maintain our position as a market share leader.

Network resilience headwinds

Affected stakeholders

Principal risks and associated opportunities

3 7

Strategic pillars

2 4 5 8

Material matters

MM2 MM3 MM6

Context and key developments

While demand for connectivity continues to increase across our OpCos, challenges related to maintaining network availability persists. Instances of vandalism and battery and cable theft at our base station sites in South Africa pose a threat to network reliability, with pressure on grid electricity availability becoming the norm. In Lesotho, Ethiopia, Egypt and Kenya we also faced incremental grid availability challenges in FY2024. Maintaining network connectivity and quality is a core differentiator in customer experience and is therefore critical.

Our response

Expanding and enhancing our network reach **Page 73**
Investing in the resilience of our network across our OpCos **Page 74**

Active participation in business forums, such as Business for South Africa, to support government.

Reimagining problems to create inclusive opportunities, including our virtual wheeling agreement with Eskom.

Accelerated adoption of digital technologies

Affected stakeholders

Principal risks and associated opportunities

2 3 7

Strategic pillars

2 3 4 6

Material matters

MM1 MM3

Context and key developments

While the demand for digital solutions across various sectors remains high, global disparities in access to the internet persist. The lack of awareness, affordability, digital literacy, safety concerns and content relevance remain barriers.

Technologies that have the potential to increase connectivity quality and reach, including 5G and low earth orbit satellites, continue to develop and expand, while 4G, 3G and 2G networks remain important sources of coverage.

Reliance on AI continues to reshape industries and enable intelligent decision-making systems, with AI and machine learning utilised to predict user behaviour, optimise operations and enhance service delivery. As AI technology advances, its role in driving innovation and efficiency across industries is expected to grow. The widespread adoption of AI also brings inherent risks, such as privacy breaches, algorithmic bias, and job displacement, requiring careful consideration and oversight.

Our response

ESG Refer to the **ESG report** for: Closing the digital divide

Powering our digital ecosystem with Big Data **Page 80**

GOV Refer to the **corporate governance report** for: Digital ethics leadership

Consumer privacy, data protection and cyber security

Affected stakeholders

Principal risks and associated opportunities

3 7

Strategic pillars

5 8 10

Material matters

MM2 MM6 MM7

Context and key developments

Through our operations, we access and store sensitive information, including customer and employee names, contact information and banking details, and data usage insights collected through various digital platforms.

Data protection and privacy concerns persist, especially as the use of digital interfaces and customer awareness increase. As a critical part of national infrastructure, telecommunications operators face heightened scrutiny, leading governments to set stronger legal and regulatory security requirements within the industry.

Our response

GOV Supporting good governance practices, including compliance with stringent General Data Protection Regulation (GDPR) standards. This includes oversight from our Risk Management and Committee and Data Governance Committee.

Managing data security, privacy and cyber threats as a principal risk **Page 87**

Matters shaping our company context

Please Call Me

Affected stakeholders

Principal risks and associated opportunities

Not applicable

Strategic pillars

10

Material matters

MM3

Context and key developments

Mr Makate, a former employee of Vodacom, started legal proceedings in 2008 claiming compensation for a business idea that led to the development of a service known as "Please Call Me" (PCM).

In April 2016, the Constitutional Court of South Africa (the Constitutional Court) ordered the parties to negotiate, in good faith, and agree a reasonable compensation amount payable to Mr Makate or, in the event of a deadlock, for the matter to be referred to Vodacom Group's Chief Executive Officer (the CEO) for determination. In accordance with the Constitutional Court order, and after negotiations failed, the CEO issued his determination on 9 January 2019. However, the CEO's award of R47 million was rejected by Mr Makate who subsequently brought an application in the High Court for judicial review against the CEO's determination and award.

The High Court, in a judgment delivered on 8 February 2022, set aside the CEO's determination and ordered him to reassess the amount employing a set criteria which would have resulted in the payment of a higher compensation amount, for the benefit of Mr Makate, than that determined by the CEO. Vodacom appealed against the judgment and the order of the High Court to the Supreme Court of Appeal (the SCA). The SCA heard the appeal on 9 May 2023 and its judgment was handed down on 6 February 2024.

The minority judgment of the SCA raised Mr Makate's compensation to approximately R186 million, while the SCA majority judgment would entitle Mr Makate to a minimum compensation amount of R29 billion. The CEO's determination in 2019 amounted to R47 million. Consequently, the range of the possible compensation outcomes in this matter is very wide.

The impact of the Supreme Court judgment, should it be upheld, would be vast and wide-ranging on both Vodacom South Africa and Vodacom Group, and impact the attractiveness of South Africa as an investment destination. It would negatively impact our employees, shareholders and Vodacom's contribution to public finances. It would also have an impact on our network investment, coverage, and social programmes.

Our response

On 27 February 2024, Vodacom applied for leave to appeal the judgment and order of the SCA to the Constitutional Court, resulting in the suspension of the operation of the judgment and order of the SCA. The decision of the Constitutional Court is awaited.

AFS

Refer to the **annual financial statements**:
Note 26.2 "Kenneth Makate (Mr Makate) vs Vodacom (Pty) Limited (Vodacom)"

Our business model

Our key inputs

The resources and relationships we rely on:

Financial capital FC

Vodacom's strong capital base, supported by long-term investors.

- R205 billion market capitalisation (FY2023: R254 billion)
- Flexible balance sheet with net debt to EBITDA at 0.9x (FY2023: 1.1x)
- Borrowings incurred of R18.2 billion
- Finance income received of R1.4 billion

Manufactured capital MC

Vodacom's network footprint across Africa, including mobile base stations, transmission infrastructure, fibre and our distribution channels.

- 46 273 network sites (FY2023: 42 650)
- R20.4 billion invested in network (FY2023: R16.5 billion)
- 1.0 million M-Pesa merchants (FY2023: 0.8 million) and 617 000 M-Pesa agents (FY2023: 553 000)
- Around 9 100 retail stores in South Africa, 640 retail stores in Egypt and 300 000 retail points of presence in International business

Intellectual capital IC

Our brand, reputation and investment in the latest technologies and modern digital systems.

- A clear and powerful strategy with implementation timelines
- Intelligent decision-making driven by Big Data capabilities
- Transparent governance systems
- Appropriate cyber security baseline controls

Social and relationship capital SRC

The quality and strength of our relationships with a diverse group of stakeholders.

- Our Social Contract with communities and governments
- Served 203.1 million customers across our eight markets (FY2023: 185.8 million)
- Regular interactions with tax authorities and regulators
- Relationships of trust with our suppliers
- Transparent reporting and interactions with investors
- Strategic partnerships to reduce the cost to connect

Natural capital NC

The natural resources the Group uses during the normal course of business.

- Radio spectrum (700MHz, 800MHz, 900MHz, 1 800MHz, 2 600MHz, 3 500MHz bands)
- Consumed 1 922.6GWh total energy (FY2023: 1 862.2GWh)[1]
- Used 271.0 megalitres of water (FY2023: 224.5 megalitres)[1]
- Used 70.0 million litres of diesel (FY2023: 67.0 million litres)[1]

Human capital HC

Our high-performing, customer-focused, engaged leaders and people.

- Permanent employees: 13 716 (FY2023: 13 605 or 7 946 excluding Egypt)
- Contractors: 3 549 (FY2023: 4 293)
- Investment in employees through development programmes (Discover Graduate programmes, Women in Leadership programmes, #1MoreSkill)
- R0.5 billion invested in employee training and leadership (FY2023: R0.5 billion)
- An innovative and agile company culture – the Spirit of Vodacom
- Leading remuneration and reward practices
- Experienced and diverse leadership team and strong Board

Our business activities

Our purpose

Why we exist

Connecting for a better future

Our business activities are guided by our strategy – the **System of Advantage** – which consists of three ambitions and 10 pillars that ensure we grow, diversify and differentiate our business.

Our outputs

Products and services

Our outputs include the products and services we offer aimed at individual consumers and enterprises. These products and services range from:

- Mobile and fixed connectivity
- Cloud, hosting and data security
- IoT offerings
- Digital services
- Financial services

Refer to **Page 36** for a detailed breakdown of what we offer

Our business model is purpose-driven. We aim to create sustainable value as we connect for a better future by delivering on our strategy – the **System of Advantage**. To create value, we effectively manage the resources and relationships available to our business – the six capitals, as referred to in the Integrated Reporting Framework.

Who we are

- Our brand
- Our people
- Our culture

PG 06

Where we operate

Our markets

PG 06

Our growth formula

Key differentiators

PG 38

Refer to **Page 29** for more details on our **System of Advantage**

Waste

Our waste outputs include our GHG emissions and network waste.

618.7
thousand tCO_2e scope 1 and 2 market-based GHG emissions
(FY2023: 855.2 thousand tCO_2e)[1]

1 372.0
tonnes of network waste
(FY2023: 1 2035.2 tonnes)[1]

Refer to **Page 107** for a detailed breakdown of our waste

Our outcomes

FC

- Revenue up 26.4% to R150.6 billion (FY2023: R119.2 billion)
- EBITDA up 24.3% to R56.1 billion (FY2023: R45.1 billion)
- Free cash flow of R18.2 billion (FY2023: R18.5 billion)
- R7.7 billion paid to debt funders in funding costs (FY2023: R5.3 billion)
- HEPS of 846 cents (FY2023: 948 cents)
- Dividend per share declared of 590 cents (FY2023: 670 cents)
- ROCE of 23.1% (FY2023: 21.8%)

MC

- Leading network NPS in four of our six OpCos
- 36.2% data traffic growth in South Africa, 44.0% in our International business and 41.8% in Egypt
- 2 306 new 4G sites added across the Group (FY2023: 2 352)
- 668 new rural sites added in the year (FY2023: 384)
- Our smartphone customer base has reached 74.4 million, up 9.1%

IC

- Top ranked TelCo in the Ask Afrika Orange Index
- Maintained our lead in the IT for customers (IT4C) independent benchmark exercise
- Leveraging Big Data to increase CVM personalised offers across all OpCos, with South Africa achieving the highest at 78% penetration
- Processed US$381.2 billion mobile wallet transactions, up 4.5% (FY2023: US$364.8 billion)
- Scaled our super-apps, VodaPay, M-Pesa and Vodafone Cash
- Ranked first for developmental impact within South Africa according to Trialogue's Corporate Development Impact rating

SRC

- 78.9 million financial services customers (FY2023: 70.6 million)
- R8.4 billion in B-BBEE SME procurement spent, R1.8 billion in early payments
- 16 000 girls trained to date in the Code like a Girl programme
- R36.7 billion contributed to public finances (FY2023: R25.4 billion)
- 9.6 million farmers registered on our smart agriculture platforms, with 15 million Agri-vouchers issued to farmers in South Africa and Kenya (FY2023: 2 million)
- Improved our RepTrak index score for the Group to 74.4 (FY2023: 70.8)
- Maintained our MSCI AAA ESG rating and improved our Institutional Shareholder Services ESG rating to Prime
- Entered into a long-term strategic partnership with Microsoft, including generative AI capabilities

NC

- Awarded an A- rating in the latest CDP climate change assessment
- Reduced our scope 1 and scope 2 market-based GHG emissions by 28%
- 48% reduction in GHG emissions per terabyte of data (FY2023: 35% reduction)
- 1 773 solar-powered sites across our markets (FY2023: 1 525)
- 93% of network waste (excluding hazardous waste) recycled (FY2023: 97%)[1]

HC

- Remuneration and benefits paid:
  - Permanent employees: R10.1 billion (FY2023: R7.7 billion)
  - Contractors: R627 million (FY2023: R533 million)
- Recognised as the top employer in Africa
- 78% black Board members and 56% black female representation on the Board in South Africa (FY2023: 80% black and 50% female)
- Received a Gold Tier ranking in the South African Workplace Equality Index
- Achieved a Spirit engagement index score of 87% (FY2023: 80%)

1. FY2023 data restated to include Egypt for comparability.

Our trade-offs

Interdependencies between the capitals we rely on necessitate trade-offs in our decisions, affecting our ability to create, preserve and erode value. Trade-offs are carefully considered as we manage the availability, quality, and affordability of capitals in the short, medium and long term.

Trade-off

Managing exchange rate volatility

Our portfolio extends across multiple African markets, leading to significant exposure to foreign exchange rate volatility relative to hard currencies, such as the US dollar. We actively manage foreign exchange rate exposure in our operations by maximising revenue opportunities, limiting US dollar-based operating expenditure, as much as possible, and adhering to a capital intensity framework. Our capital intensity framework ensures that we remain within a range of 13% to 14.5% of Group revenue, even if this implies a reduced purchasing power of hard currency components. In addition, we have a skilled and resourced treasury function supporting cash flow management.

In FY2024, we faced heightened currency pressures in Egypt, Ethiopia, Kenya and South Africa, with foreign exchange losses impacting our earnings per share by 54cps. Pleasingly, in the case of both Egypt and Kenya, material macroeconomic reforms were announced in the fourth quarter of our financial year. This supported a sharp appreciation of the Kenyan shilling and improved liquidity of the Egyptian pound. The availability of hard currency in Ethiopia and Mozambique remains a focus area for the Group treasury function to manage in the near term.

Key outcome

Growing revenue as a leading African connectivity, digital and financial services company PG 59

Investing in technology and network infrastructure to maintain our trusted brand PG 60

Challenging macroeconomic backdrop necessitates ongoing efficiency reviews

The resilience of our strategy was tested again in the current financial year as we faced high inflation and interest rates, heightened geopolitical tensions, energy uncertainty and foreign exchange rate volatility. Against this backdrop, we routinely ensure that our business operations are fit for purpose as we transition from a Telco to a leading TechCo.

With total energy costs up more than 20% in the year, and interest rates at multi-year highs, we accelerated efficiency measures to maintain our competitive edge. This resulted in the restructuring of positions that impacted 80 employees in South Africa and 120 employees in Mozambique during the year.

Looking ahead, our debt mix (60% floating) provides us with an opportunity to benefit from stabilising and even falling interest rate expectations, when this economic cycle turns.

Key outcome

Optimising our operations to support profitability and free cash flow PG 59

Looking ahead to meet our strategic targets PG 60

	Managing exchange rate volatility	Challenging macroeconomic backdrop necessitates ongoing efficiency reviews
Affected stakeholders		
Capitals impacted	FC MC	FC IC HC
Principal risks and associated opportunities	1	9
Strategic pillars	1	9
Material matters	MM3 MM5	MM7

CLICK HERE TO SEE EXPLANATION OF ICONS

Value created
Value eroded
Value sustained

Prioritising network resilience capital expenditure above network expansion

Maintaining network availability has become vital across our OpCos, requiring significant battery and onsite generation capacity investment. Capital expenditure is further needed to mitigate the impact of vandalism and theft. Prioritising capital expenditure to ensure network availability resulted in a trade-off with expansion capital expenditure, however supported leading network surveys and NPS scores across the Group.

Investing in network resilience to retain leadership PG 74

FC MC SRC

1 6 9

1 2 8

MM1 MM2 MM3

Using technology responsibly to improve customer experience

Technology enables us to provide customers with tailored offers and improve customer experience, strengthening customer relationships and supporting growth. While we use customer data to differentiate our offering, we respect our customers' privacy, use data responsibly and prioritise cyber and information security. We adhere to local data privacy laws and General Data Protection Regulation. We also use rapidly developing technology, like AI and machine learning, to improve our systems and service delivery but remain mindful of the risks associated with adopting new technologies.

Creating a world-class customer experience PG 78
Leveraging Big Data for personalisation and growth PG 80
Maintaining data security and privacy to maintain technology leadership PG 87

FC SRC

3 5 6 9

5 6 10

MM1 MM3 MM4 MM6

Growing through partnerships

Whether it be from space, on land or through the airwaves, we want to connect the people across our markets for a better future. However, our strict capital allocation framework provides guardrails for this vision, as we do not have sufficient capital to invest in all the available opportunities.

To deliver on our rural coverage ambitions we are making good inroads into utilising innovative new financing models. Additionally, our satellite partnerships aim to further expand our coverage without specialised hardware. In the fibre segment, we are working on co-investment models to accelerate rollouts across our OpCos.

Strengthening our presence in Africa PG 71
Expanding and enhancing our network reach PG 73

FC MC SRC

9

1 2

MM3

FC

Financial capital

Dear stakeholders

This was a year characterised by strong commercial momentum despite facing several economic headwinds, including higher interest rates and foreign exchange pressures. Egypt and our new services were the key drivers of revenue growth, as we surpassed the R150 billion revenue milestone. The resilience of our business model was further showcased by a resilient free cash flow result, improved ROCE, and an upgraded medium-term Group service revenue target.

Raisibe Morathi
Chief Financial Officer

What financial capital means to Vodacom

Vodacom's strong capital base is supported by long-term investors, including a 65.1% controlling stake by Vodafone, one of the world's largest communications companies, enabling us to advance our ambition to accelerate growth and enhance returns as we scale our existing products and services across our footprint.

How financial capital supports our System of Advantage

Our investment decisions accelerate our strategy, the **System of Advantage**, by providing the financial resources needed to pursue our strategic ambitions. With value creation at the forefront, opportunities to deploy our financial resources are carefully considered as they have a significant impact on our return profile and the strategic direction of our business in the short, medium and long term.

Our financial capital at a glance

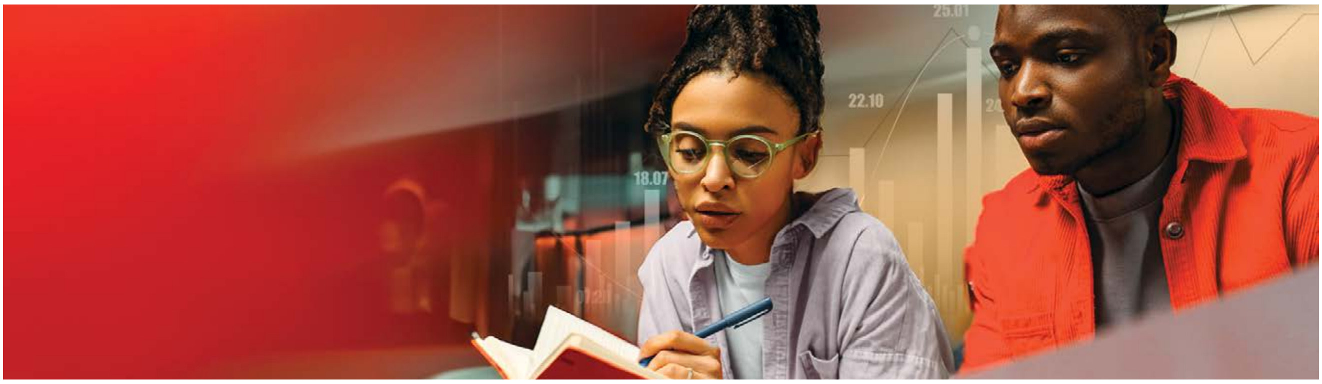
Our key focus areas	Key FY2024 achievements	Strategic pillar affected
Growing revenue as a leading African connectivity, digital and financial services company	Revenue growth was positively impacted by the acquisition of Egypt • Group revenue increased **26.4%** (10.1%^) to **R150.6 billion** (FY2023: R119.2 billion) • Financial services revenue increased **32.2%** (19.9%^) to **R13.0 billion** • New service revenue contribution to Group result increasing to **20.0%**, up from 18.7% in FY2023	1 2 3 4 5 6
Optimising our operations to support profitability and free cash flow	Increased net profit by 6.4% showcasing the robustness of our strategy and our execution track record • Group EBITDA increased by **24.3%** (7.8%^) • Excellent free cash flow generation of **R18.2 billion** (FY2023: R18.5 billion)	7 8 9
Investing in technology and network infrastructure to maintain our trusted brand	Enhanced customer experience through sustained investments in technology and network infrastructure • Capital expenditure of **R20.4 billion**, representing intensity of 13.6% • Enhanced network resilience through the acceleration of 4G and 5G coverage	2 4 5 8 10
Leveraging our scale to create value	Attractive ROCE and a market-leading dividend pay-out ratio • Group net debt to EBITDA improved to 0.9 times from 1.1 times • ROCE improved 1.3pp to **23.1%** • Total dividend of 590cps (FY2023: 670cps)	1 2 3 4 5 6 7 8 9 10
Looking ahead to meet our strategic targets	Focus on meeting our Vision 2025 targets and developing the Group's next strategic phase • Medium-term Group service revenue target upgraded from mid-to-high to high single-digit growth	1 2 3 4 5 6 7 8 9 10

Notes:

All growth rates quoted refer to the year ended 31 March 2024 compared to the year ended 31 March 2023, unless stated otherwise.

^ Egypt was consolidated from 8 December 2022, representing the effective date of the transaction. Target comparable or *pro forma* results have been presented for the Group as if the effective date of the Egypt acquisition was 1 April 2022 on a constant currency basis.

* Normalised growth, which presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current year as the base) and excludes the impact of merger, acquisition and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results.



The value we create, preserve and erode

We are committed to employing our financial capital within a disciplined framework that enhances our revenue generation opportunities while maintaining our return on invested capital. Ultimately, this enhances customer experience and shareholder returns.

Key financial results

Rm	FY2024	FY2023	Reported % change	*Pro forma*^ % change
Revenue	**150 594**	119 170	26.4	10.1
Service revenue	**120 897**	93 650	29.1	9.2
EBITDA	**56 116**	45 144	24.3	7.8
Operating profit	**35 337**	29 252	20.8	5.9
Operating profit – South Africa	**20 125**	20 881	(3.6)	
Operating profit – Egypt	**8 774**	1 710	>100.0	
Operating profit – International	**4 230**	4 541	(6.8)	
Operating profit – Safaricom	**2 686**	2 815	(4.6)	
HEPS (cps)	**846**	948	(10.8)	
Dividends (cps)	**590**	670	(11.9)	

For more information, refer to **Page 136**

Growing revenue as a leading African connectivity, digital and financial services company

Group revenue increased by 26.4% to R150.6 billion, and Group service revenue grew 29.1% to R120.9 billion, both positively impacted by the acquisition of Egypt. On a *pro forma* basis (comparable with the medium-term targets), Group service revenue growth was 9.2%, at the higher end of our medium-term range. This reflected both strong growth from Egypt of 31.6% in local currency, consistent with inflation levels in the market, and good growth in Group new services. In aggregate, our new services (which includes digital and financial, fixed and IoT) amounted to R24.2 billion and contributed 20.0% of Group service revenue, up from 18.7% in the prior year.

South African service revenue grew 2.6% to

R61.6 billion

with new services up 11.2% and contributing 16.6% of South Africa's service revenue

In Egypt, service revenue increased 31.6% in local currency supported by strong growth in data, financial services and fixed-line services. Financial services revenue more than doubled and contributed 6.5% to service revenue

Service revenue for our International business increased 13.1% (5.0%*) to

R29.9 billion

supported by strong growth in data and M-Pesa and foreign exchange translation tailwinds

Revenue from financial services reached R13.0 billion, up 32.2% (19.9%^). In South Africa, growth of 7.9% was driven by our insurance business, as we continued to scale new growth opportunities such as VodaPay. Egypt's financial services revenue doubled in local currency and was supported by growth in users and transaction volumes. Normalised M-Pesa revenue in our International business grew 13.1%* in the year. New financial services, such as loans and merchant offerings, contributed two-thirds of M-Pesa revenue growth, consistent with our strategy to expand the ecosystem.

Our financial services strategy is supported by a dual-sided ecosystem comprising consumers and merchants. These segments are brought together through exceptional and personalised experiences relating to entertainment, e-Commerce, payments, savings, investments, lending and insurance services. As key drivers of this strategy, our super-apps – VodaPay, Vodafone Cash and M-Pesa – integrate our own products and services with the best offerings from our partners. Looking ahead, we plan on replicating Egypt's successful one-app strategy across our markets by combining our telecommunication apps into super-apps.

Our active merchant base continued to scale meaningfully in South Africa and across our International business. Our base in South Africa now exceeds 10 000 merchants, while across our International business, we more than doubled the number of M-Pesa merchants to 395 000. We also see an exciting opportunity for merchant services in Egypt, and expect to build new merchant capabilities and other financial services in FY2025 by leveraging the Group's product roadmap.

Our mobile money platforms, including Safaricom, processed US$381.2 billion of transaction value over the last 12 months, representing clear leadership in the African FinTech space. The number of mobile money transactions reached 33.7 billion, up by an impressive 34.3%.

Optimising our operations to support profitability and free cash flow

Group EBITDA increased by 24.3% to R56.1 billion, representing an EBITDA margin of 37.3%. This EBITDA result was impacted by foreign exchange rate losses of R1.6 billion, as a result of Egypt's March 2024 devaluation, and higher energy costs across the Group. The Group EBITDA margin was 38.3% after adjusting for the impact of foreign exchange losses.

On a *pro forma* basis, Group EBITDA growth was 7.8%^ in the year, accelerating to within our target range of high-single digit growth in the second half period. Egypt was the key driver of the Group result, with *pro forma* EBITDA growth excluding trading foreign exchange impact of 39.5%. Egypt's performance was supported by excellent revenue growth and cost containment. South Africa EBITDA grew 0.7% impacted by slower prepaid and Vodacom Business revenue growth and higher network costs. International business EBITDA growth was 8.2%, or 1.4%* on a normalised basis, with excellent results in Tanzania offset by pressure in Mozambique.

Group operating profit increased 20.8% to R35.3 billion, supported by EBITDA growth but impacted by the expected start-up losses in Ethiopia and amortisation of new spectrum assets. On a *pro forma* basis, operating profit increased 5.9%^.

Net finance charges increased 69.5% to R7.2 billion as a result of higher net debt, higher average cost of debt and a material change in the remeasurement, and disposal of financial instruments related to foreign exchange rate movements. The average cost of debt (including leases) increased from 8.6% to 10.5% year on year, reflecting the South African Reserve Bank's interest rate increases. Excluding leases, the average cost of debt increased from 7.7% to 9.9%.

HEPS declined by 10.8% to 846cps. This result did not reflect our strong commercial momentum, which was disappointing. The HEPS result was impacted by foreign exchange losses (56cps), start-up losses in Ethiopia (21cps), higher finance costs (91cps) and a prior year deferred tax asset recognised in Tanzania (15cps).

Group free cash flow

Rm	FY2024	FY023	Reported % change
Operating free cash flow (OFCF)	**30 305**	25 111	20.7
Capital expenditure	**(20 422)**	(16 490)	(23.8)
Free cash flow	**18 209**	18 524	1.7
Net debt	**(49 876)**	(48 310)	3.2
Net debt to EBITDA (times)	**0.9**	1.1	(0.2x)

OFCF was up 20.7% to R30.3 billion, after R20.4 billion was invested into capital expenditure, a further R6.2 billion applied to lease payments and R0.2 billion absorbed into working capital. Capital expenditure increased 23.8% with the inclusion of Egypt. Group free cash flow, which captures our cash interest, tax and minority dividends, declined 1.7% to R18.2 billion, impacted by the phasing of Safaricom dividends, which had contributed R1.0 billion to the prior year's free cash flow. Adjusting for this phasing impact, Group free cash flow grew 4.0%. In the year, the Group also invested in spectrum in DRC and settled the final R2.2 billion tranche of the South African spectrum acquired in the March 2022 auction.

Net debt of R49.9 billion increased as a result of spectrum payments of R3.4 billion, which included South Africa's final R2.2 billion tranche. Group net debt to EBITDA improved to 0.9 times, with the increase in net debt offset by higher Group EBITDA.

Investing in technology and network infrastructure to maintain our trusted brand

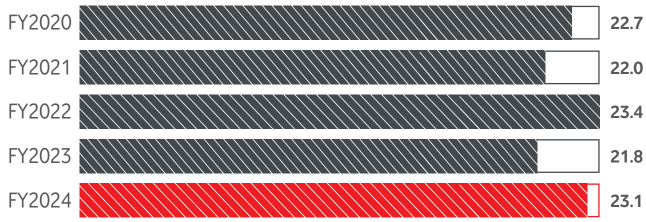
Group capital expenditure was R20.4 billion, representing 13.6% of revenue. Excluding Egypt, Group capital expenditure was down 4.2%. In South Africa, capital expenditure was directed at improving the capacity and resilience of the network, and increasing 5G rollout. We now have 98.7% (FY23: 98.5%) 4G population coverage and have increased the number of 5G sites to 2 300. Egypt invested R4.6 billion i n growing and strengthening the network to support increased demand. Across our International business, the focus remained on increasing coverage and capacity with 4G sites up 21%.

Leveraging our scale to create value

We are the market leader across our footprint, with the exception of our start-up operation in Ethiopia. This is an important differentiator that when combined with our efficiency programmes supports an attractive ROCE. In FY2024, we delivered ROCE of 23.1%, above our cost of capital, adding to our track record of strong returns.

Our dividend policy reflects the Group's strong return and free cash flow profile, while providing scope to invest within our 13.0% to 14.5% capital intensity target and de-lever. On the basis of our policy, which is to pay at least 75% of Group headline earnings, the Board declared a total dividend per share for the year of 590cps (FY2023: 670cps). This level of pay-out results in Vodacom offering one of the highest dividend pay-out policies on the Johannesburg Stock Exchange.

ROCE – multi-year track record of strong returns



Looking ahead to meet our strategic targets

Vodacom is a purpose-led company, connecting for a better future. We remain focused on strong governance and our purpose pillars of empowering people and protecting the planet, as we look ahead to the final year of our business strategy: Vision 2025.

Building on the strong commercial momentum of FY2024, we upgraded our Group service revenue target from mid-to-high to high single-digit growth. Our Group EBITDA growth and capital intensity prospects for the medium term remain unchanged, as follows:

- Group service revenue growth of high single-digit growth;
- Group EBITDA growth of high single-digit growth; and
- Group capital expenditure of 13.0% to 14.5% of Group revenue.

These targets are on average, over the next three years, based on prevailing economic conditions.

Appreciation

Our results, delivered under continued economic pressure, have proven the robustness of our strategy, our dedication to our stakeholders, and our track record of execution. We continue to maintain the levels of diligence and performance necessary to meet the expectations of our stakeholders. I remain grateful to my colleagues for their hard work and support in aid of our common purpose, to connect for a better future.

Raisibe

Raisibe Morathi
Chief Financial Officer
12 June 2024

Segment performance

South Africa

Year ended 31 March 2024

Service revenue	EBITDA	Operating profit	Capital expenditure
R61 621 million	R32 808 million	R20 125 million	R11 115 million
(FY2023: R60 038 million)	(FY2023: R32 569 million)	(FY2023: R20 881 million)	(FY2023: R11 171 million)
% change reported			
2.6	0.7	(3.6)	(0.5)

South Africa service revenue grew 2.6% to R61.6 billion, reflecting the country's ongoing macroeconomic challenges. The growth was supported by new services, consumer contract segment and prepaid mobile data. New services such as financial and digital services, fixed and IoT were up 11.2% and contributed R10.2 billion, or 16.6% of South Africa's service revenue. Mobile prepaid data growth of 11.6% was supported by network resilience and personalised, data-led offers. Revenue reached R88.3 billion, up 4.2%, driven by strong equipment sales.

Mobile contract customer revenue increased by 3.9% to R23.5 billion, supported by good growth in our consumer segment, partly as a result of a contract price increase in the first quarter, which was coupled with an additional data allocation of 20% to support our value commitment to customers. Mobile contract ARPU of R301 was up 1.3% with price increases partly offset by pressure in Vodacom Business, as corporate customers recalibrated spend for the return to office. We added 125 000 contract customers reaching a base of 6.8 million, up 1.9%.

Prepaid mobile customer revenue increased 1.7% to R26.4 billion. Our CVM capabilities helped contain pressure on voice revenue, while driving higher customer engagement and revenue in the data segment. We added 7.3 million prepaid customers in the year to reach 44.9 million customers. The strong growth in customers, which included some low ARPU additions during the year, impacted prepaid ARPU growth, which declined 5.2% to R55.

Supported by smartphone penetration and network availability, data traffic increased by 36.2%, and data customers reaching 28.8 million, up 12.8%. Smart devices were up by 8.4% to 31.8 million, while 4G and 5G devices increased by 15.2% to 24.4 million. Prepaid mobile data revenue increased by 11.6% to R12.7 billion. The average usage per smart device increased by 26.0% to 3.8GB per month.

Fixed service revenue was up 18.4%, excluding wholesale transit. The result was supported by good customer adoption of fibre and project-based revenue. Our connected homes and businesses reached 190 000[1], while our own fibre passed almost 166 000 homes and businesses.

Service revenue generated from financial services was up 7.9% to R3.2 billion, with growth driven by our insurance, payments and lending marketplace businesses. Our Airtime Advance represented 45.7% of total prepaid recharges and remains an important enabler of digital inclusion. Insurance revenue increased by 13.8%, supported by policy growth of 4.5% to 2.7 million. Our super-app, VodaPay, ended the period with 10.4 million downloads and 5.8 million registered users. Our digital services, managed alongside financial services, had a strong year with revenue up 13.6% to R1.6 billion.

Vodacom Business service revenue decreased by 0.8% to R17.3 billion, with pressure on wholesale revenue. Cloud, hosting and security supported growth, with revenue for this segment up 38.5%. Excluding wholesale revenue, Vodacom Business service revenue was up 3.4% for the year.

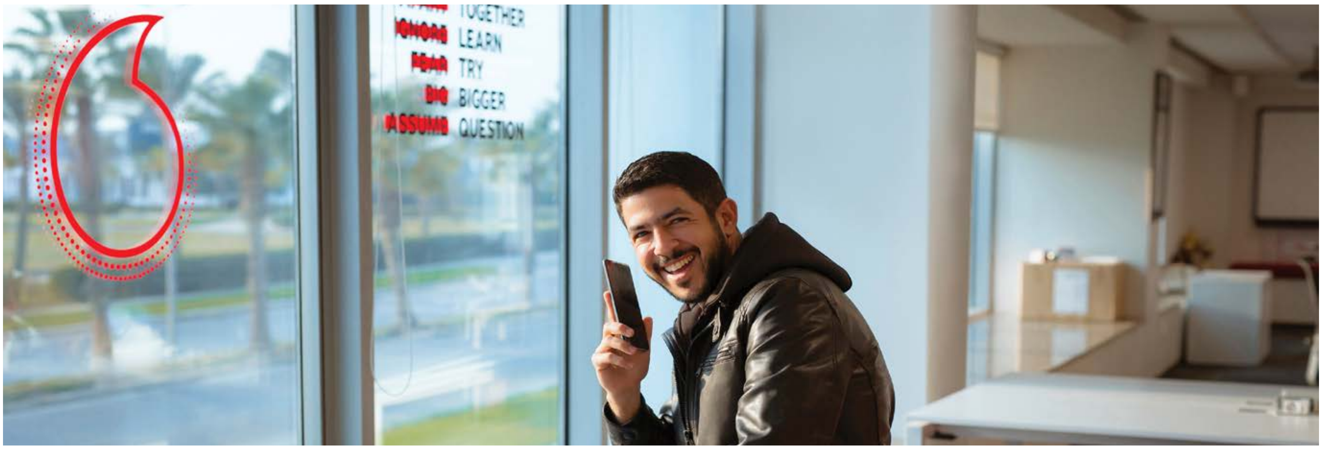
EBITDA grew by 0.7%, impacted by pressure on prepaid service revenue and higher network operating costs. The EBITDA margin moderated by 1.2pp to 37.2%, and was impacted by growth of lower margin equipment revenue, Cloud reseller margins and higher network and payroll costs. Payroll costs were up 16.9% as a result of lower capitalised overheads, which from a cash perspective was offset by capital expenditure savings. Operating profit declined 3.6% as a result of higher depreciation and amortisation.

We invested R11.1 billion in our network to support network resilience, leverage our new spectrum assets and enhance our IT platforms to maintain our competitive edge and remain South Africa's most reliable network and network NPS leader.

Looking ahead, we expect the macroeconomic outlook to remain subdued into FY2025. To mitigate this impact we expect to continue scaling new services, implement "more for more" price adjustments and accelerate cost saving initiatives, which we believe will support improved EBITDA growth prospects.

1. Including Bitstream, which refers to where we act as an internet service provider to fibre wholesalers.

Segment performance continued



Egypt

Year ended 31 March 2024

Service revenue	EBITDA	EBITDA excluding trading foreign exchange impact	Operating profit	Capital expenditure
R30 179 million	R13 067 million	R14 456 million	R8 774 million	R4 617 million
(FY2023: R7 976 million)	(FY2023: R2 859 million)	(FY2023: R3 477 million)	(FY2023: R1 710 million)	(FY2023: R1 225 million)

***Pro forma* information year ended 31 March 2024^[1]**

Service revenue	EBITDA	EBITDA excluding trading foreign exchange impact	Operating profit	Capital expenditure
EGP51 432 million	EGP21 279 million	EGP24 627 million	EGP14 004 million	EGP7 792 million
(FY2023: EGP39 073 million)	(FY2023: EGP16 020 million)	(FY2023: EGP17 652 million)	(FY2023: EGP9 493 million)	(FY2023: EGP5 953 million)
% change				
31.6	32.8	39.5	47.5	30.9

Egypt's service revenue of R30.2 billion represents 25.0% of the Group total. In the prior year, Egypt was consolidated from 8 December 2022, impacting reported growth rates. Egypt's local currency growth was supported by strong customer engagement in connectivity, mobile and fixed price adjustments, and excellent growth in Vodafone Cash. Pleasingly, the dividend declared by Egypt to the Group in the first half of FY2024 was repatriated to South Africa in March 2024. We are encouraged by the meaningful steps taken by the government to support economic growth through foreign direct investment and foreign exchange liquidity.

Egypt ended the period with 48.3 million customers, up 6.2%. ARPU growth of 24.6% reflected price adjustments and strong commercial traction following the use of Big Data and analytics. Data traffic was up 41.8% supported by data customer growth of 10.9% to 29.1 million. The number of smartphones on the network increased 7.0% to 33.1 million.

Financial services revenue for Egypt was R1.9 million (EGP3.3 billion) in the year, accounting for 6.5% of service revenue. Growing financial services is a key priority for the Group and Egypt. In local currency Vodafone Cash revenues more than doubled. Revenue was supported by customer growth of 52.1% to 8.2 million and strong growth in transaction values, which exceeded EGP1 trillion in the year. The strong customer growth was supported by our one-app strategy, which leverages the scale of our mobile customer base to drive Vodafone Cash penetration. Transaction value growth was accelerated by new use cases and increased mobile wallet limits.

Egypt contributed R13.1 billion, or 23.3%, of Group EBITDA. The reported EBITDA margin of 40.2% was impacted by foreign exchange losses on working capital balances as the Egyptian pound depreciated against major currencies in the fourth quarter. Excluding this impact, local currency EBITDA growth was 39.5% at a margin of 44.5%^, reflecting excellent cost control in a high inflation environment and growth in Vodafone Cash, including fee income on deposits. Operating profit growth was 47.5% in local currency, while net income was up 53.7% as Egypt mitigated the foreign exchange losses on working capital through limited growth in depreciation and amortisation charges and higher net finance income.

Capital investment was R4.6 billion, representing a capital intensity ratio of 14.2%, and focused on the deployment of 2 600MHz spectrum and the roll out of new sites. We expect to retain a similar capital intensity into FY2025, despite the currency devaluation in March 2024. Further, we expect the business to sustain strong service revenue and EBITDA in FY2025.

Note:
1. For information purposes only.

International business

Year ended 31 March 2024

Service revenue	EBITDA	Operating profit	Capital expenditure
R29 858 million	R10 973 million	R4 230 million	R4 694 million
(2023: R26 395 million)	(2023: R10 145 million)	(2023: R4 541 million)	(FY2023: R4 067 million)
% change reported			
13.1	8.2	(6.8)	15.4
% change normalised*			
5.0	1.4	(13.2)	

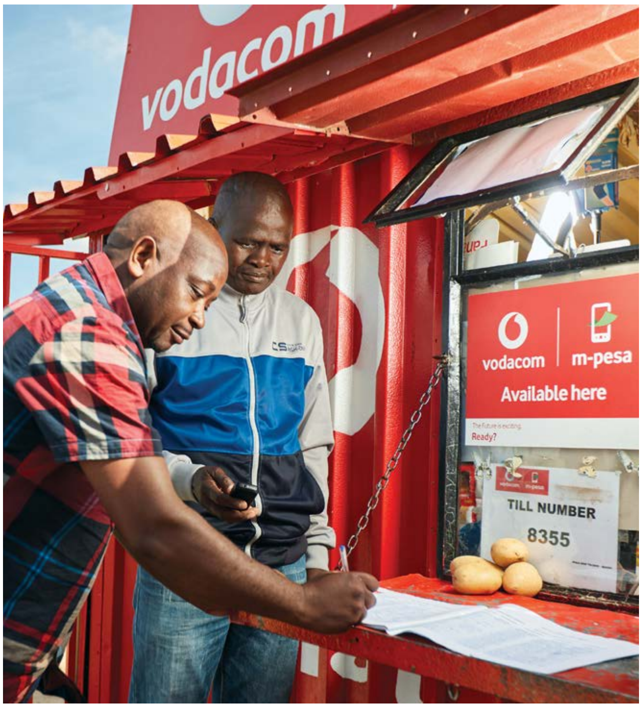
International business service revenue increased 13.1% (5.0%*) to R29.9 billion, supported by strong growth in data and M-Pesa and foreign exchange translation tailwinds. Our purpose-led focus on digital and financial inclusion was reflected in reported data revenue growth of 30.5% and M-Pesa revenue growth of 21.4%. We delivered double-digit local currency growth in Tanzania, while DRC's service revenue growth improved in the second half. Mozambique's performance was disappointing, with service revenue declining in the year.

Customer numbers increased 7.7% to 54.1 million, supported by strong commercial execution. Price transformation and pressure on consumer spend were evident in voice revenue, which declined 1.6% (-7.8% in local currency). Data revenue was R8.0 billion, up 30.5% (21.9%*), and contributed 26.7% of service revenue. We added 1.7 million data customers to end at 24.2 million customers. Data traffic growth of 44.0% was supported by 14.4% smartphone user growth to reach a penetration of 35.2%.

M-Pesa revenue increased 21.4% (13.1%*) to R7.9 billion, contributing 26.5% of International business service revenue. Growth was supported by a strong performance in Tanzania. New growth areas such as lending and savings products continue to gain traction across the portfolio, contributing more than 70% of the growth. Loans facilitated across our International business more than doubled to R16.9 billion. To grow and diversify the M-Pesa ecosystem, we also accelerated our merchant strategy, more than doubling the number of active merchants to 395 000.

International business EBITDA was R11.0 billion and grew by 8.2% (1.4%*) reflecting foreign exchange translation tailwinds. EBITDA margins were 35.6% and 1.7pp lower than the prior year period. The margin outcome reflects a change in the country mix within the segment, with Tanzania EBITDA growth outpacing the other markets. Tanzania EBITDA margins were flat at 30.8%. Operating profit declined by 6.8%, impacted by higher depreciation, spectrum amortisation and Ethiopia start-up losses associated with Vodacom's direct stake of 5.7% in the consortium.

Capital expenditure increased by 15.4% to R4.7 billion, representing an intensity ratio of 15.2%, following accelerated investment into 4G coverage and performance. We added 1 271 new 4G sites, representing growth of 22.1%, which is expected to support further revenue growth, and continued to invest in our transmission networks to enhance our network lead in all our markets. Looking ahead to FY2025, we expect International business performance to improve through the year as we leverage the spectrum assets we secured in DRC, Mozambique and Tanzania in FY2023 and FY2024 to enhance customer experience.



Segment performance continued

Safaricom[1]

Year ended 31 March 2024			Of which Kenya		
Service revenue	EBITDA	Capital expenditure	Service revenue	EBITDA	Capital expenditure
R43 142 million	R20 949 million	R11 916 million	R42 417 million	R24 034 million	R6 077 million
(FY2023: R41 503 million)	(FY2023: R19 635 million)	(FY2023: R13 477 million)	(FY2023: R41 418 million)	(FY2023: R22 490 million)	(FY2023: R5 680 million)
% change reported			% change reported		
3.9	6.7	(11.6)	2.4	6.9	7.0

Year ended 31 March 2024			Of which Kenya		
Service revenue	EBITDA	Capital expenditure	Service revenue	EBITDA	Capital expenditure
KES335.3 billion	KES163.3 billion	KES93.5 billion	KES329.8 billion	KES187.0 billion	KES47.3 billion
(FY2023: KES295.7 billion)	(FY2023: KES139.9 billion)	(FY2023: KES96.1 billion)	(FY2023: KES295.2 billion)	(FY2023: KES160.4 billion)	(FY2023: KES40.4 billion)
% change reported			% change reported		
13.4	16.8	(2.7)	11.7	16.6	17.2

Safaricom delivered an excellent performance in Kenya and, in its first full financial year since launch, Ethiopia delivered on important milestones. Service revenue increased 13.4%, with the Kenyan business delivering double-digit growth, above its multi-year trend. EBITDA for Safaricom increased 16.8% supported by margin expansion in Kenya. Safaricom's net profit attributable to equity shareholders was up 1.2% (-7.5% before hyperinflation). This is a particularly encouraging result given that Ethiopian losses were guided to have peaked in the year. Safaricom, as an associate of the Group, contributed R2.7 billion to Group operating profit, decreasing 4.6%. This result was impacted by foreign exchange translation headwinds and Ethiopia start-up losses.

Service revenue in Kenya was up 11.7 %, and accelerated to 14.8% in the second half of the year. A key driver of the result was M-Pesa, which saw revenue growth of 19.4% (22.1% in the second half), supported by the strong take-up of the super-app and increase in merchants. The volume of M-Pesa transactions grew 34.8%, off a large base, to 28.4 billion. Safaricom, together with M-Pesa Africa, leveraged global partnerships and technological innovation to enhance our global payments offering, and launch Mali our first wealth product in the market. These growth vectors will be leveraged into our other markets.

Kenyan mobile data revenue grew 18.0%, accelerating from the prior year. This growth was supported by accelerated adoption of integrated bundles associated with Safaricom's Make Ur Bundle campaign, which allows customers to select a preferred price point, validity and a mix of data and voice. Voice revenue in Kenya declined 1.7%, but the rate of decline improved in the second half of the year. Fixed service and wholesale transit revenue grew 12.0% to KES15.1 billion (R1.9 billion), supported by 31.1% growth in consumer revenue. FTTH customers grew 27.0% to 248 574, while homes passed exceeded 560 000. Mobile data and fixed growth were supported by capital expenditure in Kenya of KES47.3 billion, equating to a 13.8% capital intensity ratio.

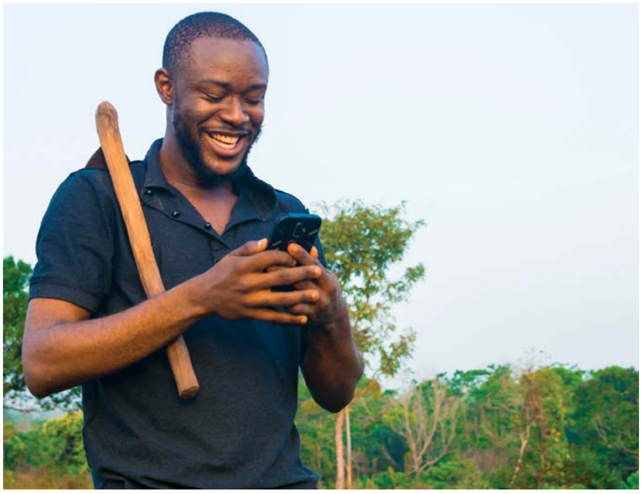
Kenya's EBITDA was up 16.6%, with margins improving 2.8pp to 54.7%, supported by an excellent revenue performance. Cost base pressures associated with foreign exchange weakness and higher energy costs were offset by cost control initiatives.

Including the greenfield mobile rollout in Ethiopia, capital expenditure for Safaricom was KES93.5 billion (R11.9 billion). Safaricom Ethiopia reached 4.4 million customers, with on-air sites reaching 2 400 and total sites built up to 2 800. In February 2024, Ethiopia hosted an investor day in Addis Ababa where it showcased the build out of its distribution, network, M-Pesa, brand and people. Ethiopia also provided a medium-term outlook of scaling towards 15 to 20 million customers and >4 000 sites.

Looking ahead, Safaricom's EBIT guidance for FY2025 implies another strong year for Kenya, while Ethiopia continues to scale up its operators as EBITDA losses peaked in FY2024.

1. The Group's effective interest of 34.94% in Safaricom is accounted for as an investment in associate. Results represent 100% of Safaricom and is for information purposes only.

Growth rates are in local currency unless otherwise stated. Safaricom's results are available at **www.safaricom.co.ke/investor-relation/financials/reports/financial-results**



Condensed consolidated income statement

for the year ended 31 March

Rm	2024	2023[1]
Revenue	**150 594**	119 170
Direct expenses	**(57 700)**	(45 942)
Staff expenses	**(10 136)**	(7 746)
Publicity expenses	**(2 156)**	(1 936)
Net credit losses on financial assets	**(846)**	(864)
Other operating expenses	**(23 830)**	(18 069)
Depreciation and amortisation	**(22 786)**	(17 968)
Net profit from associates and joint ventures	**2 197**	2 607
Operating profit	**35 337**	29 252
Net (loss)/gain on disposal of subsidiaries	**(13)**	4
Finance income	**1 416**	857
Finance costs	**(8 163)**	(5 569)
Net (loss)/gain on remeasurement and disposal of financial instruments	**(454)**	464
Profit before tax	**28 123**	25 008
Taxation	**(8 859)**	(6 897)
Net profit	**19 264**	18 111
Attributable to:		
Equity shareholders	**16 292**	16 767
Non-controlling interests	**2 972**	1 344
	19 264	18 111

Cents	2024	2023[1]
Basic earnings per share	**842**	948
Diluted earnings per share	**827**	921
Headline earnings per share	**846**	948

Note:
1. The results of Egypt were consolidated from the acquisition date of 8 December 2022.

Group revenue grew 26.4% to over R150 billion, positively impacted by the acquisition of Egypt. On a *pro forma* basis (comparable with the medium-term targets), Group service revenue growth was 9.2%^, at the higher end of our medium-term range. This reflected strong growth from Egypt of 31.6% in local currency, consistent with inflation levels in the market, and good growth in Group new services.

Group total expenses increased 27.0% to R94.7 billion. Excluding Egypt, total expenses increased 8.9%. In South Africa, expenses increased 6.5% to R55.6 billion. The rate of growth in South Africa reflects higher equipment costs of sales associated with the higher equipment revenue and pressure on network operating costs. International business expenses increased 17.5% (8.3%*) to R20.2 billion, as incremental cost initiatives were implemented to manage costs around the rate of inflation.

Group operating profit increased 20.8% to R35.3 billion, supported by EBITDA growth but impacted by the expected start-up losses in Ethiopia. On a *pro forma* basis, operating profit increased 5.9%^, supported by Egypt.

Net finance charges increased 69.5% to R7.2 billion, as a result of higher net debt, higher average cost of debt and a material change in the remeasurement and disposal of financial instruments related to foreign exchange rate movements. The average cost of debt (including leases) increased from 8.6% to 10.5% year-on-year, reflecting the increase in South African Reserve Bank interest rates.

The tax expense of R8.9 billion was up 28.5% as a result of including Egypt for the full year compared with four months in the period year. Excluding Egypt, the rest of the Group's tax expense increased 4.8%. The effective tax rate was 31.5%, higher than the prior year as a result of withholding tax on the Egypt dividend, an increase in non-deductible finance costs in DRC and the non-deductibility of the finance costs associated with the purchase of Egypt and funding of Ethiopia.

Condensed consolidated statement of comprehensive income

for the year ended 31 March

Rm	2024	2023[1]
Net profit	**19 264**	18 111
Other comprehensive income		
Foreign currency translation differences, net of tax[2]	**(451)**	2 985
Foreign currency translation differences recognised through profit or loss on disposal of foreign operations[1]	**-**	-
Share of foreign currency translation differences, net of tax, of associates and joint ventures accounted for using the equity method[2]	**1 732**	565
Mark-to-market of financial assets held at fair value through other comprehensive income, net of tax[2]	**350**	216
Mark-to-market gains recognised through profit or loss on disposal of financial assets held at fair value through other comprehensive income, net of tax[2]	**(279)**	(276)
Total comprehensive income	**20 616**	21 601
Attributable to:		
Equity shareholders	**19 317**	21 207
Non-controlling interests	**1 299**	394
	20 616	21 601

Notes:
1. The results of Egypt were consolidated from the acquisition date of 8 December 2022.
2. Other comprehensive income can subsequently be recognised in profit or loss on the disposal of foreign operations or financial assets held at fair value through other comprehensive income.

Condensed consolidated statement of financial position

as at 31 March

Rm	2024	2023[1]
Assets		
Non-current assets	**169 886**	162 527
Property, plant and equipment	**74 643**	74 241
Intangible assets	**27 924**	27 643
Financial assets	**743**	800
Investment in associates and joint ventures	**58 334**	52 573
Trade and other receivables	**4 458**	3 700
Finance receivables	**2 658**	2 348
Tax receivable	**468**	674
Deferred tax	**658**	548
Current assets	**70 727**	65 788
Financial assets	**1 414**	958
Mobile financial deposits	**11 126**	9 832
Inventory	**2 321**	2 156
Trade and other receivables	**28 154**	27 992
Finance receivables	**3 293**	2 508
Tax receivable	**709**	288
Bank and cash balances	**23 710**	22 054
Total assets	**240 613**	228 315
Equity and liabilities		
Fully paid share capital	**89 918**	89 918
Treasury shares	**(17 131)**	(17 055)
Retained earnings	**47 457**	43 524
Other reserves	**(27 480)**	(30 441)
Equity attributable to owners of the parent	**92 764**	85 946
Non-controlling interests	**11 064**	11 481
Total equity	**103 828**	97 427
Non-current liabilities	**65 524**	66 502
Borrowings	**59 540**	60 687
Trade and other payables	**464**	552
Provisions	**1 592**	1 406
Deferred tax	**3 928**	3 857
Current liabilities	**71 261**	64 386
Borrowings	**11 741**	8 327
Trade and other payables	**42 585**	41 392
Mobile financial payables	**11 126**	9 832
Provisions	**614**	830
Tax payable	**2 984**	2 665
Dividends payable	**14**	17
Bank overdraft	**2 197**	1 323
Total equity and liabilities	**240 613**	228 315

Property, plant and equipment increased R0.4 billion to R74.6 billion and intangible assets increased R0.3 billion to R27.9 billion. Net capital additions of R28.8 billion offset the depreciation and amortisation charge of R22.8 billion and foreign exchange revaluation impact of R5.3 billion.

Safaricom profits were impacted by start-up losses in Ethiopia. Our attributable share of profits and foreign currency translation difference movements related to Safaricom were partially offset by dividends received.

The movement in other reserves is largely as a result of translation of foreign subsidiaries to the presentation currency of the Group.

Net debt of R49.9 billion increased as a result of the spectrum payments of R3.4 billion in the year, which included the final R2.2 billion tranche in South Africa. Group net debt to EBITDA improved to 0.9 times, with the increase in net debt offset by higher Group EBITDA.

Note:
1. The results of Egypt were consolidated from the acquisition date of 8 December 2022.

Condensed consolidated statement of changes in equity

for the year ended 31 March

Rm	Equity attributable to owners of the parent	Non-controlling interests	Total equity
31 March 2023 – Audited	**85 946**	**11 481**	**97 427**
Adoption of IFRS 17 Insurance contracts	**11**	**–**	**11**
1 April 2023	**85 957**	**11 481**	**97 438**
Total comprehensive income	**19 317**	**1 299**	**20 616**
Dividends	**(12 370)**	**(1 805)**	**(14 175)**
Repurchase and sale of shares	**(438)**	**–**	**(438)**
Share-based payments	**430**	**–**	**430**
Proceeds on subsidiary share issue[1]	**–**	**103**	**103**
Share of changes in subsidiary holdings of associate	**(132)**	**(14)**	**(146)**
31 March 2024 – Reviewed	**92 764**	**11 064**	**103 828**
31 March 2022 – Audited	79 437	6 029	85 466
Adoption of IAS 29 by associate entity	1 953	212	2 165
1 April 2022	81 390	6 241	87 631
Total comprehensive income	21 207	394	21 601
Dividends	(13 127)	(569)	(13 696)
Shares issued on acquisition of subsidiary	32 845	–	32 845
Acquisition of subsidiary under common control	(36 137)	5 105	(31 032)
Repurchase and sale of shares	(377)	–	(377)
Share-based payments	438	–	438
Proceeds on subsidiary share issue[1]	–	242	242
Changes in subsidiary holdings	(293)	68	(225)
31 March 2023 – Audited	85 946	11 481	97 427

Note:

1. Non-controlling interests' share of proportionate additional share capital contributions into 10T Holdings (Pty) Limited.

Condensed consolidated statement of cash flows

for the year ended 31 March

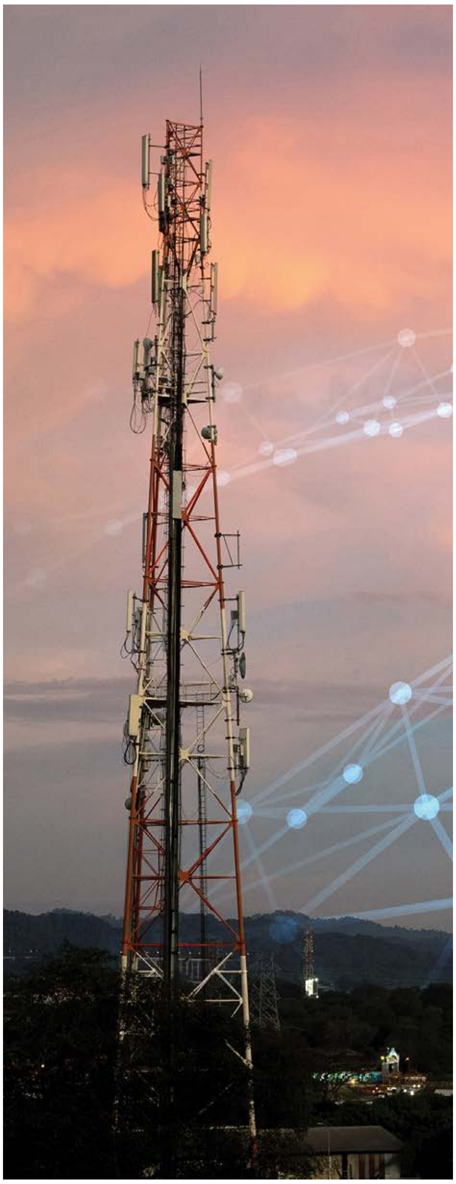
Rm	2024	2023[1]
Cash flows from operating activities		
Cash generated from operations	**57 123**	48 312
Tax paid	**(8 112)**	(7 361)
Net cash flows from operating activities	**49 011**	40 951
Cash flows from investing activities		
Additions to property, plant and equipment and intangible assets	**(22 325)**	(20 175)
Proceeds from disposal of property, plant and equipment and intangible assets	**178**	89
Acquisition of subsidiary (net of cash and cash equivalents acquired)[2]	**(376)**	(9 221)
Investment in associate and joint venture	**(457)**	(321)
Loan to joint venture	**–**	(116)
Dividends received from associate	**2 493**	4 390
Finance income received	**1 271**	871
Net movement in mobile financial deposits	**(1 046)**	(2 353)
Other investing activities	**(461)**	132
Net cash flows utilised in investing activities	**(20 723)**	(26 704)
Cash flows from financing activities		
Borrowings incurred	**18 182**	19 662
Borrowings repaid	**(21 700)**	(11 935)
Finance costs paid	**(7 667)**	(5 341)
Dividends paid – equity shareholders	**(12 374)**	(13 136)
Dividends paid – non-controlling interests	**(1 805)**	(569)
Repurchase of shares	**(531)**	(510)
Proceeds on sale of shares	**93**	133
Proceeds on subsidiary share issue[3]	**103**	242
Changes in subsidiary holdings	**–**	(273)
Net cash flows utilised in financing activities	**(25 699)**	(11 727)
Net increase in cash and cash equivalents	**2 589**	2 520
Cash and cash equivalents at the beginning of the period	**20 732**	16 658
Effect of foreign exchange rate changes	**(1 808)**	1 553
Cash and cash equivalents at the end of the period	**21 513**	20 731

Notes:
1. The results of Egypt were consolidated from the acquisition date of 8 December 2022.
2. Final cash payment for the acquisition of Vodafone Egypt.
3. Non-controlling interests' share of proportionate additional share capital contributions into 10T Holdings (Pty) Limited.

MC

Manufactured capital

Our manufactured capital provides connectivity for over 200 million customers across the African continent, supporting rural villages, capital cities, entrepreneurs, small and medium-sized businesses to multinational organisations and individual customers.



What manufactured capital means to Vodacom

Vodacom's manufactured capital encompasses a network footprint across Africa, including base stations, masts, fibre, microwave transmission, and distribution channels. This includes our hardware, undersea capacity, site infrastructure and professional services that support new physical site deployment. We prioritise upgrades to both hardware and software to continuously improve the overall network capacity, develop new technologies for system compatibility, and invest in network maintenance and reliability. Collaboration through partnerships and joint ventures supports our manufactured capital expansion, optimising assets through sharing, and improving our reach. Our manufactured capital is further enhanced by our extensive retail and merchant presence, digital channels, point-of-sale terminals and M-Pesa agents.

How manufactured capital supports our purpose and strategy

Our primary purpose of connecting people for a better future is enabled by the foundation of providing internet access and connectivity, on which digital societies are built. Our manufactured capital forms the backbone of our operations and powers our strategy, the **System of Advantage**.

We are committed to building the best infrastructure for mobile and fixed in support of our strategic ambition of becoming Africa's leading connectivity, digital and FinTech operator. Our customers remain our core focus, and our manufactured capital provides opportunities to improve on customer value proposition as our diverse and innovative solutions thrive on a reliable network. We have invested R78.1 billion in total over the last five years to extend our network and rural coverage, maintain market share leadership, develop systems to empower our channels and achieve leadership in network NPS.

Our manufactured capital at a glance

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
Strengthening our presence in Africa	• Connecting over **203.1 million** customers across our eight markets in Africa (FY2023: 185.8 million), including Safaricom • Egypt fully integrated into the Group • Ethiopia gaining traction, albeit slower than anticipated, since launching in FY2023	1 2
Expanding and enhancing our network reach	• Group sites added: o 5G sites: **900** (FY2023: 1 150) o 4G sites: **2 306** (FY2023: 2 352) • 2Africa subsea cable landed in South Africa (Eastern Cape) and Mozambique	1 2 8
Investing in network resilience to retain leadership	• **R20.4 billion** capital investment in network capacity and resilience (FY2023: R16.5 billion) • Achieved #1 network NPS leadership in four of our six OpCos, and #1 in Kenya • #1 in drive testing in Egypt, Lesotho, Mozambique, South Africa and Tanzania • Vodacom named "Most Reliable Network" and "Best In Test" network in South Africa, by umlaut	2 5 8
Driving digital inclusion through smartphone penetration	• Our smartphone customer base has reached **74.4 million**, up 9.1% (and 97.3 million including Safaricom), supported by new innovative financing model pilots • Smartphone penetration o South Africa: **61.7%** (FY2023: 64.5%) o International business: **35.2%** (FY2023: 32.9%) o Egypt: **74.3%**	3 5
Supporting growth of government and business with our digital services infrastructure	• Increasing multi-sector cloud transformations for a range of enterprises • **47 data centres** across our footprint • Enhancing our broadband enterprise portfolio of offerings, including SD-WAN	2 4
Enhancing our retail and agent presence	• International business retail points of presence exceeded 300 000 from 240 000 in FY2023 • Increased our M-Pesa agents to **616 791** (FY2023: 552 612)	4 5

The value we create, preserve and erode

Value created
Value eroded
Value sustained

Strengthening our presence in Africa

One of our strategic ambitions is to become Africa's leading communications company. We continue to seek synergistic partnerships for growth in our operating countries, including acquisitions, joint ventures, partnership agreements and infrastructure sharing that are tailored to the context of the operating countries in which they take place. Being meticulous in our approach capital allocation is essential to ensuring success in a continent as diverse as Africa.

Egypt synergies contributing to Group success

Since the finalisation of the transaction in December 2022, **Egypt** has become **fully integrated** into the Group, providing high-quality network and data services. This strengthens our position as a leading pan-African connectivity, digital and FinTech operator with a diversified product proposition and geographic presence while accelerating our growth profile.

Egypt is a best-in-class operator and was awarded Best Mobile Performing Network by umlaut in 2024, Best Performing Fixed Broadband Network award by umlaut Crowd Sourcing in 2023, and Best Network Coverage by Crowd Sourcing – OpenSignal FY2023/24. From this position of strength, attractive synergies exist for shared best practices across the Group in terms of financial services and technology platforms, scaling our products and services, enterprise solutions, global partnerships and talent sharing.

For more information on how Egypt contributes to our intellectual capital, see **Page 80**

Strengthening our presence in Africa continued

Navigating a new market in Ethiopia

Safaricom Ethiopia, a Safaricom-led consortium and Vodacom associate, switched on its mobile telecommunications network and services in October 2022, subsequently rolling out over 2 800 sites and **reaching 38% of the population** in FY2024. Access to connectivity for the population of approximately 130 million remains a challenge. As such, we aim to support Ethiopia through our financial, digital and connectivity services. We are committed to enabling inclusive development in the country over the long term and navigating this new market with due care and planning.

Exploring partnerships for fibre connectivity

Vodacom continues to explore partnership opportunities to bring fibre connectivity and drive digital inclusion across all of our markets.

In South Africa, our proposed Maziv transaction, which would be a joint venture that will house the fibre assets of Vodacom South Africa and CIVH, aims to narrow the digital divergence in South Africa by enabling affordable access to connectivity in some of the most vulnerable parts of the country through an ambitious fibre rollout programme. In May 2024, the Competition Tribunal – an independent adjudicative body – heard our public interest and pro-competitive arguments for the transaction to proceed. The Tribunal has yet to conclude the hearings and provide its findings.

Optimising our assets through sharing

TowerCos provide an opportunity to enhance asset returns, lower costs to communicate, and further our ambitions to connect for a better future. Across our markets, we are looking for like-minded partners to establish TowerCos to improve efficiencies and accelerate the rural rollout of towers.

In FY2024, we finalised the separation of our South African tower portfolio into a stand-alone TowerCo business, which was incorporated as Mast Services (Pty) Limited.

Value created
Value eroded
Value sustained

Expanding and enhancing our network reach

Vodacom is committed to delivering the most advanced communication technology across all our markets to empower a digital society and accelerate inclusion for all. In FY2024, we invested R20.4 billion in our network (FY2023: R16.5 billion). Our strategy – the System of Advantage – focuses on expanding and developing our network through mobile, fibre, undersea cable, or from space through satellite, and enables us to accelerate economic growth through the provision of accessible and affordable products and services aligned to the customers' needs.

Refer to **Page 36** to read more about our products and services and **Page 26** to read more about how we support inclusion for all

Increasing our network coverage

We made good progress in the financial year on our Tech2025 strategic goal and our stated commitment[1] to **drive 4G coverage**. Our Group 4G sites have increased by 7.4%, with International business sites up 22.1%. In addition, having been the first operator to launch 5G services in Africa, we are pleased with our progress in making 5G services available across our markets. We now offer 5G services in five out of our eight markets. Our efforts to increase coverage and offer competitive products and services have grown our data customers by 10.5% to reach 82.1 million (FY2023: 74.3 million) and 106.4 million, including Safaricom.

	2024	2023
Network sites		
Total sites, including Safaricom	**46 273**	42 603
4G population coverage		
South Africa	**98.7%**	98.5%
Egypt	**98.1%**	97.5%
DRC	**37.2%**	33.7%
Lesotho	**96.0%**	94.0%
Mozambique	**86.6%**	80.0%
Tanzania	**66.1%**	56.2%

Advancing rural coverage

We continue to scale within our existing footprint and explore partnership opportunities in rural connectivity, making progress on innovative new financing models for rural base stations. We are partnering with governments, mobile operators, TowerCos and over-the-top service providers to scale innovative solutions for rural coverage.

In South Africa, the number of rural network sites reached 5 485 (FY2023: 5 266).

In Tanzania, we actively participated with the government through the Universal Communications Service Access Fund (UCSAF) to support network rollout in underserved areas. Across our International business we added 232 rural sites in FY2024.

Our commitment to connecting rural Egypt is reflected in the growth and number of sites. In FY2024, Egypt's rural sites reached 4 075, with 217 sites added during the year.

1. In FY2022, Vodacom made a five-year commitment as part of the International Telecommunication Union's Partner2Connect programme to increase 4G population coverage by an additional 70 million people across our footprint.

Managing foreign exchange depreciation and volatility

Across our markets, hard currency-denominated capital expenditure accounts for between 40% and 60% of our budget. We manage foreign exchange risk by using forward exchange contracts, where possible, and by delivering within a targeted capital intensity ratio of 13% to 14.5% of Group revenue. In FY2024, the average ZAR rate depreciated by 10.2% to the US dollar, negatively impacting the purchasing power of hard currency capital expenditure in South Africa.

For more details on our population coverage in our markets, see Where we operate on **Page 06**

Case study

2Africa undersea cable expands rural network coverage

The **2Africa** project is helping to build an inclusive digital society on the continent and around the world. The subsea cable system enables more communities to access transformative online resources, from education and healthcare to jobs and financial services, and experience the economic and social benefits of seamless connectivity.

The 2Africa subsea cable, the largest subsea cable system in the world, landed at the Vodacom network facility in Gqeberha, South Africa, in January 2023. This is the first submarine cable landing in the Eastern Cape region, promising greater internet capacity and acceleration of connectivity across the province and supporting South Africa's growing digital economy.

The cable system's landing in the Eastern Cape offers the potential for much-needed regional job creation in sectors that rely on direct international connectivity, such as data centres, call centres and software development. This employment opportunity can help to contribute to both local and national socioeconomic development.

2Africa also landed at Vodacom's stations in Maputo, Mozambique, in 2023 and recently completed the 2Africa North final splice, which is the very last joint and fibre splice of a submarine cable system that allows for a complete end-to-end optical fibre system.

The 2Africa project underpins further growth of 4G, 5G and fixed broadband access by providing improved connectivity to underserved and rural areas, as well as network resilience from the Eastern Cape to the rest of South Africa.

Investing in network resilience to retain leadership

Across our OpCos, we face various challenges to network resilience, including the availability of grid-based power, theft and vandalism, and extreme weather events. As such, we have accelerated technology-related operating expenditure and capital investment to manage these challenges and keep our customers connected. Our success in doing so is reflected in our network leadership position across our markets.

Maintaining technology resilience

Our industry faces network challenges related to cyber threats, theft and vandalism, power shortages and natural disasters. Due to our successful management of these challenges across our footprint, we remain class-leading in terms of network resilience.

- The Group has achieved **#1 in network NPS** in Kenya, Lesotho, Mozambique, South Africa and Tanzania.
- Vodacom was named as South Africa's "Most Reliable Network" and "Best In Test" ahead of competitors by independent benchmarking organisation umlaut, which is part of Accenture.
- Maintained **#1 in Drive Testing** according to umlaut in Lesotho, South Africa and Tanzania. We also ranked first in local drive testing in Egypt and Mozambique.
- Despite the severity of loadshedding in South Africa, Vodacom has been able to mitigate the effects of loadshedding through its substantial investment in battery backup power. While grid availability has decreased by an estimated 23.5% between 2021 and 2023, Vodacom network availability has only decreased by 2.29% during the same period.
- In South Africa, we have invested R5 billion over five years in batteries to support class-leading resilience. This allocation of capital into batteries is not optimal and dilutes our potential spend on digital and financial inclusion, while also impacting our depreciation charge as a result of the lower useful life of batteries compared with network infrastructure.
- Our technology resilience programme ensures all technical recovery plans are periodically reviewed and maintained as needed. All critical systems are tested to provide auditable proof of recovery capabilities while also ensuring the right plans – including geo-resilient architectures and capabilities – are in place to meet the prescribed recovery time and recovery point objectives.
- Group **energy costs** were up more than 20% in FY2024, negatively impacting our EBITDA performance. In South Africa, energy costs were impacted by grid availability challenges and a 19% increase in the price of electricity. Energy costs account for 19.6% of Group operating expenses.

Driving digital inclusion through smartphone penetration

Vodacom is focused on increasing smartphone penetration to bridge the digital divide. Our initiatives, including device subsidies, financing, bundled plans and refurbishing, bringing more affordable smart devices into the market.

Driving digital inclusion through device penetration

- We are focused on supporting the migration from 2G/3G technology to 4G/5G technology to ensure customers have access to devices to drive mobile internet access. In FY2024, we saw a reduction in customers using 2G/3G devices, while the use of 4G/5G devices continues to grow. This trend reflects customer demand for up-to-date technology to support their access to content and services that meet their needs. Across International business, smartphone penetration increased to 2.3pp to 35.2%.
- Vodacom subsidises affordable 4G-capable smartphones. In FY2024, we invested more than R250 million in prepaid device subsidies in South Africa. In addition, the Group is making progress in securing access to a 4G cloud smart feature phone for less than US$15. We expect to launch this phone in FY2025.
- We piloted affordable, flexible, all-in-one prepaid **device financing bundles** in several of our markets that aim to make smartphones available to more customers. The product provides device financing and includes voice and data services in one package with various payment options, from daily to monthly instalments, to meet customer needs.
- As part of our drive to enhance affordability, we encourage customers to consider buying refurbished devices, certified Good as New and sold with a six-month warranty through our retail stores in South Africa.
- In Kenya we launched a state-of-the-art smartphone assembly plant. Through local assembly we are able to meaningfully reduce smartphone device costs, while also creating employment opportunities. We intend to scale local assembly across the Group over the medium term.

Value created
Value eroded
Value sustained

Supporting growth of government and business with our digital services infrastructure

Manufactured capital capacity is an essential part of providing government and businesses with digital services to become a digital partner of choice. We increase our digital services infrastructure capacity through our data centres, SD-WAN connections, mobile private networks, and IoT-managed services and connectivity.

Increasing capacity in cloud and hosting services

Enterprise customers increasingly use hybrid cloud technology strategies, including multi-cloud deployment models, to take advantage of the scalability and flexibility of the cloud-based technologies offer. We accelerate business connectivity through cloud and hosting services in South Africa through our 24 owned and leased **data centres**, with 10 MW of capacity. Our other OpCos provide cloud and hosting services through 23 data centres.

Increases in our built capacity and service offering have increased our cloud-based revenue from R524 million in FY2023 to R685 million in FY2024, of which enterprise customers opting for a hybrid cloud technology strategy represent 78% of our customer base.

Increasing our SD-WAN connection capacity

SD-WAN offers intelligent connectivity, along with high-speed dedicated or broadband connection, with greater efficiencies and control through a management portal that provides complete network visibility. We were the first African TelCo to attain the MEF 3.0 SD-WAN certification.

Leveraging our global scale in IoT

We have unique scale and capabilities in the IoT segment, supported by Vodafone, the global connectivity leader in IoT. Our IoT connections reached 10.3 million in FY2024, with the majority originating from South Africa. As we drive uptake across critical sectors like healthcare, agriculture, energy, and education, we expect IoT to scale meaningfully across the Group.

For further details on our IoT offering, refer to intellectual capital from **Page 76**

Technology unlocking mobile private network (MPN)

Vodacom's MPN is a dedicated network that allows businesses to interconnect people and things using 4G or 5G technology. While enabling new applications, an MPN can also support enterprises with a secure and reliable local network connectivity. Vodacom's MPN can deliver new possibilities for next-generation businesses, supported by multi-access edge computing. The combined solution delivers secure connectivity and powerful computing in real-time from the edge of the network in places that could not be connected previously.

For details on how we build and customise our enterprise services, see intellectual capital from **Page 76**

Enhancing our retail and agent presence

Our retail and agent presence across our footprint supports our digital ecosystem, representing the closest point of contact our manufactured capital has to our customers. Our Vodacom branded stores and M-Pesa agents play an important role in supporting our customer experience.

Transforming our retail presence

Transforming our retail presence into innovative stores, embodying our vision of the future store experience, continued in FY2024 with 34 additional stores in South Africa being refreshed. Our store refresh model takes a collaborative approach to creating a future-ready retail environment by integrating physical and digital environments. This model caters to diverse consumer segments, including individuals, enterprises, and SMEs, offering a range of core and accelerator products and services.

Supporting M-Pesa and Vodafone Cash agents to scale financial and digital services

Vodacom Financial Services, M-Pesa and Vodafone Cash provide financial services[1] to 78.9 million customers. Across our **M-Pesa footprint,** including Safaricom, we reached over 1.0 million merchants (FY2023: 0.8 million) and 616 791 agents (FY2023: 552 612).

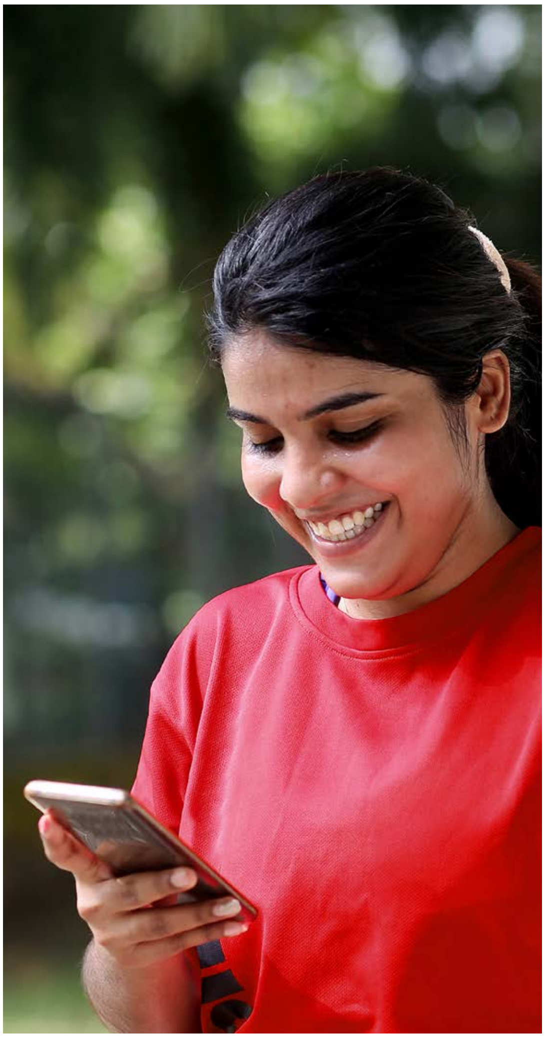
For details on how we leverage our financial and digital services, see intellectual capital from **Page 76**

1. Includes airtime advance and express recharge.

IC

Intellectual capital

As Vodacom transitions from a TelCo to a TechCo, we continue to diversify our offerings, while converging our strategy and the way we operate across our OpCos. We invest in our intellectual capital to create streamlined processes, scalable platforms and integrated financial and digital products and services that support our purpose and meet the evolving needs of our customers.



What intellectual capital means to Vodacom

We define our intellectual capital as our brand and reputation, which is built on our ability to transform our customers' experience through personalisation. Our intellectual capital also encompasses our investment in the latest digital technologies and skills to deliver integrated digital and financial services.

How intellectual capital supports our purpose and strategy

In pursuit of our purpose – **to connect for a better future** – we support digital and financial inclusion at scale. Underpinned by our leading and trusted brand in connectivity, our digital ecosystem creates deeper customer engagement and differentiation, and solutions that drive societal benefit across critical sectors.

Our digital ecosystem, powered by intellectual capital, spans financial services, digital services, IoT, behavioural loyalty, Tech for Good solutions, and data-led personalised offers. Informed by best practice across the Group, we aim to enhance our growth and value-creation potential. Building synergised partnerships and optimising investment into our brand, spectrum, Big Data, technology and skills enable this objective and drive operational effectiveness.

Our intellectual capital at a glance

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
Managing spectrum to maintain our leadership	• Maintained spectrum leadership in six of our eight markets • Acquired additional spectrum in DRC and Tanzania	2
Creating a world-class customer experience	• Top ranked TelCo in the Ask Afrika Orange Index • Egypt's MoneyBack Guarantee and digital journeys supported best-in-class deep detractor scores • Through the TOBi chatbot, customer call volumes across our markets have reduced, with South Africa achieving the highest containment at **93.8%**, with a focus on resolution at first touchpoint • Improved our Vodacom Business customer experience through our Converged Portal	5 6 7 8 10
Leveraging Big Data for personalisation and loyalty	• The penetration rate of CVM personalised offers increased across all OpCos, with South Africa achieving the highest at **78%** penetration • Egypt leveraged its loyalty programme, Shokran, contributing to market share gains • In South Africa, our VodaBucks loyalty programme engaged more than 13 million users per month	5 6
Building our trusted brand and strong reputation to differentiate	• Our Group reputation index, measured by independent benchmarking firm RepTrak, increased **3.6pp** in the year and averaged **74.4** • VodaBucks was highly commended in the 2023 South African Loyalty Awards • Ranked **first** for developmental impact within South Africa according to Trialogue's Corporate Development Impact rating	5 10
Sharing best practice and utilising scale across the Group	• M-Pesa Africa grew our international money transfer corridors by 40%, supporting the M-Pesa ecosystem • Centres of excellence supported by new Talent Framework for critical skills • Leveraging Vodafone Procurement Company and multi-market request for proposals to leverage our scale	2 7 9
Scaling our digital and financial services to build our digital ecosystem	• Developing our super-apps to support our dual-sided financial services ecosystem • Supported over **78.9 million** (FY2023: 70.6 million) financial services customers • Continued to develop and scale our Tech for Good solutions into agriculture, education, energy and health	3 4 5 6 7 8
Extending our capabilities to provide key enterprise services	• Supported **10.3 million** IoT connections • **30.7%** increase in revenue from cloud, hosting and domain, managed software and security services	3 4
Maintaining data security and privacy to maintain technology leadership	• Extensive set of cyber security baseline and super controls	8 10

The value we create, sustain and erode

Managing spectrum to maintain our leadership

We continuously pursue opportunities to secure network leadership in our OpCos to provide ubiquitous, high-quality connectivity. We proactively focus on effective spectrum management through smart capital expenditure planning to provide our customers with increased coverage and improved network quality and speeds.

- We maintained **spectrum leadership** in six of our eight markets – South Africa, Egypt, Lesotho, Kenya, Mozambique and Tanzania.
- In April 2023, Vodacom DRC acquired **additional spectrum**, which comprised 2x10MHz in the 700MHz band and 1x30MHz in the 2 600MHz band.
- In March 2024, Vodacom Tanzania acquired an additional 2 x 10MHz of 800MHz and 2 x 10MHz of 2 600MHz spectrum.

Creating a world-class customer experience

As a customer-centric business, we understand that market differentiation and business sustainability depend on maintaining and growing our existing customer base through positive experiences. Our core purpose of connecting for a better future is intrinsically linked to ensuring that each customer has the best possible experience when engaging with our products and services. We are committed to developing a differentiated customer experience through streamlined, digital-first products, journeys and touchpoints, ultimately winning our customers' trust every day.

Customer needs:

- A small selection of simple products
- Services that are easy to understand, easy to use and easy to pay for
- A seamless experience
- A selection of convenient channels to communicate and resolve any issues
- Issues resolved quickly at first contact
- A human-centric connection, feeling valued and heard

Managing customer pain points across the Group

We remain committed to managing customer journey pain points through our customer experience boards at ExCo level in each of our OpCos. We have established working groups to not only address these issues but also enhance our customer journeys and overall experience. Executive sponsors and owners are assigned to each pain point, and progress and updates are tracked. OpCo customer experience boards report to the Group customer experience board.

Looking ahead, we will align our customer experience action plans and ambitions with Vodafone Group initiatives, while also leveraging the power of GenAI to transform our processes. We are already piloting the integration of ChatGPT into our digital assistant in Egypt, TOBi Assist. We will leverage the learnings from this pilot into our global TOBi platform (GTP).

Value created
Value eroded
Value sustained

Customer experience in South Africa

We are in the third year of our **customer experience transformation journey** in South Africa, which considers customer needs and aims to create a seamless experience throughout the customer life cycle, supported by an integrated expert resolution hub to ensure prompt resolution of any queries. Through this strategy, we have improved our customer NPS scores, reduced call volumes through our digital-first approach, increased our speed of resolution, and enhanced our business expert services.

Our customer experience transformation journey is built on three primary pillars:

Simplify products and journeys
- Digital-first and experience-led products that are easy to use and understand
- Eradicate any pain points in a customer journey

Digital-first
- Self-service channels via voice or chat
- 24/7 effortless digital resolution
- Proactive care resulting in issues detected and resolved before customer is aware

Targeted expert resolution
- Complex issues or value-enhancing calls
- Smart routing to multi-skilled agents and experts
- Problem resolutions and potential cross or upsells

FY2024 highlights in South Africa

Increase in customer satisfaction and decrease in call volumes
- **Ranked first with a six-point increase** in overall customer service NPS scores (42 to 48), a one-point lead to our nearest competitor.
- **17%** call volume reduction of consumer and business calls.

Increase in digital-first engagement
- **27%** increase in TOBi engaged sessions.

Increase in speed to resolution
- **19%** reduction in mean time to resolve prepaid and postpaid-related customer service requests.
- **19%** reduction in mean time to resolve fibre-related customer service requests.

Reduction in disputes due to improved processes
- **58%** reduction in fraud disputes due to automated process support.

Enhancing our customer journeys in South Africa

(Value sustained) We partnered with several service providers to build our call centre capacity to more than 2 200 frontline consultants across multiple call centres. This capacity enables us to deliver inbound customer service to Vodacom's mobile, fixed, and Vodacom Business customers, as well as provide support to VodaPay. Our goal is to continue to reduce inbound call volumes by adopting a digital-first approach and leveraging automation. This approach aims to achieve cost reductions while delivering a best-in-class customer experience.

(Value created) Over the last five years, the **TOBi chatbot** has become integral to Vodacom's strategic ambition to deliver world-class loyalty and customer service by providing a personalised omnichannel digital experience. TOBi is used by approximately 2 million customers monthly, with 93.8% customer containment for query resolution in English and Zulu. When TOBi is unable to resolve a customer query, the customer can request to speak to a human and is smart routed to one of our call centre consultants. Our call centre consultants have access to **TOBi Assist**, our agent-facing chatbot, to support them in troubleshooting and query resolution to reduce escalation time. Our digital-first approach has resulted in a 27% increase in digital engagement. By embracing digital innovation and empowering customers to fulfil their transactions digitally, we enhance convenience, efficiency, and overall customer experience while optimising operational costs.

(Value created) Vodacom maintained the leadership position for the fifth consecutive year by more than 250 points in the Gartner IT4C report on Digital Channels and Experiences. The report ranks the four big telecommunications providers in South Africa, benchmarked globally across browsing, buying and self-service journeys.

Managing customer queries

(Value sustained) We use RPA and smart routing to support expert customer resolution in our South African call centres. We do this by steering customers to the most appropriate consultants for resolution and automating workloads for the frontline to improve handling time and customer experience. The digital steer strategy has resulted in cost savings and improved call centre resolution time.

Improving Vodacom Business customer experience

(Value created) In South Africa, we have seen an improvement in Vodacom Business's customer experience when using the **Converged Portal**, which aims to meet the digital needs of enterprise customers. The improvements include a new login and registration page supported by user-friendly prompts and an adaptive side menu. The changes primarily focused on creating intuitive and visually appealing interfaces. The portal has enabled the sale of more than 105 000 bundles and had more than 5 500 active users.

Ask Afrika Orange Index award

The Ask Afrika Orange Index® has a rich history of tracking data and evaluating customer experiences across various industries, encompassing 31 sectors and 200 individual brands. This comprehensive benchmark measures critical aspects of customer satisfaction, emotional satisfaction, and loyalty. It shines a spotlight on companies that exhibit outstanding performance in areas such as servicing and problem-solving.

This year, over 48 000 interviews were conducted across 32 industries, making this recognition even more significant. We are pleased that Vodacom secured the top position in the telecommunications industry category (third in FY2022), marking us as the customer experience leader among mobile operators. This achievement is a testament to our unwavering commitment to providing exceptional service and a superior customer experience, and it re-affirms our alignment with our strategic objective of giving paramount importance to customer experience.

Customer experience in our Egypt and International business

Vodacom remains focused on simplifying and enhancing products, removing unnecessary steps and complexities in customer journeys in all our OpCos. This continuous review of customer journeys and processes has improved the customer experience. Across our markets, Vodacom executives are spending more time in call centres and retail channels to gain insights from customer touchpoints, which are then used to drive business decisions that reduce pain points and empower frontline agents. We are also investing in empowering frontline agents with the right tools and training to deliver a consistent customer experience.

Enhancing our customer journeys in Egypt

- A combination of Egypt's **MoneyBack Guarantee** and improvements in digital journeys in the Ana Vodafone app contributed to a further improvement in Egypt's deep detractor score in FY2024. The MoneyBack Guarantee allows customers to easily reverse purchase decisions through the Ana Vodafone app.
- Across the Group, we benchmark our customer experience to world-class service levels. Egypt was ranked first in the market by IT4C and achieved one of the highest scores across the Vodafone Group, confirming its leading digital experience.

Enhancing our customer journeys in International business

- By leveraging external benchmarks, such as IT4C to improve digital experiences, we have also improved customer service through first contact resolution via digital channels, call centre-related improvements, and appropriate resourcing. In addition to our digital channel investment in TOBi across our International business, we deployed Skyline solutions in Tanzania and Mozambique to improve customer experience in FY2024.
- In DRC, we improved customer service and operational efficiency by implementing a self-SIM swap tool with security features, reducing SIM swap-related calls to 1%. The first contact resolution rate for the high-value customer segment improved to 62%. Additionally, the customer service desk model was expanded across our retail presence in DRC, with 65 additional partner stores now equipped with well-trained agents, enhancing customer service across different regions.

Leveraging Big Data for personalisation and loyalty

Big Data powers our digital ecosystem, underpinning our CVM, loyalty and financial services capabilities. The integration of Big Data analytics has expanded our customer view to include over 11 000 attributes in South Africa. Customer insights allow us to create bespoke offerings, drive customer loyalty and increase active days. The application of Big Data analytics facilitates automated decision-making across our business units, improving our network's fraud detection and control mechanisms.

Personalising our offering

- **Just4U**, our flagship personalised offering, continues to be a key differentiator as our customers benefit from unique and personalised deals on airtime, data and text messages. Through this platform, the discounts offered are determined by the location, income levels and available network capacity of a specific customer base. Our customer participation on the Just4U platform reached 27% in DRC, 45% in Egypt, 49% in Lesotho, 50% in Mozambique, 60.5% in South Africa, and 56% in Tanzania.
- Our Big Data and CVM capabilities are deeply integrated into our behavioural loyalty programme, **VodaBucks**. By leveraging these capabilities and driving personalisation across all channels, our VodaBucks programme increased active customer days on our network by two days in South Africa, reflecting enhanced customer engagement and more frequent purchases. VodaBucks is a leading loyalty programme in the telecommunications sector in South Africa, with more than 13 million active users engaged per month. During FY2024, customers earned 3.9 billion VodaBucks, of which 1.9 have been redeemed with a banking rate of 52% (FY2023: 33%) and completed more than 60 million personalised behavioural goals.

For more information on our offerings, refer to **Pages 36** and **Page 78**

- In FY2024, Egypt leveraged its loyalty programme, **Shokran**, to drive strong customer growth and engagement, contributing market share gains in the year. The programme recognises and rewards the top contacts in customers' lives while leveraging the Vodafone Cash platform. We estimate Egypt increased its market share of the telecommunications sector by 1.3pp in FY2024.

  Looking ahead, we are leveraging Egypt's best-in-class IT skills and capabilities to develop a Group-wide loyalty platform.

Value created
Value eroded
Value sustained

Building our trusted brand and strong reputation to differentiate

Our purpose to connect for a better future is ingrained in our company culture and the way we do business. By building our trusted brand and upholding our strong reputation, we are able to deliver on our purpose. We remain focused on creating innovative, easy-to-use products and services and delivering a customer experience that generates loyalty. We recognise the importance of affordability and prioritise offering value for money to our customers. We are proud that our brand remains one of the most trusted in the countries where we operate.

We regularly engage with stakeholders to understand their needs and concerns, measure our reputation and stakeholder trust, and implement initiatives that continue to build mutual trust. In FY2024, our reputation index average was 74.4 across the Group, excluding Safaricom.

	Our reputation index performance		Relative to competitors	
	2024	**2023**	**2024**	**2023**
South Africa	68.4	66.2	1st	1st
Egypt	71.2	73.2	1st	1st
DRC	84.4	1	1st	1
Lesotho	(1)	68.6	(1)	2nd
Mozambique	(1)	(1)	(1)	(1)
Tanzania	(1)	78.6	(1)	1st

1. Results not available at time of reporting

For more information on our stakeholders, refer to **Page 89**

Executing brand and marketing campaigns

As our strategy continues to evolve, our purpose and customers remain at the core, with our brand messaging aligned. In FY2024, we invested R2.2 billion in publicity to create brand awareness across our OpCos (FY2023: R1.9 billion).

Measuring the quality of our customer experiences

NPS measures how likely a customer is to recommend Vodacom to a friend, family member or colleague. Improvements in the network and perceptions around value for money have improved our overall NPS performance. We ended FY2024 with NPS leadership in three of our six OpCos (FY2023: four of six).

We use touchpoint NPS (TNPS) to assess the quality of our customers' experiences at different points of interaction. Our overall TNPS score in South Africa, which represents a combined total of retail, call centre, digital and self-service, increased to 79 in FY2024 (FY2023: 61).

Receiving recognition

In FY2024, Vodacom was ranked as the fourth most valuable brand in South Africa by Kantar's BrandZ list (FY2023: third) and second most valuable brand by Brand Finance (FY2023: third).

Vodacom's VodaBucks loyalty programme was highly commended in the **2023 South African Loyalty Awards** in the most innovative use of technology for loyalty category.

Vodacom was ranked first by companies and non-profit organisations (NPOs) for having the biggest developmental impact within South Africa, according to Trialogue's 2023 Corporate Development Impact rating. We have been ranked in the top five by companies and NPOs since 2012. The Vodacom Foundation was also featured in the 2023 Trialogue Business in Society Handbook in thought leadership articles focused on how girls and women can thrive in science, technology, engineering and mathematics fields and how to build symbiotic skills development initiatives.

Sharing best practice and utilising scale across the Group

We leverage various capitals across the Group to develop class-leading and secure IT platforms that support high levels of automation, efficiency and customer excellence.

We share best practice and learnings across the Group through our centres of excellence, supported by subject matter experts to minimise siloed ways of work. Establishing centres of excellence across critical domains such as financial services, business support systems, charging and billing, testing, integration, Big Data and cloud results in a leaner group structure with specialist teams operating in specific markets, according to where the strongest capabilities exist. This approach uses the scale of Group initiatives to support cost efficiency, simplicity and standardisation.

Best practice sharing was further enhanced by the appointment of Murielle Lorilloux as the Group's Chief Officer: Strategy and Commercial. This role is accountable for the development and implementation of Group's strategy through the coordination and alignment of all strategic programmes, in collaboration with all our markets across our African footprint.

In FY2024, we also rolled out a new **Talent Framework**, catering for different talent categories, including critical and scarce skills. These skills support our centres of excellence.

For more information on our IT career pathways and developing our future skills, see human capital from **Page 110**

M-Pesa Africa, a joint venture with Safaricom, is an innovation hub that leverages our super-app approach, along with our portfolio of financial services offerings, to ensure we build once and replicate across the markets. In this way, we can leverage our success in markets like Kenya and Tanzania while also setting up other markets to accelerate customer and service adoption.

International money transfer is a prime example of M-Pesa Africa's coordination role. In FY2024, 73 new corridors were opened, contributing to a 22% increase in value transacted across M-Pesa to US$4.7 billion.

Vodacom's scale, combined with the buying power of **Vodafone Procurement Company** enables us to benefit from multi-market requests for proposals. Multi-market requests for proposals provide cost savings and the benefit of standardisation, which supported our capital intensity ratio of 13.6%.

Scaling our digital and financial services to build our digital ecosystem

We have built a formidable financial services business across our markets, developing products that cut across consumer segments and geographies. Our financial services diversify and materially enhance the Group's growth and returns profile and unlock strategic opportunities with our key partners. We differentiate the Group by leveraging global technology partnerships and our centres of excellence to deliver attractive returns for our shareholders while creating exciting propositions for our customers.

We continue to develop customer-centric solutions to enhance the user experience and digital journey across our markets. At the same time, we continue to expand our digital lifestyle services by enhancing our existing portfolio and introducing new products – with our super-apps serving as catalysts for growth in this space.

Advancing the Group's dual-sided financial services strategy

Our financial services strategy is evolving from simply driving financial inclusion to deepening financial inclusion. Our approach is supported by a dual-sided customer and merchant ecosystem that shares a focus on exceptional and personalised experiences in entertainment, e-Commerce, payments, savings, investments, lending and insurance services. Our super-apps, as key drivers of this strategy, integrate our own Vodacom-built products and services with the best offerings from our partners. As our strategy progresses, we will increasingly focusing on unlocking economic growth across our markets through fostering a savings culture for customers and enabling SME's to thrive.

Our dual-sided financial services strategy

	Drive financial inclusion	Deepen financial inclusion	Unlock economic growth
Consumer	**Basic services** ▷ Cash-in, cash-out ▷ Peer to peer (P2P) ▷ Airtime and bundle purchase ▷ Bill payments ▷ Airtime Advance	**Consumer financial services** ▷ Micro-savings, group savings ▷ Overdrafts and loans (facilitate) ▷ International money transfer ▷ Device financing ▷ Micro-insurance ▷ Cross-border transactions	**Consumer wealth** ▷ Wealth management products ▷ Personal finance tools ▷ Crowdfunding, P2P lending ▷ Leveraging government welfare programmes
Merchant	**Transfers and payments** ▷ Bank to wallet transfers ▷ Payment collections ▷ Disbursements (unrestricted or restricted using vouchers)	**M-commerce and merchant acquiring** ▷ Merchant acceptance (in-store and online) ▷ Business to business payments and cashless distribution ▷ Digital marketplaces ▷ Global payments partnerships	**Enabling SME ecosystem** ▷ Agent overdraft and term loans ▷ Merchant loans ▷ Stock purchase solutions ▷ Stock financing ▷ Agri-loans ▷ Digital merchant storefronts

Outcomes

- Positively influence our operating context and society
- Larger addressable market
- Revenue growth of ~20% compound annual growth rate ambition (FY2027)
- Enhanced margin potential
- Growing customers to more than 100 million (FY2027)

Value created
Value eroded
Value sustained

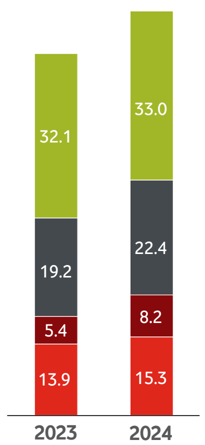
Working to ensure all markets are at the same level of product offering

	South Africa	Egypt	DRC	Lesotho	Mozambique	Tanzania	Kenya
Money transfer and basic services							
Cash in/cash out (including ATM)	●	●	●	●	●	●	●
P2P	●	●	●	●	●	●	●
Airtime top-up	●	●	●	●	●	●	●
Bank transfer	◕	◑	◑	◑	●	●	●
International money transfer			◑	◔	◑	◕	●
Consumer payments and enterprise services							
Consumer to business	◑	◑	◑	●	◕	●	●
Business to consumer			◕	◕	◕	◕	●
Business to business			◔		◔	◑	◕
Financial services							
Microloans and overdraft	◕		●	●	◑	●	●
Insurance	●			◔		◑	◔
Investments and savings				◑	◑	◔	◑
Super-app mini apps	●	◔		◔	◔	◑	◑
Merchant payments							
In-store merchant payments	◑	◔	◑	◔	◑	◕	●
e-Commerce/online payments	◕	◔				◔	◑

Africa's leading FinTech operator

The Group has **78.9 million** financial services customers

Financial services customers (millions)



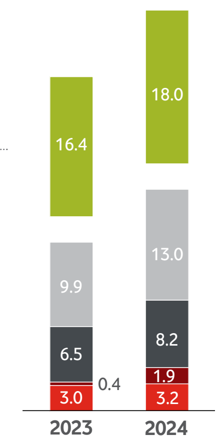
South Africa
Egypt
M-Pesa International business
M-Pesa Safaricom

Strong underlying growth in financial services revenue

Vodacom
19.9%^ growth

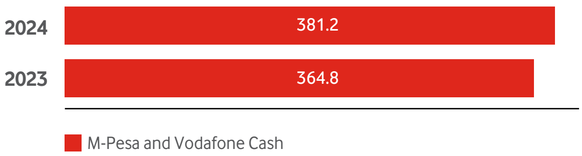
Safaricom
19.5%* growth

Financial services revenue (Rbn)

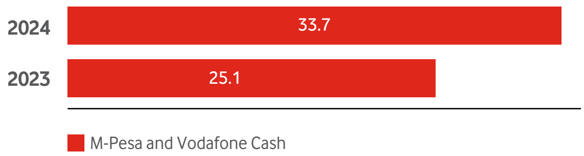


South Africa
Egypt
M-Pesa International business
Consolidated Group
M-Pesa Safaricom

Transaction value (US$bn)



Transaction volume (billions)



^ *Pro forma* growth, presented as if the effective date of the Egypt acquisition was 1 April 2022 and on a constant currency basis.
* Normalised growth presents performance on a comparable basis.

Developing VodaPay and other financial services in South Africa

VodaPay super-app

In FY2024, registered **VodaPay** app users grew 79.4% to 5.8 million, while active users grew strongly in the year. VodaPay offers a comprehensive lifestyle and shopping experience across various categories and services through more than 100 partnerships on the super-app. VodaPay enables customers to access a range of lending, insurance, and payment products and services alongside purchasing airtime and paying bills.

During FY2024, VodaPay launched new products and functionality, including the full integration of the My Vodacom app. The migration of customers from the My Vodacom app to VodaPay is progressing well as we have developed a comprehensive digital app to serve all Vodacom customers. We have removed all data charges related to using VodaPay for Vodacom customers and offer value incentives on airtime and data to support financial inclusion. VodaPay played an integral role in the Vodacom Summer campaign with all the summer functionality offered on VodaPay, including added bonuses. In FY2024, VodaPay also launched its first debit card product as part of a strategic partnership with Visa, with the potential to scale services further.

Merchant solutions

Vodacom provides more than 10 000 merchants with digital and physical payment processing services, through which we process more than R7.2 billion in payments annually. Our acquiring solutions enable merchants to process debit and credit card transactions across our Android and mobile POS devices. We also provide merchants with online payment processing for both e-Commerce and mobile commerce.

We have grown our existing capabilities to include our Tap on Phone application that allows merchants with any Android device to accept debit and credit card payments without having to invest or rent a dedicated processing device.

Beyond building payments and acquiring solutions for merchants, we have grown our enterprise ecosystem to include value-added services, vending and lending solutions. Our solutions are targeted at SME merchants, where we believe we can provide innovative financial solutions. The financial services ecosystem for enterprises is supported by capabilities across our supporting operations as well as digital channels for self-service engagement. This includes merchant reporting and applications for new products and services through the online merchant portal as well as through the VodaPay app.

Our Business Term Advance product provides SMEs with funding of up to R5 million through a seamless digital application journey. A funding decision is available in less than 10 minutes, and the funds are available to successful applicants within 24 hours. In FY2024, we provided more than R619 million in funding to over 3 139 SMEs.

Airtime Advance

In FY2024, Airtime Advance facilitated 1.7 billion airtime advances to almost 11 million customers, to the value of R12.7 billion. Airtime Advance represented 45.7% of total prepaid recharges during the year.

Lending

During the year, we launched Personal Loans to facilitate unsecured loans of up to R250 000 to customers by applying online or through VodaPay.

We offer customers two voucher products: a buy-now voucher product that provides added value and a buy-now, pay-later Voucher Advance product that allows customers to buy meals and other consumer products ranging from R75 to R500, with no interest or hidden fees. Our Voucher Advance platform has over 40 partners, including some of South Africa's biggest brands.

Insurance

VodaSure provides our customers with life cover, funeral cover, and various short-term insurances. Our aim is to become the preferred connected lifestyle insurer, delivering on-demand, one-click insurance for everyone. Our device insurance, funeral and life cover products are available on the VodaPay platform. In FY2024, VodaSure had almost 2.7 million policies and increased revenue by 13.8% due to the continued growth in device insurance, contract cover and funeral cover. This year, the VodaSure IT platform was further developed to enable any asset to be insured, a capability that can be applied in other OpCos.

M-Pesa Africa developing and executing on a well-defined product roadmap

M-Pesa

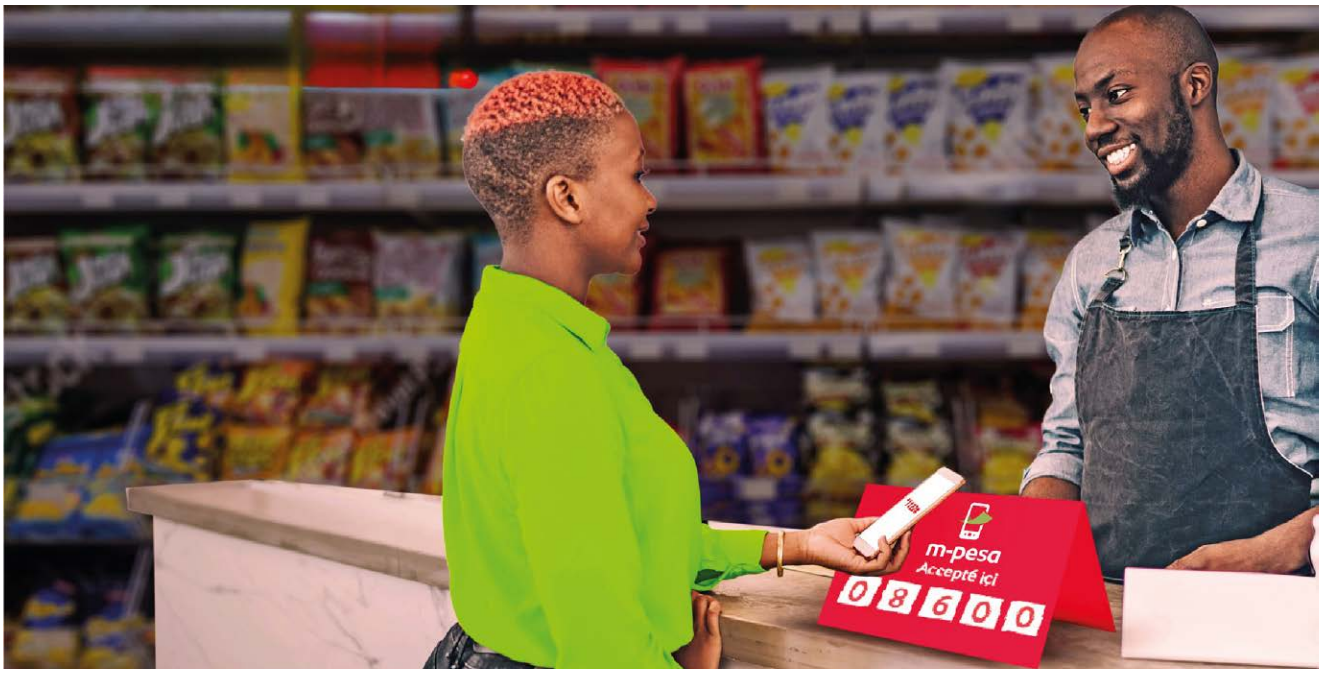
The financial services offered through M-Pesa are a key driver of socioeconomic growth and a gateway to the digital economy. M-Pesa, which was launched in 2007, has evolved into a payments platform that offers access to life-enhancing personal services and e-Commerce. Supported by our M-Pesa Africa, a joint venture with Safaricom, we have a clear roadmap for M-Pesa growth into FY2025 and the longer term. In FY2024, M-Pesa Africa focused on the launch of super-apps across our M-Pesa markets and the rollout of new growth drivers, such as youth accounts and international money transfers.

In FY2024, M-Pesa served more than 55 million customers, including Safaricom (FY2023: 51.3 million customers). Revenue from M-Pesa increased 12.6% to R25.9 billion (FY2023: R23.0 billion), including Safaricom. Our International business contributed R7.9 billion (FY2023: R6.5 billion) of this revenue. M-Pesa continues to expand its consumer base and broaden its offering to include a wide range of payment and financial services.

Super-app

In Tanzania and Kenya, we have launched super-apps with mini-app capabilities. Monthly **M-Pesa super-app** users reached 4.9 million, including Safaricom (FY2023: 4.0 million).

Value created
Value eroded
Value sustained



Merchant

Across our International business, merchants have more than doubled to 395 000. Including Safaricom, M-Pesa is used by more than 1.0 million (FY2023: 0.8 million) merchants to collect and disburse payments.

Insurance

Vodacom, in partnership with insurance companies in Tanzania, provides access to microinsurance products through **VodaBima**. VodaBima enables Vodacom customers to choose their motor vehicle or health insurer and type of insurance, purchase their selected insurance product, make claims, or even cancel the insurance through their phone. In FY2024, VodaBima provided cover to 447 047 customers (FY2023: 167 000).

Savings and investments

M-Koba is a Group saving solution available in Tanzania. It supports women, young entrepreneurs, family and friends in saving money through M-Pesa. Since launch, the number of groups formed in M-Koba has grown, with TZS373 billion saved (FY2023: TZS173 billion).

Building on the success of M-Koba and our money market pilot in Kenya, we expect to meaningfully scale the breadth of our investment offerings in FY2025.

Lending

We facilitate consumer lending products in Mozambique, Lesotho and Tanzania. Our overdraft facility in Lesotho, **Ntlatse**, provided our M-Pesa customers with LSL131 million in overdraft disbursements (FY2023: LSL80 million). In addition, our term loans facility, **Nkalime,** allows customers to take microloans over a longer period via M-Pesa. In Tanzania, our flagship lending product, **Songesha**, reaches both consumers and agents. In the year, loans dispersed increased 71.0% to TZS1 841 billion.

International money transfers

In FY2024, the value of our international money transfer reached US$4.7 billion, including Safaricom (FY2023: US$3.9 billion). This was supported by new transfer corridors across 12 partners and more than 150 corridors, providing access to a wider network of transacting countries.

Developing Vodafone Cash in Egypt

Vodafone Cash

In Egypt, the addressable market for mobile financial services is significant, given the size of the informal market and unbanked population. Vodafone Cash, as the clear mobile wallet market leader in Egypt, is well positioned to capture this growth.

In FY2024, active Vodafone Cash customers increased 52.1% to 8.2 million wallet holders (registered wallets 20.3 million). Financial services revenue in Egypt more than doubled in local currency, supported by strong user growth.

One-app

Egypt is our first “one-app” OpCo, with Ana Vodafone servicing our customers’ connectivity, entertainment and financial services needs in a single app. The app experience supports our in-market proposition that “there is nothing quicker than Vodafone Cash”. From FY2025, we intend to merge our respective connectivity and financial services apps across all our markets, such that each market only has one super-app.

Positioning for growth

Leveraging the M-Pesa Africa and Vodacom financial services product roadmaps, Egypt is building capabilities across savings, lending, insurance and merchant services. We expect Egypt to launch several new products in FY2025, building on the success of its strong user adoption.

Enhancing our portfolio of digital lifestyle service

Managed alongside financial services in South Africa, Vodacom's digital media ecosystem is driven by a commitment to relevance and consumer-centric solutions that enhance everyday life in a rapidly evolving and competitive digital landscape. South Africa's Digital Lifestyle Services portfolio is strategically aligned with partners, prioritising the delivery of a diverse and compelling content portfolio spanning video, music, gaming, and lifestyle services. This portfolio had a strong year, reporting revenue of R1.6 billion, up 13.6%.

We are committed to providing easy-to-use services that deliver the entertainment people want when they want it. Our new "Streamy" subscription hub service is an example of this, as it offers top-quality and relevant content through a user-friendly interface.

Lifestyle services are an important differentiator for us in Egypt. We combine music, sport and video-on-demand to support data consumption, incentivise package upgrades and reduce churn. In the financial year, Egypt revamped its Flex offer with additional content, supporting a 20-point increase in the product's NPS.

Impacting society through our Tech for Good solutions

Our Tech for Good solutions help diversify our revenues and drive societal benefit. We actively contribute to creating a digital society by developing solutions across critical verticals, including **agriculture, education, energy and healthcare**. Mezzanine, a Vodacom subsidiary, is a key enabler of our Tech for Good solutions in these industries, partnering with Group and external companies to deliver its platform-as-a-service and software-as-a-service solutions.

- Our **agriculture** solutions span across the value chain from small-scale farmers in Africa to precision commercial farms in Europe, the US and Australia. These platforms provide farmers with the benefits of digital agricultural services, including communication within the industry, financial services, market information, key agriculture data and weather forecasts. Our agricultural solutions have 9.6 million registered users in DRC, Kenya, South Africa and Tanzania (FY2023: 8.2 million).
- In the **education** sector**,** we support 2.6 million users on our educational solutions, including e-learning, Ta3limy and VodaEduc.
- Our solutions in **energy** span from our virtual wheeling platform, to enterprise solutions offered by IoT.nxt, to customer solutions such as MySol and Fasta Gas.
- We support the **health** sector through our m-mama programme, stock visibility solutions, digitisation of laboratory processes, Mpilo (our zero-rated health app), and our HealthX platform.

ESG Refer to our **ESG report** for more information on how our Tech for Good platforms are digitalising critical sectors

Refer to **Page 76** for more information on how we leverage our Tech for Good solutions to support governments and communities

Extending our capabilities to provide key enterprise services

We equip enterprises with reliable mobile and fixed connectivity and have extended our capabilities to IoT, cloud solutions, hosting and managed security services. We serve a variety of enterprises to help navigate their digital transformation journeys, from small enterprises and entrepreneurs to large public and private enterprises.

Scaling our IoT offering

We have unique scale and capabilities in the IoT segment, supported by Vodafone – the global leader in IoT – as well as the global reach of Vodacom's local solutions. Vodacom IoT revenue increased to R1 674 million in FY2024, from R1 549 million in FY2023, an increase of 8.1%. This represents a total of 10.3 million IoT connections (FY2023: 9.4 million).

In FY2024, our local IoT solutions developed in line with our strategy to transform businesses and digitalise government services. We aim to support efficiency and improve productivity through mobile device management, managed private networks as a service, mission-critical communication, citizen engagement, SmartGov, smart utilities, smart asset management and smart health.

During the year, Vodacom, in partnership with the Free State Department of Health in South Africa, launched two cutting-edge digital health solutions that are aimed at providing patients with improved medical care in public hospitals across the Free State.

- The first solution, a computer-aided dispatch solution, enables users to track ambulance requests from when the call is logged to patient delivery and keeps electronic records of procedures performed en route.
- The second solution is an assisted reality medico-legal surveillance system provided through RealWear tablets. The system empowers frontline medical workers as a hands-free, voice-enabled collaboration tool and enables audio and visual recordings of the various procedures the medical staff conduct.

In FY2025, Vodafone Group Plc intends to create a standalone IoT company with Microsoft as a partner. This new company is expected to attract partners and customers, accelerating growth and expanding the platform to connect more devices, vehicles, and machines across the Vodafone Group Plc, which Vodacom will leverage off.

Value created
Value eroded
Value sustained

Providing cloud, hosting and managed security services

We continue to support our customers with connectivity, productivity, and unified communication solutions that enable hybrid ways of work. As a result, our **cloud, hosting and managed security services** grew by 30.7% in FY2024, in line with our hybrid multi-cloud strategy. Customers increasingly trust Vodacom as their partner when migrating and increasing the localisation of their cloud and security services. In FY2024, we added two new cloud solutions to our portfolios, Huawei Cloud and HPE Greenlake, in addition to our existing AWS, Huawei Cloud, Microsoft Cloud, Office 365, Modern Workplace and Azure – hosting and domain services, managed software services and security services.

As enterprises increasingly work online and digitalise their operations, cyber attacks increase proportionally. Our cyber security managed services aim to protect large enterprises and SMEs by securing their networks and protecting their customers online. In FY2024, our cyber security managed services continued to grow by 20%, particularly in security incident and event monitoring and security operations centre management, offering end to end cyber security proactive threat mitigation.

Providing hybrid working solutions

In a time when connectivity is essential to work from home, the office or on the go, Vodacom has responded by providing enterprise customers with a comprehensive suite of broadband services. These services ensure seamless connectivity for a company's workforce in a hybrid work environment through various office, home or on-the-go bundles, leading to a 20% increase in data usage.

Partnering to amplify our impact

In January 2024, Vodafone and Vodacom announced a long-term strategic partnership with Microsoft. Through the partnership, the companies will collaborate to transform our customer experience using Microsoft's generative AI, hyperscale our IoT connectivity platform, develop new digital and financial services, and accelerate our global cloud capabilities. The partnership is expected to accelerate our speed to market with the launch of new cloud-native applications, provide tools to digitise SMEs, grow the developer ecosystem, and enable our financial services as a payment option for Microsoft services.

Vodacom Expert Services is a strategic partnership between Vodacom and four major companies. This collaborative initiative is designed to share specialised expertise and tailored solutions between the organisations. By offering tailored telecommunications solutions, innovative digital services and expert consultancy services to businesses, we strengthen our position as a trusted partner in enabling their digital transformation and achieving their strategic objectives.

During FY2024, we launched a first-of-its-kind call centre in partnership with ANANI to support Unisa in keeping its staff and students connected. This call centre illustrates our commitment to supporting education and partnering with start-ups. The one-of-a-kind specialised call centre has been designed to service both prepaid and postpaid Unisa staff and students by managing customer issues end to end. The call centre manages requests from Unisa alongside individual issues from staff and students, including PIN and PUK queries, device setup and invoice support. The call centre has allowed us to resolve Unisa's challenges and give their staff and students personalised support.

We continue to service universities and schools to address the demands of hybrid learning. Vodacom works with more than 40 institutions through Connected Education, providing educational bundles and online learning platforms that support long-distance learning. In FY2024, we saw a 30% increase in the number of students accessing our online learning platforms. We also provide affordable data to students through our Just4U platform when students need additional access.

Maintaining data security and privacy to maintain technology leadership

Cyber security threats are intensifying. In response, we continue to enhance our risk management strategies and provide comprehensive education to our stakeholders, including employees and customers, to ensure they are well equipped to protect themselves.

Vodacom consistently measures and monitors an extensive set of cyber security baseline and super controls to ensure they remain effective and efficient. The Group's incident detection and response capabilities are further enhanced through security orchestration, data visibility, endpoint detection and response capabilities.

We adhere to strict secure-by-design principles and processes as we develop products and services.

We evaluate third-party risks to ensure our vendors and suppliers adhere to Vodacom's minimum security requirements.

In FY2024, we achieved an average **cyber security baseline** score of 3.91 across our eight markets and reported zero critical cyber security incidents, ensuring we maintain cyber resilience to promote our customers' ability to transact safely with us.

In FY2024, we participated in regulatory engagements in Lesotho, Ethiopia and South Africa to enhance national cyber security awareness.

SRC

Social and relationship capital

Through our relationships with our stakeholders and our purpose-led approach, we aim to foster socioeconomic progress and inclusive growth across the markets where we operate. We act responsibly and transparently, building digital societies based on our foundation of integrity. This approach creates a unified and nuanced environment from which to grow.

What social and relationship capital means to Vodacom

We define our social and relationship capital as the quality and strength of our relationships with diverse groups in our stakeholder universe. These stakeholders include communities, governments and regulators, customers, employees, investors and analysts, suppliers, media and our strategic and business partners.

How social and relationship capital supports our purpose and strategy

In living our purpose of creating a better future for all, we actively consider how this translates into stakeholder value for each group we engage with. We aim to build sustainable relationships of trust with our internal and external stakeholders that enable us to execute our strategy – the System of Advantage – providing transformative technology and delivering on our growth potential.

Our Social Contract with stakeholders

Our Social Contract is central to our purpose journey and encapsulates how we foster and renew our stakeholders' trust. Guided by our Social Contract, we build our reputation by demonstrating fairness and integrity in our operations and show leadership in innovation to uplift the communities in which we operate. The Vodacom Foundation supports our Social Contract through impactful and sustainable community programmes and initiatives.

CLICK HERE TO SEE EXPLANATION OF ICONS

Our social and relationship capital at a glance

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
Customers	• Added **2 306** new 4G sites to support digital inclusion • Accelerated financial inclusion with customers reaching **78.9 million**, supported by our super-apps – VodaPay, M-Pesa and Vodafone Cash • Drove digital mobile access through our affordable, entry-level 4G devices • Supported data access and affordability through our Just4U, Just4YouTown, Vodacom NXT LVL • Intensified personalised offerings to elevate customer experience and value proposition • Enhanced the experience of customers with special needs through our National Relay Service (NRS) in South Africa	1 2 3 4 5 6 10
Communities	• Supported zero-rated access through platforms like ConnectU, with more than **14.4 million** users across DRC, South Africa and Tanzania • Supported SMEs in their digital transformation through V-Hub and our inaugural Thrive Summit • Scaling our smart agriculture platforms to **9.6 million** small scale farmers • Contributed to the education ecosystem, empowering more than 16 000 young women through our Code like a Girl initiative • Provided e-learning and zero-rated platforms to over **2.6 million** users through e-Learning, Ta3limy, VodaEduc, Faz Crescer and Instant Network Schools • Supported gender empowerment through various initiatives, with m-mama, resulting in almost 2 000 lives saved • In DRC, our Je Suis Cap initiative empowered 1 450 women with disabilities by training them to become M-Pesa agents since FY2023	1 2 3 10
Employees	• Paid **R10.1 billion** in salaries and benefits • Invested **R0.5 billion** in skills development for employees • Ranked first on the continent by the Top Employer Institute	9
Investors and analysts	• Ranked second-best investor relations team in the 2023 Institutional Investor EMEA TMT sector ratings (large capitalisation) • Ranked sixth in the 2023 EY Excellence in Integrated Reporting Awards • Retained our ESG leader AAA rating from MSCI • Recognised for leadership in addressing climate change with an A- rating in our latest CDP climate change assessment	1 2 3 4 5 6 7 8 9 10
Governments and regulators	• Accelerated support through our Tech for Good platforms across our markets • Zero rating of national departments of health, home affairs and education • **R36.7 billion** in total tax contributions to governments across our markets	1 3 4 10

Suppliers	• Through our centres of excellence we have saved more than R2 billion in FY2024
	• Developed a localisation strategy for our International business
	• In South Africa:
	  o **R59.8 billion** was spent with B-BBEE suppliers
	  o Invested **R443 million** in enterprise and supplier development
	  o Spent **R1.8 billion** in early payments
	  o Maintained our Level 1 B-BBEE contributor status
		7 8

Media	• Maintained media visibility in support of our brand and reputation • Increased customer product and service awareness	10
Strategic and business partners	• Vodafone and Vodacom entered into a long-term strategic partnership with Microsoft • Hosted a Business partner conference to improve customer experience • We have strategic collaborations with AWS, Ericsson, Huawei, Nokia, and satellite partners AST SpaceMobile and Amazon's Project Kuiper with the potential to scale services further	3 4 8

The value we create, sustain and erode

Quality stakeholder engagements founded on mutual trust, respect and transparency supports us in creating sustainable value. We aim to build, maintain and strengthen our stakeholder relationships by understanding and addressing social, economic, and environment-related issues that impact our ability to deliver on our purpose of connecting for a better future.

Our self-assessment of the strength of our relationships with stakeholders

1 of 4	2 of 4	3 of 4	4 of 4
Non-existent relationship, or fractured relationship that requires significant effort to overcome challenges.	An established relationship that requires further work to improve its quality.	Good-quality relationship, with room for further improvement.	Very strong relationship, based on mutual trust and shared benefit.

Customers

QUALITY OF RELATIONSHIP 3 of 4

BASIS OF ASSESSMENT: NPS

Why we engage

Our customers purchase our products and services, participate on our platforms and provide the primary source of our revenue.

How we engage

- Through customer immersions, focus groups, online panels, face-to-face interactions and digital channels, including unstructured supplementary service data, apps and SMS
- At our retail stores and service centres, including dedicated support for persons with disabilities
- Gathering NPS feedback through interviews and focus groups
- Interactions on our social media channels
- Personalised propositions, direct marketing messaging and feedback
- Aspirational and inclusive brand communication
- Complaints management system

Material stakeholder interests and expectations

- Providing quality connectivity services and platforms to support digital inclusion, which are easily accessible and affordable
- Providing relevant financial services, including savings and loan products, to improve financial inclusion
- Empowering our employees and agents to provide exceptional customer service by embedding a customer-led culture
- Rewarding customer loyalty
- Securing data and protecting personal information
- Removing pain points, providing good customer service and resolving service-related issues promptly

Value created
Value eroded
Value sustained

Value creation for our customers

Investing in our network coverage and reliability

We invested R20.4 billion across the Group to continuously improve our network availability and coverage. This investment supported **2 306 new 4G sites**.

For more information on our network expansion and resilience, refer to manufactured capital from **Page 70**

Maintaining positive customer experiences

We are committed to maintaining and growing our existing customer base through positive experiences as we develop streamlined, digital-first products, journeys and touchpoints. In FY2024, we focused on simplifying customer journeys, resolving journey pain points and using RPA to support expert customer resolution in our call centres. Our ability to maintain positive customer experiences has resulted in NPS leadership in three of our six OpCos.

For more information on how we create a world-class customer experience, refer to intellectual capital from **Page 76**

Accelerating financial inclusion

Our Group financial services customers, including Safaricom reached 78.9 million as we now process an impressive US$381.2 billion in annual transaction value.

In FY2024, VodaPay app downloads increased to 10.4 million, with 5.8 million registered users.

We have more than 55.4 million M-Pesa customers (including Safaricom).

In Egypt, we increased Vodafone Cash customers by 52.1% to 8.2 million, with a total of 20.3 million registered wallets.

For more information on our financial services, refer to intellectual capital from **Page 76**

Driving digital mobile access through smartphone penetration

Our Group smartphone penetration reached 58.7%, providing an opportunity to migrate more than 90 million of our existing customers to a smartphone.

We support customers in migrating to 4G-capable devices. In FY2024, **smartphone penetration** reached 61.7% in South Africa, 74.3% in Egypt, and 35.2% across our International business.

For more information on how we are facilitating access to affordable devices and growing smartphone penetration, refer to our manufactured capital from **Page 70**

For more information on how we are accelerating digital inclusion through our digital ecosystem, see our intellectual capital from **Page 76**

Fostering customer loyalty and supporting data access and affordability

Our behavioural loyalty programmes, **VodaBucks** and **Shokran**, use Big Data and CVM capabilities to reward customers and enhance customer engagement.

We provide customers with contextualised and personalised offers through **Just4U**. In addition, **Just4YouTown** provides geographically targeted offers and campaigns to improve the usage of underutilised network resources. Big Data helps tailor promotions and offerings by analysing usage behaviours and available network capacity. Customers who engage in personalised offers typically have higher levels of engagement and are less likely to leave than non-engaged customers. The customer base, their income levels and available network capacity inform the discounts that are offered. In FY2024, customers received an average discount of 66% through Just4YouTown.

Our flagship youth proposition – **Vodacom NXT LVL** – provides approximately 2.6 million NXT LVL customers in South Africa with personalised and affordable connectivity, opportunities to find employment and enhance their skills to equip them for a better future.

Enhancing the experience of customers with special needs

We offer a real-time assistance service accessible to registered Vodacom prepaid and postpaid customers who have hearing and speech impairments in South Africa. In November 2023, the NRS contact centre commemorated its first year anniversary. The **NRS** contact centre provides support to customers for various query types, including SIM swaps, balance enquiries, data disputes, invoice and statement clarifications, and specific needs registrations. Through the NRS, we have not only connected people, but we have also bridged gaps, empowered lives, and fostered a more inclusive community.

In Egypt, we served 35 000 deaf and hard-of-hearing customers through our call centre, and in Tanzania, we launched our disability desks and applications to assist the blind and deaf. These initiatives reflect our passion for putting our customers first in everything we do.

Communities

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT

Why we engage

We extend our purpose of creating a better future for all beyond our customers and into the communities in which we operate. We aim to be a responsible business and understand the impact of our activities on these communities. We build our brand and reputation by focusing on initiatives spanning agriculture, education, climate, healthcare, safety and wildlife.

How we engage

- Sustainability and Vodacom Foundation partnerships
- Our Tech for Good platforms in agriculture and healthcare
- Ecosystem approach to education, including support for school leadership, connecting public education institutions to the internet, early childhood development centre programmes, digital skills development, learning material and e-learning platforms
- Community crisis support, such as disaster relief and food security support
- Partnerships with NPOs across numerous aspects of community upliftment
- Gender-based violence prevention, response and empowerment tools

Material stakeholder interests and expectations

- Addressing socioeconomic inequalities
- Managing and reducing our environmental footprint
- Supporting gender empowerment
- Providing affordable access to educational resources
- Zero-rated access to government, employment and empowerment solutions through ConnectU

Value creation for communities

Supporting zero-rated access to essential services

ConnectU provides zero-rated access to basic internet and essential services. The platform had 14.4 million unique visitors (FY2023: 6 million[1]), with over 12 million sessions initiated per month. ConnectU is available in DRC, Mozambique and South Africa.

Supporting the contribution of enterprises to economies

SMEs are rapidly adopting cloud, unified communications, IoT, AI, advertising and other digital technologies. One of the key challenges remains the skills required to operationalise these technologies in SMEs. **V-Hub**, our online resource portal, is designed to help SMEs unlock their full potential as we support them through their digital transformation journey. Over 290 000 unique users have leveraged this platform to date. In FY2024, we introduced a personalised one-on-one, free business advice service to further support SMEs.

Our inaugural Thrive Summit further supported over 800 SMEs both in person and online. The summit featured masterclass sessions to educate, uplift and inspire SMEs while driving digital readiness. The summit covered crucial topics such as access to finance, digital marketing and cyber security.

Our subsidiary, Mezzanine, is scaling **smart agriculture platforms**. eVuna is a digital platform that improves productivity, revenue, and resilience for small-scale farmers. It is available across Tanzania, Kenya, Uganda and Zambia, and 6.4 million farmers use this agriculture platform (FY2023: 5 million). In addition, MYFARMWEB™ supports commercial farms which adopt precision agriculture practices, leveraging IoT to enhance data-driven decision-making.

Building the education ecosystem

Our belief that everyone should have a better future drives us to continue to leverage the power of technology to promote access to education, particularly for women and the youth. We strive to make an impact across the education ecosystem in various areas, including connectivity, schools of excellence, teacher development, training centres, youth academies, partnerships with NPOs, and learning materials.

In South Africa our 27 ECD centres (FY2023: 15) benefit more than 1 800 (FY2023: 700) children have been upgraded, renovated and provided with ICT equipment, mobile libraries, and water and sanitation facilities.

For information on our Code like a Girl programme and other Vodacom employee gender empowerment initiatives, see our human capital from **Page 110**

1. Methodology revised to report unique visitors only.

Value created
Value eroded
Value sustained

- We increased the number of schools of excellence in South Africa from 13 to 25, in the year. Eight of these were provided with virtual classroom solutions, and two have a coding and robotics programme.
- In South Africa more than 2 500 (FY2023: 3000) schools have been connected and provided with ICT equipment.
- Our Vodacom **e-learning** platform in South Africa has over 1.3 million registered learners accessing digital education content to increase their digital literacy (FY2023: 1.4 million).
- Outside of South Africa, we deliver e-learning solutions and zero-rated platforms:
  - In Egypt, **Ta3limy** is a free educational platform for Egyptian K-12 students, parents and teachers and 378 890 registrations (FY2023: 341 818).
  - In DRC, the **VodaEduc** platform has 102 557 users. The platform is supported by the Vodacom Foundation's Connected Classrooms and helps improve the quality of education by using our technology. In FY2024, we launched the VodaEduc scholarship in nine regions to encourage students to follow career paths in STEM.
  - In Mozambique, **Vodacom Faz Crescer**, supported by the Vodacom Foundation, is available in 86 schools throughout the country, providing computer labs and free connectivity to 301 069 students and teachers since 2018.
  - In Tanzania, the **e-Fahamu** platform registered an additional 42 181 users in FY2024, resulting in a total of 227 181 registered users.
- Our **Code like a Girl** programme provides ICT training to more than 16 000 young women across Africa through exposure to science, technology, engineering and mathematics (STEM) skills and innovation. Our ambition is to upskill 1 million young people across our markets over the medium term.

Supporting gender empowerment

- In Egypt, we were catalytic in forming the Egyptian Gender Alliance in collaboration with different public and private partners. We aim to implement tailored programmes to empower women by improving their access to new opportunities.
- Our mobile-based maternal and neonatal emergency transportation system programme – **m-mama** – supports governments with emergency referrals in Tanzania, Lesotho and Kenya. To date, m-mama has supported 59 633 maternal and neonatal emergencies, resulting in an estimated 1 856 lives saved.
- We support expecting mothers through our zero-rated mobile health platform, Mum & Baby, which provides mothers with regular information on maternal, neonatal and child health and nutrition, available in the context of specific markets and languages.

  Mum & Baby users:

  - South Africa: Over 2.4 million (FY2023: 2.3 million)
  - DRC: 536 000 (FY2023: 195 000)
  - Mozambique: 65 600 (FY2023: 203 215)
  - Lesotho: 10 700 (newly launched)

Supporting persons with disabilities

- In DRC, our **Je Suis Cap** initiative empowered 1 450 women with disabilities by training them to become M-Pesa agents.
- Smart devices have become a lifeline for visually impaired persons. Vodacom South Africa partnered with the Cape Town Society for the Blind to support its Smart Digital Training Course. The course aims to increase the digital skills of visually impaired persons by teaching them how to optimally use the accessibility features on their smartphones.

ESG For more information on our social and environmental impact, refer to our **ESG report**

For more information on how we aim to conserve our resources for future generations, see our natural capital from **Page 102**

Employees

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: EMPLOYEE ENGAGEMENT INDEX

Why we engage

Our employees execute our strategy with their skills, experience and productivity.

Material stakeholder interests and expectations

- Providing a positive and inclusive culture with increased opportunities to thrive
- Ensuring job security and business sustainability
- Fostering strong and inclusive leadership
- Developing individual career paths and talent
- Creating learning opportunities that focus on the acceleration of digital and future skills transformation
- Hosting connect sessions for coaching and mentoring
- Facilitating communication and knowledge sharing across Vodacom
- Providing competitive remuneration and equal pay
- Driving transformation and localisation
- Supporting gender empowerment

How we engage

- Training and development programmes that enable a learning culture, such as #1MoreSkill, Skills labs, RPA and Big Data citizen developer programme, LEAP, Women in Leadership and IGNITE
- Grow my Impact performance programme
- Internal communication campaigns
- Big Conversation moments and fireside chats
- Spirit of Vodacom-themed days and events
- Internal website and Vodacom Engage app
- A dedicated employee hotline and employee network forums
- Our Group-wide C.A.R.E. policy framework for employee well-being
- Leadership roadshows
- Spirit Beat and pulse surveys
- We Connect sessions across our markets

Value creation for employees

From FY2024, we restructured individual key performance indicators to drive Group performance. More frequent performance reviews provide the opportunity to manage the link between performance and remuneration. Our total reward framework is underpinned by our commitment to fair pay. Vodacom paid R10.1 billion in salaries and benefits across the Group.

For more information on how we are realising the potential of our employees, see our human capital from **Page 110**

Our Talent Framework is aligned with our purpose and business strategy, and we invest in the appropriate skills and leadership development programmes to support this.

- Invested R0.5 billion in skills development for employees across the Group

We differentiate our employee experience through the **Spirit of Vodacom.** Internally, we achieved a Spirit Beat index score of 82% (FY2023: 76%). In FY2024, Vodacom was ranked first on the continent by the **Top Employer Institute**.

Additional recognition received in our respective markets:

- Top Employer certification in South Africa, Tanzania, DRC, Mozambique, Lesotho and Kenya
- South Africa and Mozambique ranked first in the overall country rankings

Demonstrating Egypt's dedication to diversity and inclusion, LEAP offers individuals with disabilities a comprehensive two-year development journey. Participants rotate throughout the company, engaging in various assignments and projects that allow them to showcase their potential. Among the six participants, those successful secure permanent positions at Egypt.

For more information on our employee experience, employee development programmes, and remuneration and rewards, refer to human capital from **Page 110**

ESG

For more in-depth information on our ESG initiatives, refer to our **ESG report**

Value created
Value eroded
Value sustained

Investors and analysts

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: INVESTOR RELATIONS SURVEYS

Why we engage

Our investors provide the financial capital we need for long-term growth and expect attractive returns based on sustainable and ethical business practices. Analysts provide investors with research, insights, and recommendations regarding investment opportunities in financial markets, playing an important role in communicating critical information.

How we engage

- In-person and virtual meetings, roadshows and conferences
- In-person investor trip to Ethiopia
- Chairman's roadshow
- Interim and annual results announcements and reports
- Quarterly trading updates
- Stock Exchange News Services announcements
- Monthly and quarterly reviews with Vodafone
- Investor relations page on our website
- Notice of annual general meeting
- Integrated report

Material stakeholder interests and expectations

- Maintaining first-class strategic execution, given the acceleration in Vodacom's strategy
- Aligning the strategy with capital structure and returns
- Balancing enhanced growth prospects with an updated dividend policy
- Engaging on executive remuneration
- Driving societal and enterprise value creation
- Revenue diversification that supports earnings growth
- Managing and mitigating risk

Value creation for investors and analysts

Our position as the second-best investor relations team in the 2023 **Institutional Investor** EMEA TMT large-cap ranking highlights our commitment to meeting the needs of the investment community.

Vodacom's FY2022 integrated report placed sixth in **EY's Excellence** in Integrated Reporting Awards 2023, an annual survey of integrated reports from South Africa's JSE 100 companies. This achievement recognises Vodacom's ability to effectively communicate how it creates value for investors and other stakeholders.

Ranked low ESG risk by **Sustainalytics**, retained our ESG leader AAA rating from **MSCI** and improved our **International Shareholder Services** rating to Prime. We were also awarded an A- rating in the latest **CDP** climate change assessment.

Free cash flow generated of R18.2 billion (FY2023: R18.5 billion), with ROCE improving to 23.1% (FY2023: 21.8%).

Financial capital, **Page 56**

Share information, **Page 138**

AFS Refer to our **annual financial statements**

ESG For more information, refer to our **ESG report**

Governments and regulators

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: REPTRAK SURVEY

Why we engage

Governments and regulators allocate spectrum and operating licences and impose regulatory measures with cost implications for the Group. We engage with these stakeholders in a way that builds trust and ethically influences policy positions across government departments.

How we engage

- Supporting governmental digitalisation through our Tech for Good platforms
- Meetings and briefings with presidents and their delegates
- Submitting reports on a quarterly basis to ministers when appropriate
- Engaging with ministers and regulators on our spectrum policy and regulatory matters
- Participating in public forums
- Taking part in the drafting process of new regulations and bills
- Having discussions with industry consultative bodies
- Partnering to implement social programmes
- Engaging with international bodies to foster cooperation
- Hosting workshops to enhance understanding of the industry
- Delivering on our Social Contract
- Engaging with ministers and key government personnel on government priorities and societal matters

Material stakeholder interests and expectations

- Complying with regulatory requirements relating to, among others, mobile termination rates, pricing, security, safety, health and environmental performance
- Protecting personal information and customer data in line with regulatory requirements
- Contributing to the tax base and other revenue streams of governments in our operating countries
- Managing the supply of spectrum to satisfy increases in demand
- Partnering to achieve the objectives of the UN SDGs
- Expanding 5G and 4G across our markets in Africa
- Maintaining and enhancing our licence to operate across our footprint
- Creating employment opportunities and facilitating socioeconomic development
- Zero-rated access to key government services

Value creation for governments and regulators

Improved RepTrak score

The Group improved its RepTrak score to 74.4 from 70.8 in the prior financial year. This was supported by DRC, which improved its rating and was scored as "excellent".

Supporting digital transformation in government

Vodacom uses technology to drive efficiency in the government sector through various solutions, for example, smart asset management to reduce resource consumption and GHG emissions; citizen engagement, which enhances communication between citizens and municipalities; and SmartGov solutions aimed at efficiently managing administrative processes.

Providing digitally-enabled support in the agriculture sector

In Tanzania, we are accelerating sign-ups to the **M-Kulima** platform. our easy-to-use system that enables communication and transactions between companies, the government and farmers. Currently, 3.2 million farmers have registered on the platform through which they will receive access to loans and insurance advisory services.

M-Kulima
Tanzania

Value created
Value eroded
Value sustained

- Mezzanine also supported the South African Department of Agriculture, Land Reform and Rural Development to disburse subsidies to smallholder farmers through **e-Vouchering**. In FY2024, almost 53 000 vouchers were redeemed to the value of more than R740 million.
- In Egypt, we are currently in proof-of-concept phase with agri-fintech **Mozare3** concept, which will provide smart-agri product enhancing farm profitability and reducing the negative environmental impact of farming. A suitable model for mid-sized farms is being established, and we expect to be able to go to market with the solution by 2025.
- Our agriculture solutions span across the value chain from small-scale farmers in Africa to precision commercial farms in Europe, the US and Australia. These platforms provide farmers with the benefits of digital agricultural services, including communication within the industry, financial services, market information, key agriculture data and weather forecasts. Our agricultural solutions have 9.6 million. registered users in DRC, Kenya, South Africa and Tanzania (FY2023: 8.2 million).

Providing digitally enabled support in the education sector

- As part of our education ecosystem, referred to above, we enhance learning outcomes through connectivity, schools of excellence, teacher development, training centres, youth academies, partnerships with NPOs and learning materials.

Providing digitally-enabled support in the healthcare sector

- In Egypt, we have partnered with the government to digitalise the country's healthcare system through the **UHI** and the Egyptian University Hospitals programmes. The digitalised UHI platform is available in 309 hospitals, serving more than 6.3 million people across Egypt. The platform has the potential to meaningfully scale over the medium term.
- We have expanded our maternal and neonatal emergency transportation system programme, **m-mama**, beyond Tanzania, with the support of USAID and the Vodafone Foundation. M-mama now also operates in Lesotho and Kenya, with a roadmap to introduce the programme in our other markets. This year alone, over 1 856 lives were saved.
- In South Africa we partner with our subsidiary Mezzanine to provide technological innovations that improve efficiencies and productivity for healthcare service providers and promote access to quality facilities using our **stock visibility solutions**.

Contribution to government's fiscal programmes

- R36.7 billion in total tax contributions to governments across our OpCos.

TAX For more information on our tax contribution, refer to our **tax transparency report**

ESG For more information on our purpose pillars, refer to **Page 28** and our **ESG report**

Our governance, **Page 18**

Suppliers

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT

Why we engage

We rely on our suppliers to provide cost-effective, quality products and services that support our value proposition to customers, employees and other stakeholders.

How we engage

- Supplier development programmes
- Supplier forums and portals
- Regular site visits
- Tenders
- Supplier audits and assessments
- Supplier product evolution and service levels
- Latest supplier developments and roadmaps consisting of improvements in requests for proposals, requests for expression of interest and requests for quotations
- Early payments for small suppliers

Material stakeholder interests and expectations

- Providing growth opportunities and access to funding for SMEs
- Ensuring timely payments of accounts to enhance supplier cash flow and liquidity
- Addressing health and safety concerns
- Promoting environmental solutions
- Driving supplier and product innovation
- In South Africa, complying with B-BBEE requirements, including preferential payment terms for B-BBEE suppliers
- Promoting local and female-owned suppliers

Value creation for suppliers

Leveraging our supply chain management capabilities

We share best practice and learnings across the Group through our **centres of excellence** and use multi-market requests for proposals to leverage cost-savings benefits across the Group, saving more than R2.0 billion in FY2024.

For more information on how we share best practice and utilise scale across the Group, refer to intellectual capital from **Page 76**

Ensuring supply chain ethics and health and safety

Our code of ethical purchasing sets out the standards we wish to see achieved by our suppliers over time. We measure our suppliers on a balanced scorecard approach and conduct sustainable and inclusive sourcing of our suppliers through questionnaires and our sourcing tool called Ariba. We also ensure that our suppliers live up to our health and safety standards as set out in our code of ethics.

Enabling the transformation of our supply chain

We are in the process of implementing a **localisation strategy** in our International business, similar to B-BBEE procurement in South Africa. We have developed scorecards as part of the programme and intend to set locally relevant targets and track key supplier data after considering feedback from our suppliers.

Committing to SME development and B-BBEE transformation in South Africa

Vodacom spent R8.4 billion in procurement with B-BBEE SME suppliers, of which R1.8 billion was paid in early payments (within five days, FY2023: R2.2 billion) to help South African SMEs with their cash flow.

R443 million was invested in enterprise development and support of black-owned SME and youth entrepreneurs operating in the ICT sector.

Supplier development incorporates various transformation initiatives such as retail channel transformation, equipment support through grants, support to the South Africa SME fund and the SME early payment terms cited above. In addition to early payments we invested R191 million in the various initiatives to support supplier development.

Value created
Value eroded
Value sustained

We support 185 SMEs with supplier development through the Innovator Trust (FY2023: 147). During the year, we were proud to organise the annual Women in Tech awards ceremony in partnership with the **Innovator Trust**, as it celebrates female-owned SMEs. The ceremony created a networking platform and empowerment opportunities for female small business owners and industry leaders, particularly in the ICT sector. In addition, in FY2024, 41 SMEs benefited from the Ithuba initiative.

In South Africa, we launched an AI and Big Data digital transformation initiative, where more than 50 SMEs received 24 hours of training through a specialist AI and digital tool masterclass to improve productivity and customer engagement.

The transformative initiatives described above have contributed significantly to South Africa's ability to maintain the highest B-BBEE contributor status of **Level 1** for the fifth consecutive year.

For more information on how our human capital contributed to this status, refer to **Page 116**

Scoring element	Target points	Achieved points			
		FY2024	FY2023	FY2022	FY2021
Enterprise and supplier development	50	**48.84**	48.12	48.55	47.98
Procurement	25	**22.42**	22.80	23.07	22.05
Supplier development	10	**9.42**	8.32	8.48	8.93
Enterprise development	15	**17.00**	17.00	17.00	17.00
Socioeconomic development	12	**12.00**	12.00	12.00	12.00

Hot topics impacting our operating context, **Page 46**, our trade-offs, **Page 54**

ESG For more information, refer to our **ESG addendum**

Media

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT

Why we engage

We engage to manage our brand and reputation while increasing customer product and service awareness.

Material stakeholder interests and expectations

- Engaging with brand ambassadors
- Providing timely and transparent access to key information, activities and offerings
- Ensuring transparency around Group performance

How we engage

- In person, virtually or through telephonic engagements
- CEO and key executive interviews and other speaking engagements
- Round-table discussions
- Through product and service launches
- Media press releases
- Strategic social media content
- Thought leadership articles
- Engaging with government departments and non-governmental organisations

Value creation for media

We align our media positioning with our purpose-led strategy. In FY2024, this included support for Africa's digital transformation through the Africa.connected campaign in partnership with Vodafone and Safaricom. We also increased coverage of our Tech for Good solutions and CSI initiatives.

In addition our coverage of existing industry conferences such as the Trialogue Business in Society Conference and the Mobile World Congress, we supported South Africa's inaugural Disability and Accessibility Conference.

We align our media positioning with our purpose-led strategy. In FY2024, this included support for Africa's digital transformation through the Africa.connected campaign in partnership with Vodafone and Safaricom. We also increased coverage of our Tech for Good solutions and hero project initiatives.

Strategic and business partners

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT[1]

Why we engage

Our business partners – franchisees, retailers, wholesalers, freelancers, agents, merchants, aggregators, hyperscalers and banks – are custodians of our reputation and are a critical extension of our brand.

Material stakeholder interests and expectations

- Providing overdraft and loan facilities for agents to manage cash flow
- Ensuring widespread agent network and float availability
- Driving engagement and feedback between management and key trade partners
- Making it quicker and easier to work with M-Pesa across our markets through our strategic hub, M-Pesa Africa
- Coordinated Group approach with global over-the-top and hyperscalers
- Support digital transformation through cloud and infrastructure deals, device affordability initiatives as well as building AI use cases

How we engage

- Regular interaction and collaboration sessions with regional trade representatives
- One-on-one business sessions
- Regular training sessions and roadshows on products and services
- Agent outlets, stores and retail visits
- Long-term sustainable partnerships with channels
- Credit support to enterprises
- Regular operational and executive sessions, with strong governance in place
- Strategic partnership meetings with international technology partners and over-the-top players

Value creation for strategic and business partners

Collaborating with our partners

In FY2024, we hosted our annual **business partner conference** to bring together stakeholders, including business partners, leaders, and experts in the field of customer experience, to collaborate, share insights, and align strategies aimed at improving customer experiences and creating more value for customers. The conference focused on knowledge sharing, collaboration, networking, education, training and innovation.

In South Africa, we partnered with Microsoft to offer free digital training courses through the Mzansi Digital Learning platform. This partnership highlights our joint commitment to digital inclusion, providing access to opportunities in the digital economy, including AI proficiency. The platform is integrated into our zero-rated ConnectU platform and is focused on topics like generative AI, entrepreneurship, and cyber security. With the goal to reach 300 000 people, the partnership aims to empower youth and entrepreneurs to succeed in a digitalised market.

In January 2024, Vodafone and Vodacom announced a long-term strategic partnership with **Microsoft**.

We have strategic collaborations with AWS, Ericsson, Huawei, Nokia, VISA and satellite partners such as AST SpaceMobile and Amazon's Project Kuiper with the potential to scale services further.

For more information, see intellectual capital from **Page 76**

For more information on our partnerships and optimising our assets, see manufactured capital from **Page 70**

For more information on our digital platforms for strategic and business partners and credit support to enterprises, refer to intellectual capital from **Page 76**

1. Kantar assessment does not include strategic partners.

NC

Natural capital

We are committed to preserving natural capital as part of our protecting the planet purpose pillar. Our focus is on mitigating the effects of climate change and enabling the transition to net zero. Vodacom remains true to our protecting the planet purpose pillar by leveraging digital technology to enable energy management and the efficient use of natural resources.

What natural capital means to Vodacom

We use natural resources in our day-to-day business activities, including those used to produce electricity, water, and resources, and to create manufactured capital supporting our infrastructure and the devices we sell. We are working to minimise the environmental impacts of our operations, value chain, products and services. One of our key focus areas is improving circularity through various initiatives, such as the Good as New programme.

How natural capital supports our purpose and strategy

Natural capital is critical for us achieving our purpose – **to connect for a better future**, enabling us to deliver diversified offerings to our customers. While using natural capital is necessary for us to operate, we are committed to reducing the environmental impact of our business activities.

Climate change poses physical and transitional risks to our strategy but also presents opportunities to leverage digital technology. Our GHG emissions reduction and waste management strategies are at the core of our climate action. We assess the actual and potential impacts of climate-related risks and opportunities on our business to help us build resilience and identify opportunities to support others in their transition to a low-carbon economy.

Our natural capital at a glance

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
Responding to climate change to help build a sustainable future	• Applied for the validation of the Group's science-based targets • Continued the Group's transition planning which we outline in our Climate and TCFD report • Participated in various African and global platforms and partnerships aimed at collective solutions to Africa's transition • Provided disaster relief in South Africa, DRC and Tanzania and cyclone victims in Mozambique	10
Decreasing scope 1 and scope 2 GHG emissions to reduce our contribution to climate change	• Developed a detailed net zero roadmap to reach a **100%** reduction in scope 1 and 2 GHG emissions by 2035 and outlined near-term activities for scope 3 • Piloted cutting-edge renewable solutions including hydrogen fuels cells • Completed a **6MWp** solar installation on our head office campus • Concluded South Africa's first virtual wheeling agreement, which is expected to replace up to **30%** of South Africa's electricity consumption with renewable power • Procured **65%** of our purchased electricity in Egypt from the Egyptian government's renewable energy programme • Rolled out a further **276** (FY2023: 163) solar-powered sites • Optimised network to improve energy efficiency, including the more energy efficient equipment, IoT.nxt energy saving solutions and the use of batteries to partly reduce the use of diesel generators • Achieved ISO 50001 certification across all OpCos • Scope 1 and 2 GHG emissions reduced by **28%** year on year • **0.14tCO_2e** per terabyte of data, down **48%** • Invested **R82 million** in energy efficiency projects, with the potential to deliver annual energy savings of **24.1GWh** (FY2023: R33 million; 3.4GWh[1])	2 8 10
Managing scope 3 GHG emissions to support our customers and suppliers	• Reviewed the Group's scope 3 methodology in the ongoing improvement of our disclosures • Secured our first independent assurance on our full scope 3 inventory • Supported customers in avoiding **1.4 million tCO_2e** of emissions[1] (the equivalent of **70 million** trees growing for one year)	10
Driving circularity to optimise our operations	• **1 273.1** tonnes of non-hazardous network equipment recycled (FY2023: 1 167.1 tonnes)[2] • **1 277.7** tonnes of hazardous network waste recycled (FY2023: 1 724.7 tonnes)[2] • **11 882** consumer devices reused (FY2023: 902) • **6 029** consumer devices recycled (FY2023: 5 355)	10
Supporting biodiversity to understand our impact and implement new technologies	• Launched with WWF South Africa, a pilot to safeguard marine mammals against entanglements in Saldanha Bay on South Africa's West Coast • Partnered with local company Africa Moto in DRC to distribute clean cooking solutions • Continued our partnership with Limomonane Trust in Lesotho towards sustainable urban greening and forest restoration, with **48 000** trees planted since 2022 (FY2023: 12 500)	10

1. FY2023 excludes Egypt.
2. FY2023 data restated to include Egypt to allow for comparability.

The value we create, preserve and erode

Responding to climate change to help build a sustainable future

FY2024 was the hottest year on record, with average temperatures reaching 1.35°C above the pre-industrial average[1]. These records were accompanied by devastating extreme events, which the Intergovernmental Panel on Climate Change has warned are just the beginning of an ongoing trend. The impacts of climate change pose a significant risk to our operations, associated value chains and the countries in which we operate. We address the global climate crisis through our efforts to mitigate and address our climate-related impact and risks.

1. National Oceanic and Atmospheric Administration

Advocating for change

We continued to work with various stakeholders and participated in various African and global platforms and partnerships aimed at collective solutions to Africa's transition, including providing technical reviews and insights to the GSM Association's (GSMA's) paper Energy Challenges for the Mobile Networks in Sub-Saharan Africa, which was launched and discussed at Mobile World Congress Africa in Rwanda in October 2023, and the United Nations Global Compact African Business Leaders Coalition's Policy blueprint launched at COP28 in the United Arab Emirates in December 2023.

Vodacom's TCFD programme

We enhanced the Group's Climate and TCFD report to include our GHG emissions reduction strategy, as well as additional information on our climate transition plan and associated activities. We re-validated our key climate risks and opportunities and participated in a global Vodafone risk review process.

We continued to follow regulatory and disclosure developments with a focus on the International Sustainability Standards Board's S2 standard and corporate South Africa's consideration thereof.

TCFD For more information, refer to our **Climate and TCFD report**

Supporting those affected by severe weather

Climate change-related weather events are escalating, with cyclones and flooding impacting areas of southern Africa in the past year. During the year, we supported communities impacted by fire in South Africa, the flood victims in South Africa, DRC and Tanzania and cyclone Freddy victims in Mozambique. Relief efforts included food supplies, cleaning products and blankets, valued at over R3.2 million.

ESG For more information, refer to our **ESG report**

Supporting partnerships and collaboration

Partnerships are essential to addressing the climate and nature crises and reducing environmental impacts. We work with global and local partners to deliver on our protecting the planet purpose initiatives. Our partners include the UN Global Compact African Business Leaders Coalition, GSMA, USAID in DRC and the WWF in South Africa and Tanzania.

We participate in various industry initiatives, such as the GSMA's climate and biodiversity project groups.

Uniting through RedLovesGreen

Our RedLovesGreen journey aims to unite Vodacom, our customers and our partners to create environmental awareness and encourage action towards a more sustainable future. Through this, we communicate and educate for a positive impact on climate change.

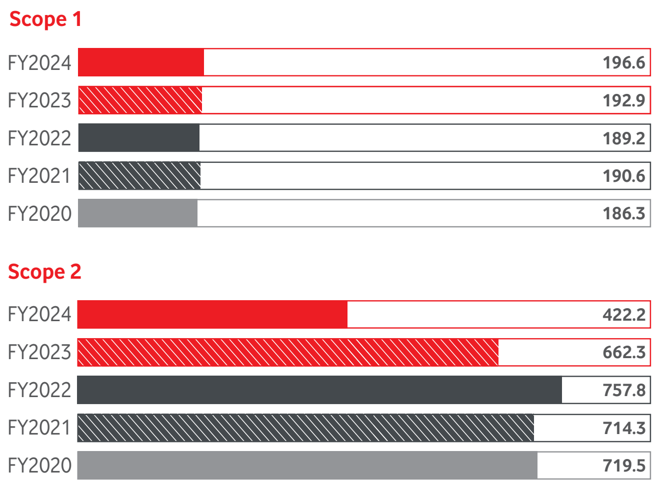
Value created
Value eroded
Value sustained

Decreasing scope 1 and scope 2 GHG emissions to reduce our contribution to climate change

We aim to match 100% of the grid electricity we use with electricity from renewable sources by 2025, and also to achieve net zero GHG emissions from our operations (scope 1 and 2) by 2035, in line with a science-based pathway to limit global warming to 1.5°C by 2100. Our activities to reduce scope 1 and scope 2 emissions focus on energy management, which prioritises energy efficiency, installation of on-site renewables, purchasing energy from off-site renewables, and offset mechanisms. The approach is followed across network sites, technology centres and offices and is implemented within the context of the energy infrastructure of each country where we operate.

We execute our energy strategy and decarbonisation plan through the leadership of our Group Technology Energy Performance centre of excellence. This team coordinates the development of practical, implementable projects and initiatives on our journey to becoming net zero in our operations. Each OpCo energy lead coordinates localised energy and decarbonisation strategies, which considers the country's unique operating contexts, in accordance with the Group energy strategy. All our OpCos have now obtained ISO 50001 certification, which specifies energy management system requirements.

Group scope 1 and 2 market-based GHG emissions (thousand tCO_2e)



Driving energy efficiencies

Vodacom's primary source of GHG emissions is from our use of grid electricity and diesel generators. Our energy consumption is from our access network of base stations (82%), technology centres (13%), buildings (offices and warehouses) (3%), and retail stores (1%) and transport (1%).

Our energy consumption increased by 3% to 1 922.4GWh (FY2023: 1 862.2GWh)[1], however our energy intensity decreased to 0.43 MWh per terabyte of data (FY2023: 0.58 MWh per terabyte of data).

We spent R4.7 billion (FY2023: R3.8 billion) on energy, a 23% year on year increase driven by higher tariffs and increased usage in some markets due to network expansion, the rollout of 5G and loadshedding. We invested R82.0 million in energy efficiency projects, with the potential to deliver annual energy savings of 24.1GWh (FY2023: R33 million, to deliver 3.4GWh savings). The projects focus on our base station sites and data centres.

Switching to renewables

Our footprint of base stations is spread across multiple geographies. In most of the geographies that we operate in, the national grid is highly intermittent and suitable replacements for diesel generators are required. Onsite solar presents a solution; however, it can be challenging due to limited physical space, site accessibility, theft, vandalism, maintenance requirements and other market-specific challenges. Major advancements in current technologies will be required to deploy onsite renewable fuel sources at scale. New rural base stations are either entirely solar powered or use a mixture of solar and grid power.

26% of our total energy consumption is from renewable sources, including energy generated by our solar plants, purchased through PPAs and renewable electricity certificates (RECs). Where the grid mix includes renewable sources, this is not reflected in our renewable energy numbers, but it is reflected in the grid emission factor that we apply to calculate our scope 2 emissions.

In Egypt, our agreement with the New and Renewable Energy Authority supplies us with electricity from **renewable projects powering 65%** of our operations in Egypt.

1. FY2023 data restated to include Egypt to allow for comparability.

In South Africa, the **6MWp photovoltaic installation** at our head office is complete. It produces around 10.8GWh annually, saving the equivalent of 10 908tCO_2e.

Our **virtual wheeling** agreement with Eskom will result in up to 30% of our South African electricity replaced with electricity from renewable sources.

DRC has an existing PPA with a microgrid provider. Legislation has recently been changed for Mozambique to allow for microgrids, and, as a result, we are developing proof-of-concept microgrid solutions. Private grid-connected PPAs are not yet possible in Egypt, Lesotho, Mozambique and Tanzania.

Purchasing RECs forms part of our energy management strategy in the following instances:

- In countries where fossil fuel-based electricity consumption is high, where grid availability is low and/or full on-site conversion to renewable electricity supplies is limited; and
- As an interim mechanism to achieve our renewable energy sourcing commitments until we find suitable renewable solutions.

Where possible, we source RECs from within our operating countries; however, Lesotho, Mozambique and Tanzania do not have local issuers of RECs. The incremental cost of RECs, or their equivalent, is currently low when considered in the context of our overall energy spend.

ESG For more information, refer to our **ESG report**

Managing diesel use

We used 70.0 million litres of diesel (FY2023: 67.0 million litres)[1], mainly in stationary generators at our off grid sites or sites where grid-supplied electricity is unreliable. Increased diesel consumption was driven by more frequent grid power interruptions and intermittent power supply, particularly in South Africa, Mozambique, Tanzania and DRC. There was also an increase for Tanzania and DRC due to more accurate data being available for energy used at TowerCo base station sites.

In the short term, we focus on optimisation of control, where we prioritise batteries over diesel generators. In the long term, we seek alternatives to diesel, including connecting off-grid sites to the grid where possible, deploying wind and solar where applicable and exploring newer technologies such as microturbines and **hydrogen fuel cells**.

For more information on the impact of loadshedding on our manufactured capital, refer to **Page 74**

1. FY2023 data restated to include Egypt to allow for comparability.

Managing scope 3 GHG emissions to support our customers and suppliers

Working with partners to reduce scope 3 GHG emissions

Scope 3 includes indirect GHG emissions that we can influence but not control.

In FY2024, Vodacom collaborated with Vodafone Group Plc to enhance our ESG data capabilities to improve the quality of our data, including scope 3 GHG emissions. Our scope 3 GHG emissions were 916 419 tonnes CO_2e (FY2023: 1.0 million tCO_2e)[1]. Purchased goods and services, capital goods and fuel and energy-related activities account for over 74% of these GHG emissions.

To reduce the impact of our upstream supply chain GHG emissions, working with Vodafone Group Plc, we engage with top suppliers in the procurement process on **energy efficiency improvements** in hardware and software solutions. Global suppliers provide details of their GHG emissions and management programmes through the CDP, a global disclosure system that helps companies measure and report their environmental impacts.

We have sent to the SBTi for validation a scope 3 supplier engagement target and have committed to set a scope 3 emissions reduction target in due course.

Enabling our customers to reduce their GHG emissions

We develop digital technologies and services that enable our customers (enterprises and governments) to **reduce their environmental footprint**. We began by using green digital solutions to tackle climate change and help decarbonise society.

Our IoT services, including logistics and fleet management and smart metering, are underpinned by a strong commercial rationale with three main opportunities for customers:

- Increased efficiency and reduced wastage.
- Using IoT to deliver cost efficiencies.
- Monitoring and changing customer behaviour to promote long-term sustainability.

During the year, we supported 1.4 million tCO_2e avoided emissions (FY2023:1.0 million tCO_2e). This is equivalent to 70 million trees growing for one year.

Value created
Value eroded
Value sustained

Driving circularity to optimise our operations

E-waste is our business's second-most material environmental issue, and encouraging circularity is a key element of our protecting the planet purpose pillar. It considers the full life cycle of a resource and aims to eliminate waste – thereby reducing environmental impact. We aim to use resources for as long as possible to maximise the ROCE and recover and reuse materials responsibly. We seek to manage our impact responsibly and support our customers' efforts. Our waste management policy prioritises safe and responsible reuse and recycling, and our waste hierarchy embeds sustainable practices throughout our operations and supply chain activities.

Our electronic waste goals are to reuse, resell or recycle 100% of our network waste by 2025.

Circularity of network waste

Our resource efficiency and waste disposal management programmes minimise environmental impacts from network and IT equipment waste. When reuse (either through resale or redeployment) options are exhausted, we **recycle** obsolete equipment responsibly using approved recycling agencies. Network waste is never sent to landfill sites. We use certified local service providers to dispose of our telecommunication equipment when the useful life is exhausted. Obsolete batteries, classified as hazardous waste, go to a licensed facility for incineration.

- 93% of network waste reused or recycled (FY2023: 97%)[1]
- 1 273.1 tonnes of non-hazardous network equipment recycled (FY2023: 1 167.1 tonnes)[1]
- No equipment was redeployed in the network (FY2023: 36.4 tonnes)
- 1 277.7 tonnes of hazardous network waste recycled (FY2023: 1 724.7 tonnes)[1]

Circularity of devices and extending the lifetime of devices

We are committed to reducing our impact by implementing circularity initiatives with our partners and other operators. For example, South Africa and Egypt are participating in Vodafone Group Plc's WWF "1 million phones for the planet" campaign, to raise consumer awareness of e-waste and incentivise our customers to bring back their used devices for trade-in, donation or recycling.

We support customers in extending the lifetime of their devices through repair or recycling. Our RedLovesGreen campaign encourages customers to return their devices. Depending on the make, model and condition of a returned device, it may be repaired, refurbished, resold or sent for recycling.

We also encourage customers to consider buying second-life devices. Refurbished devices are either repackaged, certified Good as New and sold with a six-month warranty or donated to a Vodacom-supported school. If the device is not in suitable condition, it is sent to a Vodacom-approved recycling agency.

- 11 882 consumer handsets reused (FY2023: 902)
- 6 029 consumer handsets recycled (FY2023: 5 355)

Vodacom also provides 36-month contracts to make high-quality devices more affordable and encourage customers to extend the lifetime of devices.

Improving customer awareness of product sustainability

Through the Eco Rating initiative, we continue to help consumers identify and compare the most sustainable mobile phones on the market while encouraging suppliers to reduce the environmental impact of devices.

Eco Rating labelling on devices helps customers make more conscious and sustainable purchases. Following a detailed assessment, each handset receives an overall Eco Rating score out of a maximum of 100 to represent its environmental performance across its entire life cycle. The Eco Rating label highlights five key aspects of mobile device sustainability – durability, repairability, recyclability, climate efficiency and resource efficiency. Eco Rating is available in South Africa.

Reducing virgin plastic use in our SIM cards

Our half-size SIM cards reduce virgin plastic waste by reducing the plastic and packaging materials used and are used in all our markets. Our Eco-SIM is a half-sized SIM card made of recycled plastic. More than 550 tonnes of paper and 350 tonnes of plastic have been saved by the Eco-SIM cards initiative. The use of Eco-SIMs does away with the use of materials; however, it is dependent on regulatory approval and consideration of the market penetration of devices that support these SIMs. Eco-SIMs are available in South Africa and Egypt.

The introduction of e-SIMs, which are a form of SIM embedded into a device, depends on regulatory approval and market penetration of devices that support these SIMs. We encourage our partners to develop products to support e-SIMs to reduce the environmental impact of manufacturing and transporting physical SIM cards. We offer e-SIM in South Africa and Tanzania.

1. FY2023 data restated to include Egypt to allow for comparability.

Managing general waste

Our general waste management programmes involve reviewing our consumption choices, making more sustainable decisions and working with suppliers to reduce environmental waste. Waste management at our operations primarily focuses on reducing paper and single-use plastic consumption, using eco-friendly products, paper recycling. In South Africa and DRC we and also facilitate food waste composting.

We responsibly manage the waste streams involved in delivering our products by digitalising branch processes towards being completely paperless, pursuing green lease agreements for stores, including water, waste and electricity management targets, and reducing our plastic usage.

Using water responsibly

While we are not a water-intensive user, majority of our operations are in countries which are classified as medium-high to extremely high water risk[1] and so we work to reduce our water usage across all our operations. Water-saving measures include waterless urinals, chemical toilet flushing, waterless hand sanitising stations, aeration taps with reduced water flow, efficient use of borehole water, rainwater harvesting and water-wise gardens. For our employees, we promote responsible water consumption through targeted campaigns such as World Water Week.

Our digital solutions and IoT capabilities enable our government and business customers to manage their water consumption. These solutions help local municipalities monitor and manage water leaks through early detection.

1. WRI Aqueduct Water Risk Atlas.

Supporting biodiversity to understand our impact and implement new technologies

Although our impact on biodiversity is low, we aim to understand how our value chain activities impact biodiversity and minimise the environmental and visual impact of our infrastructure.

Outside of managing our impact, we work with conservation agencies to explore how technology can minimise biodiversity loss.

Understanding and managing our impact on biodiversity

We seek to understand our impact, including the risks of biodiversity loss, and to identify opportunities to partner with stakeholders to prevent further harm. In FY2024 we engaged with emerging frameworks such as the Task Force on Nature-related Financial Disclosures through the GSMA biodiversity working group.

Where our employees or suppliers face natural risks such as bees and snakes, we ensure that they undergo the necessary training to support them with their work without negatively impacting biodiversity.

Supporting biodiversity protection through new technologies

Technology can help minimise the impact of human activity. We partner with organisations to protect biodiversity on land and at sea. This support is a combination of programme funding and using connectivity and innovative technology solutions in conservation efforts.

We collaborated with the WWF, we launched a pilot to **safeguard marine mammals** against entanglements in Saldanha Bay on South Africa's West Coast, where traditional fishing communities are struggling with problems caused by overfishing, pollution and climate change.

We continue our **reforestation efforts** in Tanzania and Lesotho, and we partner to protect and track endangered wildlife species while distributing **clean cooking solutions** in DRC. We are also supporting with the rescue of owls and other bird species in South Africa.

ESG

For more information on these initiatives, refer to our **ESG report**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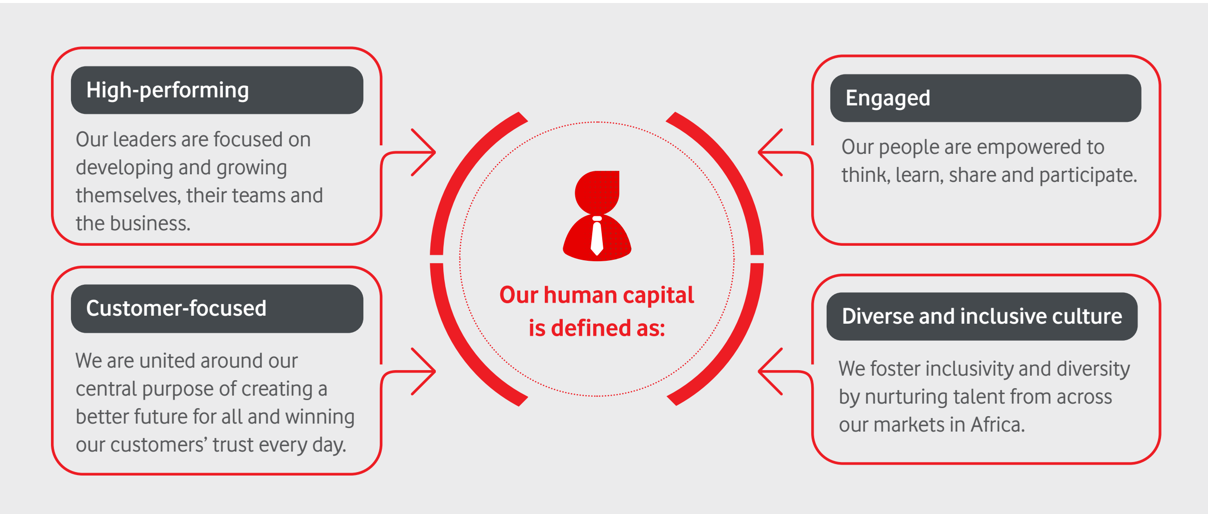
Human capital

Our people contribute to Vodacom's transformation into a leading African TechCo. The Spirit of Vodacom facilitates and celebrates diversity and rewards innovation and talent that supports our transformation.

What human capital means to Vodacom

We are committed to developing a diverse and inclusive workforce that reflects the customers and societies we serve.



How human capital supports our purpose and strategy

Aligned with our purpose pillar of empowering people, we strive for workplace equality while also developing the skills of our employees to create a future-fit organisation. As we continue on our journey to always deliver on our purpose, we embed the Spirit of Vodacom in our company culture as it attracts and unites diverse talent and empowers our people by developing future-ready skills to deliver customer excellence.

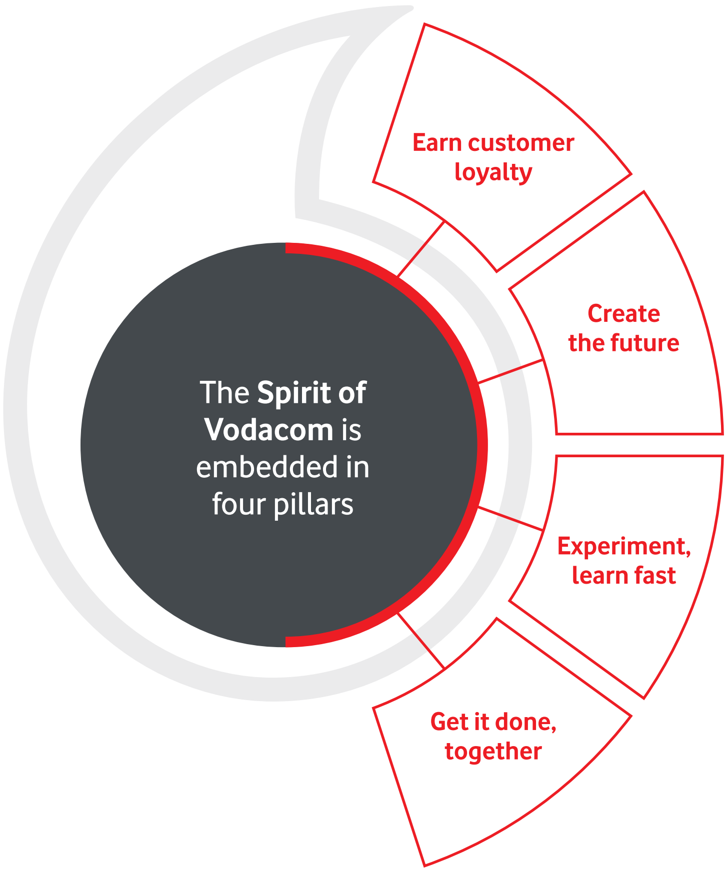
Our human capital at a glance

CLICK HERE TO SEE EXPLANATION OF ICONS

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
Fuelling the Spirit of Vodacom across our business to live our purpose	• Group recognised as overall top employer on the African continent • Creating a thriving employee experience: o Spirit index score: **87%** (FY2023: 80%) o Employee engagement index score: **82%** (FY2023: 75%) o Engage app: **8 078** active users (FY2023: 7 164 users)	5 9
Accelerating skills development in a rapidly evolving TechCo environment	• Providing innovative resources for growth: o Invested **R0.5 billion** in employee skills development across all our markets (FY2023: R0.5 billion) o Invested **R314 million** in skills development for black employees in South Africa, with R187 million invested in black female employees and R21.0 million in black youth with disabilities • Developing future leaders through our Ignite leadership programme and the re-launch of our Female Leaders programme • We have trained over 16 000 girls across all our markets through our Code like A Girl programme and we are accelerating that through our commitment to upskill one million young people in our markets over the medium-term through partnerships	9 10
Creating the future through innovation	• Unlocking innovation through our annual Hackathon, with 444 teams participating from across our markets, and 114 ideas selected to participate in our Hackalympics	
Fostering diversity and inclusivity to support our purpose-led culture	• Increasing gender diversity and equality in South Africa: o **80%** of our employees are black (FY2023: 79%) o **78%** of our Board members are black (FY2023: 80%) o **56%** black female representation on the Board (FY2023: 50%) • Supporting the youth, people living with disabilities and LGBTQIA+ employees, having received Top Gold status in the South African Workplace Equality Index	9 10
Supporting employee well-being, health and safety	• Launched our new Group-wide C.A.R.E programme	9 10
Remunerating to reward value creation	• Paid **R10.1 billion** to 13 716 employees (FY2023: R7.7 billion)	9

The value we create, preserve and erode

Fuelling the Spirit of Vodacom across our business to live our purpose



We instil the **Spirit of Vodacom** across our footprint, keeping employees engaged, boosting morale, and creating a progressive and conducive organisational culture. Our quarterly Spirit of Vodacom days are meeting-free days that provide employees with the opportunity to focus on living our values, personal growth, well-being, and connection while we collectively celebrate milestones. Also included are activities that focus on customers through listening activities, cafes, engagement, store visits, and ExCo-led discussions. In FY2024, we celebrated being recognised as the number one **top employer on the African continent** by the Top Employer Institute, as well as our 200 million customer milestone.

Our Spirited Leader series is designed to drive high-impact actions, leadership standards and well-being to prepare our leaders to develop a future-ready Vodacom. Playbooks, action toolkits and best practices from the series are shared with leaders across the Group to facilitate peer support.

Engaging with our employees and incorporating their feedback on moments that matter helps us to continually strive for excellence. Our bi-annual Employee Spirit Beat surveys are instrumental in measuring, tracking and improving performance based on our four behavioural pillars. During FY2024, we expanded our survey participants to include our customer-facing employees, including our retail and outsourced business partner employees. This ensures that we capture the experience of all frontline employees and improve their connection to our customers. Our most recent survey recorded a participation rate of 94%, reflecting the following scores and insights:

Employee Engagement Index of **82%**

Purpose index of **93%**

Spirit index of **87%**

Positive themes from surveys

- New employees resonate strongly with our purpose
- Satisfaction with a hybrid working model
- Learning new skills and abilities
- Impact on our customers and our understanding of customer needs
- Team accountability and commitment to getting the job done

Improvement areas from surveys

- Growth and advancement opportunities
- Increased focus on robust and regular feedback to remove barriers and maintain psychological safety
- Working effectively across the Group to find the best solutions for customers

Our regular Spirit clinics focus on engaging all people leaders and their respective teams to ensure constant connection, high engagement and to address actions resulting from Spirit Beat surveys.

Value created
Value eroded
Value sustained

Creating a thriving employee experience

In FY2024, the Group was recognised as Africa's number one top employer by the Top Employer Institute. The Top Employer Institute certifies organisations that are focused on putting their people first through exceptional human resources policies, strategies and best practices. Vodacom has been certified as a top employer for eight consecutive years, which is a testament to the Group's dedication to creating a leading working environment. South Africa and Mozambique ranked first in their respective country rankings, while all of our markets have received Top Employer certification.

Egypt also received recognition through Great Place to Work, which ranked it as one of the best places to work in the Middle East. Receiving these awards re-affirms our commitment to and consistency in nurturing an environment where diversity, inclusion, and collaboration thrive across the Group.

Vodafone Stars – our internal recognition scheme – provides employees with in-the-moment recognition when they display Spirit behaviours. In FY2024, 12 688 Star awards were made to employees through the Vodafone Stars programme, with 8 767 receiving cash awards and 3 921 receiving peer-to-peer recognition.

Rewards 4 U is a digital platform that allows employees to access different benefits which are available 24/7.

We use our mobile employee engagement platform – **Engage app** – as our primary employee communication gateway, offering our people a seamless and connected experience. We are constantly developing our engagement tools to ensure consistency across markets and increase language inclusivity. The Engage app is available across all our markets, except in Egypt, where the Vodafoners application fulfils the same function. Irrespective of geography, all Vodacom employees enjoy the same experience and share business information through these dedicated apps. The Engage app has 8 078 active users from across the Group, and Vodafoners has 5 595 active users in Egypt.

Our hybrid working policy remains fit for purpose and agile to ensure we are able to support high performance as the business world evolves.

In FY2024, we implemented our Grow my Impact people performance management system. We have refined how we measure and differentiate individuals and their potential. As an evolution of our talent management framework, the system incorporates mid-term reviews, with a checking mechanism to confirm performance delivery, which is then tied into remuneration and bonuses. Performance reviews include the confirmation of compulsory training as well as recognising ongoing learning to ensure employees continue to refresh their skills.

Ongoing efficiency reviews

We routinely ensure that our business operations are fit for purpose as we transition from a TelCo to a leading technology company. Against a tough macroeconomic backdrop and ensuring the continued efficiency of key functions, we implemented employee efficiency measures in South Africa and Mozambique during the year.

Embedding our customer-centric culture

Our culture is built around our customer-led purpose. Our employees focus on delivering an excellent customer experience, aspiring to win customer trust daily at every touchpoint and through every interaction. To ensure that our customer is top of mind we increased the focus of customer measures in our short-term incentive and included customer loyalty as one of our Spirit Beat measures.

For more information, refer to remunerating to reward value creation, **Page 118**

For more information on how we are accelerating our skills development and performance development systems, refer to **Page 114**

Creating the future through innovation

Vodacom is passionate about making the world more connected, inclusive and sustainable. To achieve this, we encourage employees to think big, take risks to break new ground, enjoy an agile environment and create the future.

On an annual basis the CEO hosts the Vodacom CEO Awards. This event celebrates the Group's success in the financial year and recognises the innovation and outstanding achievements of those who have made a contribution to our business.

The annual Group-wide **Hackathon**, launched in 2019, is Vodacom's premium innovation challenge that drives collaboration, bringing the entire organisation together to work towards achieving our strategic priorities in a short three-day event inspired by the Olympic Games. The programme fully supports our Spirit behaviours of earning customer loyalty, creating the future, learning fast and getting it done together.

In FY2024, 114 of the 570 ideas submitted were selected to participate in the Hackalympics, while some ideas have been fully implemented or are set to be implemented. Examples of these ideas facilitate the efficient use of available network resources to avoid congestion promotions to our customers; the use of AI methods to predict and identify criminal activity affecting Vodacom; and the use of RPA for order processing.

ESG For more information, refer to our **ESG report**

top EMPLOYER AFRICA 2024
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Accelerating skills development in a rapidly evolving TechCo environment

To facilitate our transformation, we believe skills development is integral to every role and we are committed to supporting our employees with comprehensive resources and programmes to develop future skills and grow. Alongside our customer centricity, we are prioritising specialised career skills in software engineering and leadership development.

Developing employee skills

- During FY2024, we invested R0.5 billion in employee **skills development** across all our markets (FY2023: R0.5 billion).
- The Vodacom Discover graduate programme equips future Group leaders with the tools and skills for business excellence. The programme runs independently across our markets, offering a well-rounded experience that exposes participants to various company functions. Participants are chosen each year to enter roles within Vodacom.
- We are enhancing the people data analytics team's capability with the implementation of a global human resources data lake using Google Cloud Platform. This is now live for all OpCos and enables standardised insights and dashboards, reducing the need for manual reporting. This is complemented by high-quality people data managed through the data-quality tool, which checks and corrects human resources data against pre-set rules, with 100% error resolution since its launch in FY2023.
- We have proudly scaled our transformative RPA and Data Science Citizen Developer programme across all markets. Our Citizen Developer programme is split between RPA and Data Science. To date, 294 delegates have been trained on the RPA Citizen Developer programme across all our markets, 180 of whom are active, with 114 still to be onboarded. The active users have saved the organisation 30 716 hours of using bots. The revenue generated from customers taking up offers the bots suggested added to the outcome. Also, 2 655 calls were prevented due to bots serving our customers.

  The Citizen Data Science programme has completed two cohorts and launched its third. To date, 315 candidates have enrolled in the programme, exceeding our target, with 234 individuals successfully trained across all seven markets. These individuals are now actively applying their skills across several business sectors, including technology, commercial, operations, and human resources. In a bid to further enhance their capabilities, 30 participants are undertaking specialised training through programmes like nano-degrees and the Explore AI programme, aiming to qualify as data scientists in training. This effort not only boosts their proficiency but also prepares them for future roles in the industry.

  In addition, we plan to provide rotational opportunities to 10 candidates within the data science team in the upcoming fiscal year. This step will offer them practical experience and additional exposure to real-world applications of their training, facilitating a smoother integration into our data-driven projects and enabling them to contribute effectively across various domains.
- Several awards recognise our efforts to support the youth through our "Discover Graduate" programme in FY2024:
  - Vodacom South Africa won the Employer of Choice award and a Silver award in the Best Integrated Campaign category for employers hiring 20 or more graduates awarded by the South African Graduate Employers Association Employer of Choice award in the telecommunications sector.
  - Vodacom South Africa achieved first place in the GradStar Students' Choice award under the Telecommunications sector category. GradStar recognises the Top 100 students across the country based on leadership qualities and work readiness.

Leadership and future-leader development programmes

Our leadership development framework aims to identify and develop the capabilities our leaders need to succeed in their roles and remain relevant to our TechCo's future.

As we strive towards achieving a gender-balanced workforce, we have introduced a few bespoke offerings to unlock the potential of our top talent and below is an overview of some of our signature female programmes.

- Our newly launched Ignite programme, previously known as our Next Gen Future Leaders programme, aims to build a robust talent pipeline of potential CEOs within our organisation. The programme runs for eight months, and in FY2024, eight candidates also completed the CEO Accelerator Experience Programme. The programme creates a peer community to support and collaborate on common challenges and opportunities.
- **Female Leadership programme**
  Our Female Leadership programme was re-launched post-COVID in South Africa. The programme aims to create a network of female professionals with scarce and critical skills who are not employed by Vodacom South Africa. As opportunities arise, the programme offers them employment. Our broader plan is to scale this across the footprint.

  YuGrow programme and hyper-personalised learning
  In FY2024, we designed a unique programme in South Africa to help our top female talent to reach its full potential. The YuGrow programme is tailored to address the specific challenges that women face in their businesses and empowers them to succeed. This pilot initiative uses a blended Behaviour Tech platform to offer personalised microactions, growth challenges, intelligent coaching, and a support network. We plan to expand this programme to other markets in the future. Furthermore, we are committed to strengthening our succession planning and leadership development. To achieve this, we have implemented a hyper-personalised learning approach for executives, senior leaders, mid-level leaders, frontline leaders, and emerging leaders. This personalised approach aims to enhance their growth experience by identifying their capabilities and gaps and building on them.
- In FY2024, we rolled out a new talent framework, catering for different talent categories, including top talent, accelerated talent, and critical and scarce skills. Our senior management employees, who are considered top talent, completed psychometric assessments, followed by an in-depth feedback and development discussion. This resulted in individual development plans aimed at accelerating talent development as well as support from a coach through a specialised platform.

Value created
Value eroded
Value sustained

Developing youth digital skills

We support the youth through several programmes designed to build future-ready skills, especially in the STEM areas.

- Our Code like a Girl programme, reaching almost 16 000 participants across our markets and training more than 6 500 girls in FY2024. This is a programme aimed to introduce digital skills and teach young girls coding skills. The programme has been redesigned in South Africa and is now an accredited programme with credits that can be combined into a full university qualification through a series of bootcamps. Our ambition is to upskill one million young people across our markets through partnerships in the medium term.
- WeThinkCode is a learning institution based in South Africa, offering a tuition-free, two-year coding course to train Africa's next generation of top tech talent. The programme helps to drive the digitisation of African enterprises. Vodacom collaborates by sponsoring students annually as they complete the National Qualifications Framework, investing a total of R2.2 million in the form of Internship stipends to the beneficiaries of the We Think Code programme post-programme completion.

Case study

Leveraging partnerships to support women in technology in Mozambique

Vodacom Mozambique established Generation Ready in partnership with two universities, Universidade Eduardo Mondlane and ISCUT, and a reputable association of developers, MozDevs. The partnership aims to enhance the Code like a Girl programme by providing participants with internships, scholarships, and technical and interpersonal skills training. The partnership further aims to enhance the technical course curricula by incorporating valuable insights from its partners.

In addition, the Women's Network Forum in Mozambique collaborated with the Vodacom Foundation and Girl Move to provide development opportunities for 31 Code like a Girl alumni through the Shine programme. The programme offers a digital platform for online courses featuring self-development and community leadership content. This digital platform is focused on leadership training and the activation of sisterhood circles that impact young women across Mozambique. The alumni will also participate in a five-month community leadership programme to further enhance their skills and expertise.

Creating high-impact performance through our performance development system

Performance and development are central to our culture. Our performance development system was incorporated into our new Grow my Impact system, which was rolled out to all markets at the beginning of FY2024. The system aims to accelerate our high-impact performance and learning culture. The system aligns performance management goals with our strategic direction and allows employees to create an additional personalised goal. Mid-year reviews and upskilling sessions provide employees with feedback and support during the year, while our end of year Grow Conversations intend to recognise the outstanding contributions of individuals to our strategy and growth. We use three performance ratings to differentiate how individual efforts contribute to business performance. Our performance differentiation is aligned with Spirit behaviours, and we use higher cash-based rewards to recognise outstanding performance.

Providing innovative resources for growth

Across the Group, 11 405 employees have completed at least one online training programme through **Grow with Vodacom**, our AI-driven learning platform, equating to a utilisation rate of 90%. Employees completed a total of 292 644 courses, requiring 670 402 learning hours. On average, each employee spent 50 hours on these programmes in FY2024.

Beyond learning, the Grow with Vodacom platform integrates career management capabilities, giving employees the power to determine their professional development and career direction. The platform provides learning and career recommendations based on unique skill profiles to help employees achieve individual career goals

Our #1MoreSkill programme aims to increase certification and re-skill employees across the business prioritising areas such as software engineering, development operations, APIs, networks, connectivity, and agile. We continue to accelerate and expand the programme across our markets through an increased focus on aligning budget spend, vendor optimisation, and skills training for all. In FY2024, we spent more than R23.0 million on technical and digital skills development.

Our Skills Labs contribute to our digital transformation efforts by accelerating the re-skilling of employees in partnership with leading global vendors and in alignment with the Vodafone Learning Organisation. In FY2024, we nominated 288 employees, of which 277 attended various skill labs ranging from one to five days and skill accelerators ranging from three to eight months. These global programmes focus on cyber security, cloud computing, RPA, software engineering, Big Data analytics, 5G networks and agile.

Developing future-fit skills across our African footprint

We are accelerating our skills transformation efforts in FinTech to support the development of our mobile payment solutions – M-Pesa, VodaCash, and VodaPay through our FinTech Academy in Africa. In partnership with Gartner, the academy aims to cultivate essential skills and talent in the FinTech industry across the continent. In FY2024, over 700 employees across Africa participated in the programme. The Fintech Academy provides personalised learning paths and access to a skills catalogue to help employees identify gaps and grow their skills.

Vodacom further supports the development of technical talent through clear career paths that do not require employees to take on managerial roles. Through our technical career path framework, we effectively recognise and use applied skills, nurture future technical talent and grow a community of experts, regardless of their managerial seniority. In FY2024, we launched the technical career pilot to develop a pipeline of technical experts in South Africa, Egypt, Mozambique and Tanzania. A total of 173 employees are currently taking part in the pilot.

Fostering diversity and inclusivity to support our purpose-led culture

At the core of our organisation's culture lies collaboration, which fosters acceptance and embraces diversity, as reflected in our human capital strategy. We respect and value the diverse perspectives, backgrounds, ethnicities, ages and genders of our employees. Initiatives and forums that support diversity and inclusivity include the Disability Forum, LGBTQIA+ Network, Employee Network Forum, Women's Network Forum and Youth ExCo.

Supporting diversity and inclusion

Several awards recognise our efforts to support diversity and inclusion:

- South Africa was recognised and still maintains **Top Gold status** in the 2021 South African Workplace Equality Index for being one of the top 10 companies to work for as an LGBTQIA+ employee. This status is valid for two years, and Vodacom is currently in the process of applying for the next cycle.
- Egypt received the Gold award for Excellence in Inclusion, Equity, and Diversity at the Society of Human Resources Management's first Middle East conference. This award recognised Egypt's innovative programmes, including creating the Egyptian Gender Alliance aimed at empowering women in rural areas for the workplace; the Returnship programme, which supports women's transition back to the workplace after childcare; and the She Works Wonders programme to train newly graduated women in technical training and on-the-ground application.
- The She Works Wonders programme is a female development initiative where we have partnered with PepsiCo in Egypt. The programme trains and develops female graduates on skills needed to work in traditionally male-dominated jobs. Egypt assists women with workplace fundamentals, technical training and an on-the-ground application and employability bootcamp that forms part of a six-month developmental journey.
- DRC was recognised by Forbes through the Best of Africa award for leading in diversity.
- Kenya was recognised for the Best Transformational Change Strategy of the Year for M-Pesa Africa. M-Pesa came first and Safaricom second in the Top 100 Loved Brands by Women in Kenya, a great testimony to our diversity efforts.

Almost 700 employees have benefited from our maternity and parental leave policies, which averaged 70 days. The parental policy includes four months of fully paid leave for all non-birthing employees who adopt a child, become a parent through surrogacy or whose partner is having a child.

We routinely ensure that our business operations are fit for purpose as we transition from a TelCo to a leading TechCo. Against a tough macroeconomic backdrop and ensuring the continued efficiency of key functions, we implemented employee efficiency measures in South Africa and Mozambique during the year.

Encouraging diversity in South Africa

In FY2024, South Africa achieved Level 1 contributor status, the highest B-BBEE level for the fifth consecutive year. This consistency demonstrates our unwavering commitment to transformation in South Africa. Our status and the results below are the result of several initiatives that **support racial and gender diversity**.

- South Africa has 78% black Board representation (FY2023: 80%) and increased black female representation to 56% (FY2023: 50%).
- Developed skills of historically disadvantaged people, investing R314 million in black employees – R187 million in black women – across our South African workforce.
- Supported the development of black women in the technology industry through our Female Leadership programme.

Scoring element	Target points	Achieved points			
		FY2024	FY2023	FY2022	FY2021
Ownership	25	**23.92**	24.20	25.00	23.23
Management control	23	**17.11**	16.88	15.99	18.23
Board representation	8	**8.00**	8.00	6.83	6.83
Top management representation	5	**1.97**	2.17	2.73	4.90
Employment equity	10	**7.14**	6.71	6.44	6.50
Skills development	20	**20.63**	21.56	23.04	21.97

Providing opportunities for people with disabilities

As an extension of our external bursary programme Vodacom offers a ringfenced programme for people living with disabilities. To date we have offered to 69 students living with disabilities this bursary opportunity as they study towards an academic qualification.

In Egypt, LEAP, our two-year graduate programme, aims to provide development opportunities for people with disabilities. The programme provides participants with exposure across the business through a rotations schedule and various assignments and projects. During FY2024, the programme included six graduates. Successful graduates are offered permanent positions.

Value created
Value eroded
Value sustained

Supporting employee well-being, health and safety

At Vodacom, the health, safety and well-being of everyone we work with, including their families and suppliers, is important. Our health and safety plans aim to achieve a 100% Home Safely culture by managing and monitoring our top risks. Moving forward, we are committed to engaging with the communities in which we operate to raise general safety awareness.

Rolling out our employee well-being programme

Our employee well-being programme provides a comprehensive range of initiatives and activities that support optimum well-being, including stress management, mental health support, physical fitness, and financial management. We also offer mental health well-being ambassador training to our tier 1 and 2 suppliers to ensure that wellness support is available to Vodacom partners. We continue to drive employee support across the Group through our employee assistance programme, counsellors, and employee ambassadors, who assist employees with coping strategies, stress management, communication, grief counselling and parental guidance. In FY2024, we hosted 37 well-being webinars across the Group, some targeting all employees, with others specifically for executive employees. These webinars covered topics such as financial well-being over the festive season, mental health, mental illness, and women's and men's health. To further support our well-being programme, online mental health first aid training was offered to all people leaders, well-being ambassadors and human resource business partners.

We launched our comprehensive **C.A.R.E programme** in January 2024 across our markets. The C.A.R.E acronym encompasses compassion, acceptance, respect and empathy. The aim of the programme is to ensure that we extend our view of diversity as a key differentiator in everything we do. We acknowledge that our employees face various physiological challenges during their life cycles, particularly women, and that workplace flexibility can have a positive impact on their overall experience. Our C.A.R.E. programme offers flexible working arrangements for menstruation and menopause, along with compassionate leave and leave for employees experiencing miscarriage or stillbirth.

Ensuring compliance with health and safety plans

We consistently enhance our adherence to approved project health and safety plans, ensuring full compliance and diligently monitoring and measuring our performance against them. In FY2024, we focused on supporting visible and accountable leadership initiatives, including fireside chats and safety moments, conducting senior leadership tours across in-field operations and high-risk suppliers, assigning senior leadership champions, and expanding the functions of safety governance councils across all our markets. During the year, we conducted 768 senior leadership tours and 288 safety moments.

Any injury is one too many, and any loss of life related to our operations is unacceptable. We celebrate Tanzania, Lesotho, Egypt, and DRC for a fatality-free year. Regrettably, we experienced two fatalities within our supplier base: one in Mozambique following an attack by bees, and another in South Africa, where a pedestrian was fatally injured. These fatalities have been fully investigated, and we continue to apply learnings, sustain our controls and enhance ways of working to prevent any reoccurrences.

Vodacom remains focused on reducing road risk and improving driver behaviour. As part of the road risk management programme, driver behaviour is monitored internally and by our supplier base. This includes tracking and managing a number of defined parameters, including speeding, night driving, fatigue and harsh braking. In order to prevent incidents, we monitor the number of events, and we continue to sustain a high level of compliance and outperform our targets.

In the last financial year, we updated our digital journey management mobile application, which has improved our high-risk trip planning, predictability of hot spots, and compliance analysis, resulting in improved journey management. As part of our supplier management component, we continue to engage with our suppliers to keep managing this risk. To date, we have 895 onboard cameras in our active fleet and 852 in our supplier base across all markets. Defensive driving and anti-hijacking training is conducted internally and by our suppliers to continuously enhance our driver behaviour and performance. Our efforts yielded 219 447 safe journeys (excludes Egypt due to governmental and legal restrictions) while travelling more than 13 million kilometres, during which our drivers spent 531 787 hours on the road (excludes Egypt due to governmental and legal restrictions).

Our ongoing health and safety strategic plan includes supplier management and engagement. We have enhanced our management of high-risk suppliers across our markets through various engagement platforms, fostering open communication between supplier teams and Vodacom. During the financial year, Group Health and Safety hosted an Africa supplier forum which was attended by over 100 suppliers from the African markets. This was a successful event that further drove our engagement and collaboration with suppliers across Africa. Group Health and Safety also hosted a virtual supplier forum, which was attended by speakers from the African markets. The event was attended by over 411 suppliers.

These are the continued efforts to embed the culture of collaboration in managing our top risks across the supplier base.

Remunerating to reward value creation – an extract from our remuneration report

We are committed to our purpose to connect for a better future. This commitment shapes our remuneration practices and supports the Spirit of Vodacom. Vodacom aims to achieve meaningful value creation that embraces the role our employees play in successfully achieving our purpose-led strategy – the **System of Advantage**.

Phuthi Mahanyele-Dabengwa
RemCo Chairman

Dear stakeholders

On behalf of the Board, I am pleased to present an extract of Vodacom Group's FY2024 remuneration report. This report includes our remuneration philosophy and policy for executive directors and non-executive directors (NEDs). It provides a description of how the policy has been implemented and discloses payments made to NEDs and executive directors during the year.

Our remuneration structures are consistent with our pay for performance principles and commitment to align with shareholder value creation. These structures remain stable despite ongoing local and global uncertainty and related business and societal challenges.

We again received high support from shareholders for our remuneration practices and governance, with a vote of more than 99% on our FY2023 remuneration policy and implementation report, and 99.9% for the increase in our NED fees. We continue to monitor local, regional and global remuneration trends, as well as institutional investor and stakeholder requirements to ensure proactive adaption of our remuneration policy and practices.

REM Refer to our **remuneration report** for more information on our remuneration practices

Focus area | Action

Our key focus areas for the year in review, and actions in this regard, were:

Short-term incentive (STI) measures and achievement

We monitored the new STI measures introduced in FY2023 to ensure appropriate incentivisation to achieve our objectives of growth and customer loyalty, with feedback on our achievements in FY2024 and proposals for FY2025.

LTI measures and achievement

We monitored our LTI measures and achievement to ensure alignment with performance and best practice. We have provided feedback below on our LTI achievement in FY2024 and areas of focus for FY2025 and beyond.

Remuneration matters related to the acquisition of Vodafone Egypt

We aligned the Egypt remuneration policy with that of the Group by incorporating Vodacom LTI awards for Egypt management. We aligned our benchmarking methodology with due consideration of regional cost of living, taxation and consumer price inflation.

Fair and responsible pay

We monitored the remuneration reporting requirements of the Companies Amendment Bill of 2023 and have been monitoring the horizontal pay gap between the pay of colleagues delivering equal value of work for some time. We intervene promptly to address any anomalies that arise. In line with the annual fair pay review, all Vodacom OpCos were aligned to the fair pay principles, and action was taken where needed.

Fair Pay information **Page 126**

Companies Amendment Bill

Throughout the year, we monitored the consultation process in relation to the Companies Amendment Bill.

Talent management

During this financial year, we introduced a new talent framework to allow us to recognise a larger population of employees with the potential for bigger, more complex roles and to better differentiate between types of potential. This will also enable the business to provide tailored and value-adding development support to these employees. This change also included the identification of employees with critical skills.

ESG

Sustainability remains a key focus area for the RemCo. We approved our ESG measures and ambitions, and engaged with shareholders during the Chairman's roadshow.

We are comfortable that the adjustment to the STI performance conditions approved in FY2023 and applied in FY2024 ensures that executives and employees are appropriately incentivised to achieve growth and customer loyalty and the performance measures and weightings for FY2025 will be retained:

FY2024 and FY2025 STI framework

Customer		Growth			
NPS	Churn	Service revenue	Revenue market share	EBIT	OFCF
20%	10%	20%	10%	20%	20%

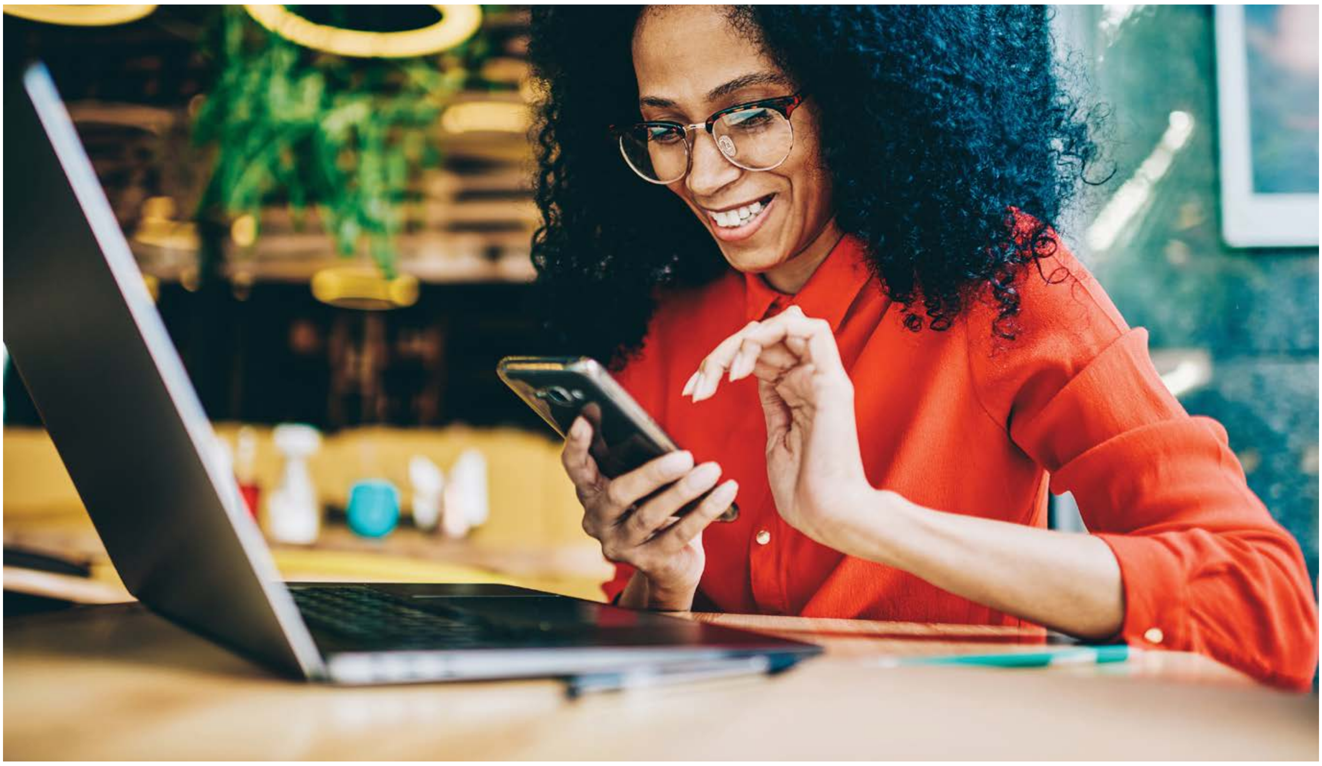
In respect of our LTI performance measures:

- Sustainability and its role relating to remuneration has remained in the local and global spotlight, with some further stakeholder caution related to the degree of stretch and challenge in ESG targets, as well as their alignment with our purpose. We therefore selected these measures to align with our purpose pillars and continued to provide good disclosure of these performance measures. We remain comfortable that the targets are stretching and measurable, focusing on GHG reduction, women in management and financial services customers. In the coming year RemCo intends to conduct a review of our ESG measures to ensure they remain aligned to global best practice, stakeholder requirements and our purpose.
- We are comfortable that the measure of operational financial performance based on cumulative OFCF remains appropriate and aligned with our financial objective of generating significant free cash flow to reward shareholders and to invest in opportunities for growth.
- The RemCo intends to review the current LTI metrics in FY2025 to ensure they remain fit for purpose and align to our business imperatives.

Fair pay and equity are also critical contributors to sustainability and the achievement of our purpose. An annual fair pay assessment is completed against six key measures (market competitive, free from discrimination, providing a good standard of living, share in our success, benefits for all, and open and transparent), as well as other pay gap measures, such as the Gini coefficient and the Palma ratio.

During the year the RemCo has been monitoring the discussions and requirements of the Companies Amendment Bill so we are able to implement the requirements when the Bill is enacted.

The Companies Amendment Bill also requires the approval of our remuneration policy every three years as well as the annual approval of the remuneration report, both by an ordinary resolution of shareholders. This will require changes to the structure of our remuneration report to enable appropriate compliance with the Companies Amendment Bill whilst retaining the positive alignment with King IV guidance as well as local and global best practice.



Remunerating to reward value creation – an extract from our remuneration report continued

Our STI and LTI performance achievements compared to FY2024 targets are shown below:

FY2024 STI performance

Metric	Weight	Threshold 0%	Target 100%	Maximum 200%	Weighted result
Service revenue	20%		120.9%		24.2%
EBIT	20%		103.1%		20.6%
OFCF	20%		102.3%		20.5%
Revenue market share	10%		138.0%		13.8%
NPS	20%		122.2%		24.4%
Churn	10%		134.5%		13.5%

The overall achievement of target is

116.9%

The comparable Group STI achievement for FY2023 was 84.3%

FY2024 LTI performance

Metric	Weight	Threshold 0%	Target 100%	Maximum 200%	Weighted result of maximum[1]
OFCF	60%		109.0%		65.4%
TSR	30%				0%
ESG	10%			198.0%	19.8%

1. The awards made represent a maximum achievement of 200%. The above achievement percentages represent the amount of this award that will vest.

The overall achievement of the target is

85.2%

The comparable Group LTI achievement for FY2023 was 121.8%

These performance outcomes have a commensurate impact on the executive directors' remuneration outcomes which are determined by the remuneration policy disclosed in detail in the remuneration report.

RemCo focus areas for FY2025 will include:

- Monitoring developing practices at JSE-listed companies, any further regulations augmenting the Companies Act remuneration governance and reporting requirements, and expected guidance notes released by the King Committee to encourage the consistency and coherence of South African remuneration reporting.
- Reviewing the performance conditions of the LTI, ensuring that they remain aligned with the achievement of our performance objectives and purpose, while being fair to our people and shareholders.
- Continuing to monitoring local, regional and global remuneration quantum and practices to ensure that our remuneration remains competitive but not excessive, in the context of our people's roles and the jurisdictions in which they reside.
- Implementing the remuneration disclosures as required by the Companies Amendment Bill once enacted.

The RemCo is satisfied that our remuneration policy remains relevant, fit for purpose, supports the King IV principles, and achieved its stated objectives in FY2024. We are committed to maintaining a strong relationship with our stakeholders, built on trust and a clear understanding of our remuneration policy and the practices that have been implemented.

Phuthi

Phuthi Mahanyele-Dabengwa
RemCo Chairman

Vodacom's employee value proposition (EVP)

Our purpose: We connect for a better future

Together, we can create a better future. Vodacom is passionate about making the world more connected, inclusive and sustainable. The Group's human spirit, with the help of technology, enables us to achieve this.

EVP pillars

Opportunity	Innovation	People	Impact
Embrace a world of experiences that will challenge you and help you thrive	Think big, take risks to break new ground, enjoy an agile environment and create the future	Be yourself, belong, feel secure and be inspired	Make a difference to people, our business, customers, communities and the planet

Competitive pay and benefits | Flexible ways of working | Care for your well-being

Our Spirit behaviours inform all of the above

Our remuneration structure

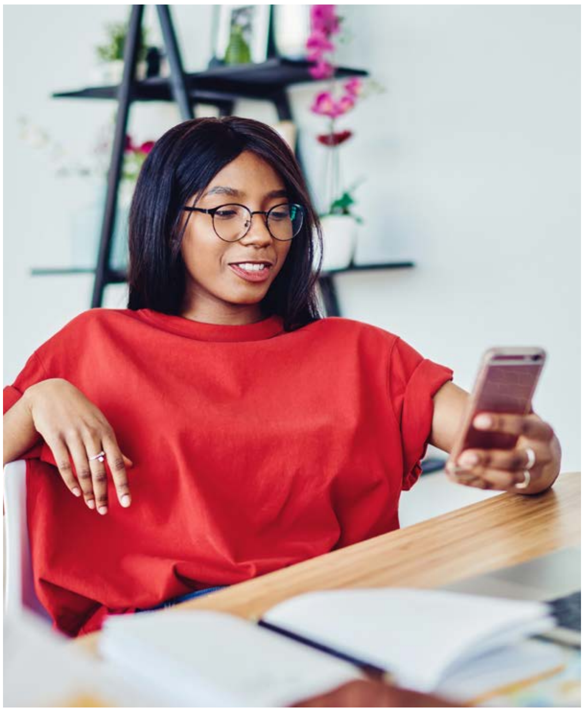
Below are Vodacom's key remuneration elements aligned to our philosophy of remunerating our employees fairly and competitively:

Element	Eligibility: Top management	Senior management	Middle management	Staff bands
GP	✓	✓	✓	✓
STI	✓	✓	✓	✓
LTI	✓	✓	✓	✗
Benefits	✓	✓	✓	✓
Other programmes (cellular benefits, maternity, parental leave, etc.)	✓	✓	✓	✓
Recognition	✓	✓	✓	✓

Remunerating to reward value creation – an extract from our remuneration report continued

Element	Eligibility	Strategic intent and link to remuneration	Description
GP	All permanent employees	Forms the basis for competitive remuneration to attract and retain the best talent **Page 121** **It reflects:** • Job-specific competence and skills, including their marketability and scarcity • Industry knowledge and experience • Contribution to achieving the strategy	Across our markets, this component varies from an approach of guaranteed total cost of employment to basic pay plus market-related cash allowances and cost of benefits. This is determined by local market legislation, market benchmarking and best practice. The GP is reviewed annually in each OpCo.
STI	All permanent employees, excluding employees on commission or quarterly incentive plans	Designed to motivate employees and incentivise the delivery of performance against set business targets, comprising measures that will drive our strategic intent of Growth and Customers and individual impact	Business measures of the STI are reviewed annually to ensure they support our strategy and drive the right behaviour. Impact goals are set during the goal-setting process, with a review at mid-year. The STI is paid in cash in June each year for performance against the previous year's targets.
LTI[1]	Executive directors, members of top management, senior management, middle management, and roles directly influencing strategy delivery, or without whom there is a risk to execution	• Motivate and incentivise the delivery of sustained performance over the long term • Encourage ownership and loyalty by aligning the interests of participants with those of the Group and our shareholders	These are variable in the form of Vodacom shares, which vest over three years. We annually review the LTI performance measures and weightings to ensure they drive the right behaviours and support the business's strategy.
	Awards to the CEO and CFO are allocated under the CSP and are a combination of performance conditional and performance forfeitable shares to ensure that dividends above the on-target value of the awards are only settled to the extent that performance is above target Newly hired top management members and promotions to top management will also participate in the CSP and receive a combination of forfeitable and conditional shares	Support employee retention	**Vodacom has two share plans:** **1. Forfeitable share plan (FSP)** is a combination of forfeitable performance shares and forfeitable retention shares **2. Conditional share plan (CSP)** with shares allocated as a combination of conditional and forfeitable Vodacom shares Executive directors and members of top management also participate in the Vodafone share plan.
Benefits	• Support retention and remain competitive in the markets in which we operate • Provide financial security when needed by employees		
Other programmes	All permanent employees	Continuously position Vodacom as an employer of choice	Access to lifestyle benefits, including employee discounts: • Cellphone, data and fibre benefits, which are based on local OpCo requirements • Maternity leave and parental leave for non-birthing partners • Annual executive health checks • C.A.R.E programme, which forms part of our wellness programme. The purpose of C.A.R.E. is to emphasise compassion, acceptance, respect and empathy, including support for all life stages, such as menopause and a more inclusive family responsibility leave policy • Vodacom Spirit Days: meeting-free days that provide employees with focus on personal growth, well-being and connection with colleagues
Recognition	Permanent employees as defined by policy	Recognises individuals for their contribution to Vodacom	Vodafone Stars, Global Heroes and Thank You recognition programmes are used to recognise individual performance and reinforce the Spirit behaviours through in-the-moment financial and non-financial recognition.

1. Vodafone retention and performance CSP awards. Details regarding performance conditions of and vesting periods for the Vodafone awards can be found in **Vodafone's FY2023 annual report** at **https://investors.vodafone.com/reports-information/results-reports-presentations**



Benefits

Our OpCos across the Group provide benefits in line with local market practice and legislative requirements.

Retirement funding

In South Africa, Lesotho and Egypt, we have private retirement funds. In 2023, the retirement fund arrangement for South Africa was moved from two standalone funds – Vodacom Group Pension Fund and Vodacom Group Provident Fund – to the Old Mutual Superfund. As a result of this move, the participants in the funds will benefit from economies of scale, which contribute to a reduction in the overall fund management costs and, therefore, an increase towards employees' retirement savings. In addition, an umbrella fund typically provides the members with a wider array of investment portfolios to choose from. Lesotho's provident fund is compulsory for all permanent employees and is managed and administered locally in Lesotho. Egypt provides its employees with a private and non-contributory pension plan where the company invests 10% of an employee's annual salary in July of each year. In the other OpCos in the Vodacom Group, namely DRC, Mozambique and Tanzania, employees participate in the government-run social security fund as required by legislation.

Pay mix

The ratio of GP versus variable pay differs for each employee band, with the weighting on variable performance-based pay higher at executive and senior levels, which is in line with our principle of paying for performance and encouraging and rewarding behaviours that support our Spirit.

RemCo reviews the targets and on-target values for each pay element annually to ensure these remain relevant and competitive, drive the right behaviours and enhance overall shareholder value.

Risk insurance

All Vodacom markets offer risk benefits to employees, including life and disability cover, with the design of the benefit determined by local market practice.

Medical cover

The medical plans in place within the Vodacom Group were selected to address the needs of the diverse Vodacom workforce, with benefits designed as applicable for each country where we operate. We review the medical cover plans annually to assess their appropriateness for our employees.

Variable pay

Vodacom's variable pay aims to reward and remunerate employees based on their individual performance, as well as company performance, which is aligned with the three key strategic goals.

STI

All permanent employees, except for those on commission or quarterly or other bonus structures, participate in the annual STI. STI payments are discretionary and are based on achieving financial and strategic measures. Payments are made in cash in June each year.

For FY2024, 100% of the on-target STI is payable on the full achievement of annual targets. If the targets are exceeded, the STI is capped at 200% of the target. If the targets are not achieved in full, a reduced STI is payable. If performance is below the threshold, no STI is payable.

The on-target and maximum STI percentages for our executive directors are set out below:

Role	On-target % of GP FY2024	Maximum % of GP FY2024
CEO	100%	200%
CFO	75%	187.5%

For FY2024, the STI will be based on business performance and is capped at 200% of the target, which is the maximum business multiplier. The impact rating, of which the minimum is 0% and the maximum is 125%, is applicable to all eligible employees except for the CEO.

Remunerating to reward value creation – an extract from our remuneration report continued

LTI

The LTIs aim is to retain key skills and motivate executives and select employees over the long term, which is essential for sustainable performance. We use OFCF as the principal performance measure to ensure we apply prudent cash management and rigorous capital discipline to our investment decisions. TSR, along with a performance period of no shorter than three years, means we focus on the long-term interests of our shareholders. ESG components support an even closer alignment with our purpose.

With effect from June 2022 on the LTI allocation under the CSP, certain changes have been made to reflect developments in local and global best practice.

The most material changes are:

- Dividends will only be paid on the stretch portion of awards if, and to the extent that, performance is above target; and
- The updated plan reflects the actual Group practice of only using shares purchased in the market to settle awards; the issue of new shares and the use of treasury shares are no longer permitted.

The on-target and maximum LTI and the split of awards for the CEO and CFO are set out below. This has remained unchanged from the previous financial year:

	CEO	CFO
On-target % of GP	225	135
Maximum % of GP	433	270
On-target awards are split		
Vodacom CSP performance	77.78%	75.00%
Vodafone CSP performance	22.22%	25.00%

The CEO and CFO are allocated shares with performance conditions under the Vodacom CSP and the Vodafone share plan.

Vodacom Siyanda Employee Trust

Established in 2019, the Vodacom Siyanda Employee Trust holds an equity investment in the Vodacom Group through its interest in YeboYethu. At the time of the establishment of Siyanda, employees were allocated units (Siyanda units) in the trust based on a varying percentage of their GP, depending on their employment bands, race and gender. Each share is equivalent to one unit, with the unit representing vested rights to the underlying YeboYethu ordinary shares. The service condition will lift in three equal tranches at the end of years three, four and five and will only become fully tradeable in the black economic empowerment segment of the JSE in three equal tranches over three years starting from the end of the fifth year (years six, seven and eight). In March 2022, the first tranche was transferred to employees, in March 2023, the second tranche was transferred, and the final third tranche was transferred in March 2024.

Malus and clawback

Our malus and clawback policy allows Vodacom, through its Board, to reduce or claw back certain elements of an executive employee's remuneration in circumstances where a trigger event has occurred.

Clawback means the recoupment during the clawback period of all or a portion of the clawback amount from an executive after vesting or payment. The clawback period is three years post-settlement. **Malus** refers to reducing unvested or unpaid awards before the end of the vesting period (LTI) or before payment (STI).

The Board adopted this policy to further align the interests of our executives and senior management with the long-term interests of the Group. The policy ensures that excessive or inappropriate risk-taking is not rewarded, stipulates that any errors can be corrected and ensures a fair outcome when variable remuneration is awarded.

The policy sets out the circumstances where the Board, following the advice of RemCo, may apply its discretion to reduce or claw back incentive awards (in whole or in part) in line with the policy. Currently, Vodacom's executive directors and top management are subject to the provisions of this policy. This limited scope of application will be reviewed from time to time to ensure it is appropriate and in line with market practice for South African-listed companies. This policy applies to variable remuneration – STIs and LTIs.

Other remuneration policies

Executive contracts

Members of top, senior and middle management are permanent employees of Vodacom and must comply with the below contractual obligations:

Contract period
Contract period commences when the executive starts his/her employment with an indefinite end date

Notice period
- 12 months for the CEO
- Six months for top management and senior management
- Three months for middle management

Retirement age
60, but early retirement can be considered from 50

Restraint of trade
Six months

Payments for termination of office

The maximum termination benefit potentially payable is limited to six months. During FY2024 no gratuity payments were made. These benefits do not apply to a normal voluntary resignation or retirement.

Termination benefits

There are no contractual entitlements to payment on termination, except regarding payment for the notice period and accrued leave balances. STIs and LTIs will be dealt with based on the nature of the termination. Malus and clawback provisions apply to STI and LTI arrangements:

	STI	LTI
Voluntary termination	Not eligible for STI payment	The right to receive share awards will be forfeited with immediate effect
Involuntary termination (death, retirement, retrenchment, ill-health, injury or disability and participant's employer company ceasing to be a member of the Group)	STI cash payments will be pro-rated for the financial year until the exit date	LTI will vest in line with the scheme rules and once the achievement of the performance conditions is approved
Mutual separation	Managed in line with respective scheme rules and subject to RemCo approval	

In terms of the current Vodacom policy, the CEO and CFO would be entitled to the following on termination of office, on a good-leaver basis:

CEO

- Up to a maximum of six months' gratuity if departure is on a good-leaver basis (RemCo discretion)
- In general, pension, accrued leave and any medical aid benefit will continue to apply until termination date

STI

- STI would be pro-rated for the period of service during the financial year and will reflect the extent to which Vodacom's performance was achieved
- RemCo has the discretion to reduce the entitlement of the STI plan to reflect the individual's performance and circumstances of termination
- No STI is payable in the event of a standard resignation

CFO

- Up to a maximum of six months' gratuity if departure is on a good-leaver basis (RemCo discretion)
- In general, pension, accrued leave and any medical aid benefit will continue to apply until the termination date

LTI

- The LTI will vest in line with scheme rules and, once the achievement of the performance conditions is approved, pro-rated for the proportion based on the vesting period that elapsed from the date of allocation to the date of cessation of employment
- RemCo has the discretion to vary the level of vesting as deemed appropriate and, particularly, to determine that awards should not vest for reasons which may include, at their absolute discretion, departure in the case of poor performance, departure without the agreement of the Board or detrimental competitive activity
- All unvested shares will be forfeited in the event of a standard resignation

Minimum shareholding requirement

Members of the ExCo are required to build up minimum levels of personal shareholding in the Group as a tangible demonstration of their commitment to the Group and to align with shareholders' interests. Vodacom introduced the following minimum shareholding requirements:

- **CEO:** 300% or three times his GP, comprising 200% Vodacom shares and 100% Vodafone shares. Should the CEO not meet this requirement at the time of the LTI awards, the levels of the Vodacom and Vodafone awards will be reduced below the target award levels indicated.
- **The CFO and top management:** 50% of GP.

Implementation report

This implementation report details the outcomes of implementing the approved remuneration policy, including executive directors and NEDs.

Fair and reasonable pay

GP increases

We conduct benchmarking annually, given the heightened competition for technology-related skills and talent. The details of salary increases represent the overall percentage increase by market, with the actual increase allocated differing based on employee performance and alignment to our fair pay principles.

Country	FY2024 salary increase granted	FY2023 salary increase granted
South Africa	**6.0%**	6.0%
Tanzania	**5.0%**	5.0%
DRC	**3.0%**	3.0%
Mozambique	**4.6%**	6.0%
Lesotho	**4.0%**	4.0%
Egypt	**25.0%**	25.0%

Cost of living actions

It is recognised that rising inflation levels and the subsequent cost of living crisis have impacted employees in certain markets, particularly in Egypt where we have provided targeted support to help alleviate the impact of these pressures. As an organisation, we will continue to monitor the market conditions across all our OpCos.

Approved GP increase for executive directors

Executive director	FY2024 R	FY2023 R	% increase
MSA Joosub	**17 636 180**	16 637 906	6%
RK Morathi	**10 850 320**	10 236 150	6%

The GP figures above include contributions to pension and provident funds, medical aid and a company benefit.

Vodacom benchmarks its executive remuneration through comparisons using:

- An appropriate premium and/or discount to the individual incumbents of direct competitors;
- A portfolio of similarly sized companies, where sizing is based on a combination of market capitalisation, number of employees, total assets and turnover; and
- A grade-based approach to a local executive remuneration survey.

STI

The measures, bonus levels and weightings are reviewed annually to ensure a continued link to strategy and management's direct influence. The financial measures are typically determined based on budgets.

The measurement methodology for each component of the STI metrics is set out below. The aggregate outcome of this measurement sets our business performance multiplier, which ranges from 0% to 200%.

Element	Weighting	Description of metrics and range	Threshold	Target	Above target
Service revenue	20%	All revenue for ongoing services, including monthly access charges, airtime usage, financial and digital services, fixed and fibre services, roaming, incoming and outgoing network usage by non-Vodacom customers, and interconnect charges for incoming calls, among others	95%	100%	105%
EBIT	20%	Earnings before interest, taxation, impairment losses and profit/loss from associates and joint ventures	-2.5% of service revenue target	100%	+2.5% of service revenue target
OFCF	20%	Cash generated from operations less additions to property, plant and equipment, intangible assets, and proceeds on disposal of property, plant and equipment, and intangible assets	-2.5% of service revenue target	100%	+2.5% of service revenue target
NPS	20%	NPS measures our customers' loyalty and satisfaction and the extent to which our customers would recommend us			
Churn	10%	Churn is the average number of monthly customers divided by the annualised number of disconnections during the period			
Revenue market share	10%	Revenue market share – market share is measured by a percentage of an industry's total value in various metrics. In the case of revenue market share, the calculation is to divide Vodacom's revenues by the industry's total revenues over a fiscal period. The industry's total revenues will include all the revenues of competitors. The result will be Vodacom's proportionate share of the market in terms of revenue in a fiscal period			

The Vodacom Group business multiplier is used for the CEO, CFO and other members of ExCo. Where ExCo members are responsible for an OpCo, the business multiplier is based on a weighted average of the business performance split between the relevant OpCo (70%) and Vodacom Group (30%).

STI calculation

The changes to the STI effective FY2024 will affect the calculation of the STI for the CFO. There is no change to the STI calculation for the CEO.

The formula for determining the **CEO's** cash bonus:

GP × Target incentive **100%** × Business performance **0% to 200%**

The formula for determining the **CFO's** cash bonus:

GP × Target incentive **100%** × Business performance **0% to 200%** × Impact rating **0% to 125%**

Human capital continued

Remunerating to reward value creation – an extract from our remuneration report continued

FY2024 STI performance

The graphic below shows the extent to which the Group's targets were met for the year ended 31 March 2024.

The overall achievement of target is

116.9%

The comparable Group STI achievement for FY2023 was 84.3%.

Metric	Weight	Threshold 0% – Target 100% – Maximum 200% (achievement)	Weighted result
Service revenue	20%	120.9%	24.2%
EBIT	20%	103.1%	20.6%
OFCF	20%	102.3%	20.5%
Revenue market share	10%	138.0%	13.8%
NPS	20%	122.2%	24.4%
Churn	10%	134.5%	13.5%

Based on a combination of Group and individual performance (as detailed in the remuneration policy), the resultant STI awards for the CEO and CFO were:

Executive director	FY2024 R	FY2023 R	difference
MSA Joosub	**20 616 695**	14 025 755	47%
RK Morathi	**9 513 018**	6 471 806	47%

LTI

Below are the LTI metrics and weightings for the respective share allocations:

Metric	Weighting award FY2024 Vesting FY2027	Weighting award FY2023 Vesting FY2026	Weighting award FY2022 Vesting FY2025	Weighting award FY2021 Vesting FY2024
OFCF	60%	60%	60%	60%
TSR relative to a peer group	30%	30%	30%	30%
ESG target	10%	10%	10%	10%

LTI – OFCF metric

We determine the targets for OFCF according to the achievement of the three-year budget plan. TSR achievement is calculated based on the position in the selected TSR peer group.

The vesting of Vodacom shares is based on the following scale:

	OFCF	TSR relative to peer group
Threshold 40%	Three-year plan -20%	At 50th percentile of the index
Target 100%	Three-year plan	Average of the 50th and 75th percentile of the index
Maximum 200%	Three-year plan +20%	75th percentile of the index

LTI TSR peer group metric

No changes were made to the TSR peer group in FY2024. Vodacom uses the Indi25 index as the most representative list of companies when considering industry competitors, labour market and company size. LTI awards made during June 2023 used the following peer group companies for the LTI TSR vesting condition:

- MTN Group Limited
- Aspen Pharmacare Holdings Limited
- Truworths International Limited
- Richemont SECS
- Woolworths Holdings Limited
- The Foschini Group Limited
- Shoprite Holdings Limited
- Life Healthcare Group Holdings
- Telkom SA SOC Limited
- Mr Price Group Limited
- Bidvest Group Limited
- Bidcorp Limited
- Netcare Limited
- Clicks Group Limited
- AVI Limited
- Mondi Plc
- Pick n Pay Stores Limited
- Spar Group Limited

ESG measures

This component comprises targets across our purpose pillars and accounts for a 10% weighting of LTI, with each measure equally weighted. ESG targets that extend over the next three years to FY2027 were set by the RemCo. From FY2025, following a refresh of our purpose framework, digital society and inclusion for all have been brought together under a single pillar, empowering people.

Empowering people incorporates:

- Financial inclusion customers; and
- Women in management.

Empowering people

Financial inclusion customers

76 million financial inclusion customers by 31 March 2027#

Females in management

44% representation of women in management (F band and above) by 31 March 2027*

Protecting the planet

84% reduction in scope 1 and 2 GHG emissions versus a FY2020 baseline by 31 March 2027

Defined as total number of financial inclusion customers, including:
- Number of mobile money customers (M-Pesa and Vodafone Cash 30-day active users) in the DRC, Egypt, Lesotho, Mozambique and Tanzania as well as Kenya (Safaricom); and
- Unique number of South African 30-day active customers holding one or more of the following Vodacom South African products: insurance, lending (VodaLend, business advance) and VodaPay services.

This drives further alignment to the principles of ESG target setting within the context of the UN Sustainable Development Goals. The comparable metric in FY2024 was 65.6 million. While reported in our broader ESG disclosures, Ethiopia will only be included in this target in future performance periods.

* Includes Safaricom.

FY2024 LTI performance

Achievement of the FY2024 LTI represents the final vesting percentage for awards made in June 2021, where the three-year performance period concluded on 31 March 2024. These shares will vest in June 2024 and are disclosed in the table of single total figure of remuneration using the closest practicable share price of R92.45 for Vodacom shares as at 31 May 2024.

Metric	Weight	Achievement (Threshold 0% / Target 100% / Maximum 200%)	Weighted result of maximum[1]
OFCF	60%	109.0%	65.4%
TSR	30%		0.0%
ESG	10%	198.0%	19.8%

1. The overall achievement indicates the final vesting as a percentage of the on-target award, ranging from 0% to 200%.

The overall achievement of target is

85.2%

The comparable Group LTI achievement for FY2023 was 121.8%

LTI performance outcomes

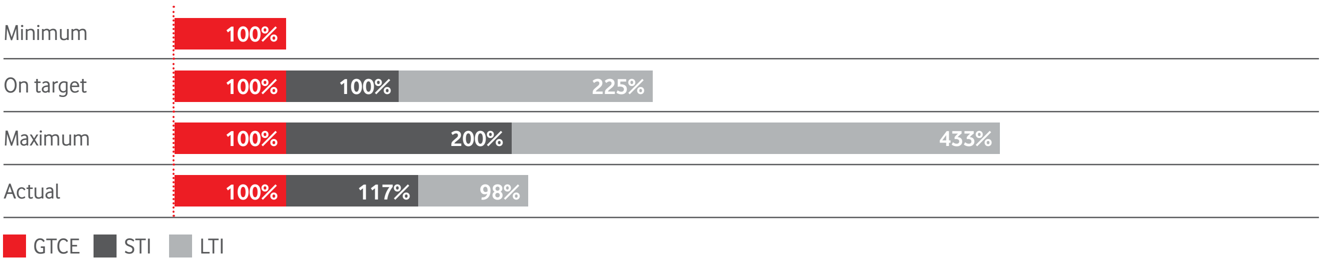
Name	Number of shares	Vested LTI FY2024 (R)	Vested LTI FY2023 (R)	Difference
MSA Joosub	339 099	13 354 973	22 207 811	(39.9%)
RK Morathi	68 786	5 004 742	10 354 251	(51.7%)

Remunerating to reward value creation – an extract from our remuneration report continued

Shameel Joosub (CEO)

I am filled with gratitude to have been part of Vodacom's growth journey over the past 30 years. While I reflect proudly on our milestones, it is our ongoing purpose to connect for a better future and drive inclusion that fuels my passion to lead this company.

- Despite a challenging macro backdrop, Group revenue exceeded R150 billion as our customer base reached 203.1 million
- Building on the strong commercial momentum of FY2024, we upgraded our medium-term service revenue target to high single-digit growth
- We remain Africa's largest FinTech player, transacting US$1.1 billion of transaction value a day across our platforms
- We made meaningful contributions to digital and financial inclusion in FY2024. We added over 2 300 4G sites in the year and increased our financial services customers to 78.9 million, including Safaricom. We sustained our progress on gender empowerment, with 39.3% (including Safaricom Kenya) representation of women in management and senior leadership roles
- We partnered with governments and other stakeholders to provide innovative solutions enabled by technology. Our Tech for Good solutions are key enablers of inclusion and address challenges across critical industries, including healthcare, education and agriculture
- Our progress on ESG was recognised. We retained our ESG leader AAA rating from MSCI, improved our ISS rating to Prime and was awarded an A- rating in the latest CDP assessment.



- The maximum STI for Shameel is twice the target. This is the maximum business performance multiplier, as no personal multiplier is applicable.
- Similar to the STI, Shameel does not have an individual rating multiplier on LTI.
- Therefore, the maximum represents the maximum number of shares that could vest for above target performance, whereas the target represents the number of shares vesting at target performance.
- Dividends are received in cash on all outstanding unvested scheme awards at each dividend declaration date. Since the dividend varies from period to period, it has not been included in the pay mix indicated above.

Tables of single total figure of remuneration

The following tables were prepared in line with King IV and relevant practice notes and include an LTI amount. The LTI shares vesting in June 2024 are valued as at 31 May 2024, the closest practicable date, at a share price of R92.45 for Vodacom shares and GBP0.76 for Vodafone shares (exchange rate of GBP/ZAR 23.97) as at 31 May 2024.

- The CEO's LTI awards remain very competitive, noting that his current award eligibility reflects his substantial co-investment in Vodacom shares since his appointment as CEO (he currently holds 1 234 503 Vodacom shares, amounting to a personal investment of over R114 million).

MSA Joosub	FY2024	FY2023	% increase	Currency
GP[1]	**17 386 612**	16 637 906	4.5%	ZAR
Other[2]	**4 800**	4 800	0.0%	ZAR
STI[3]	**20 616 695**	14 025 755	47.0%	ZAR
LTI[4]	**17 362 403**	26 188 907	(33.7%)	ZAR
FSP	**13 354 973**	22 207 811	(39.9%)	ZAR
Vodafone shares	**4 007 430**	3 981 096	0.7%	ZAR
Dividends[5]	**6 371 251**	7 478 913	(14.8%)	ZAR
Total (pre-tax)	**61 741 761**	64 336 281	(4.0%)	ZAR
Total (post-tax)[6]	**33 957 968**	35 384 954	(4.0%)	ZAR

1. Salary increase effective 1 July each year and cash payments received during the financial period.
2. This includes the Vodacom cellphone benefit.
3. These amounts relate to the STI payable in June 2024, derived from performance for the year ended 31 March 2024.
4. LTI awards made in June 2021 vesting in June 2024.
5. Dividends are the total of cash receipts during the financial year based on unvested share awards, as well as dividends received on Siyanda units.
6. Post-tax values are indicative using a 45% taxation rate applied to the gross amount.

Outstanding share awards (number and value of shares)

In the tables below, the value at award represents the face value of shares at the time of award. The value at year end, after adjusting for share price movements and the targeted vesting level, thus represents the current estimate of value likely to accrue to participants.

The column indicated by “settled in the year” represents the cash value of all awards that were settled per King IV’s disclosure requirements. Similarly, the column indicated by “forfeited in the year” represents the cash value forfeited by participants in the year.

Number of shares

Financial year awarded	Date awarded	Date vesting	Opening balance	Granted in the year	Forfeited in the year	Settled in the year	Closing balance
Conditional benefit – restricted shares							
2014	May 2013	N/A	208 610	-	-	-	208 610
Vodacom FSP – with company performance vesting conditions							
2021	Jun 2020	Jun 2023	330 398	-	(129 185)	(201 213)	-
2022	Jun 2021	Jun 2024	339 099	-			339 099
Vodacom conditional shares							
2023	Jun 2022	Jun 2025	200 688				200 688
2024	Jun 2023	Jun 2026		261 270			261 270
Vodafone conditional shares							
2021	Nov 2020	Aug 2023	240 623		(27 387)	(213 236)	-
2022	Aug 2021	Aug 2024	271 473				271 473
2023	Jul 2022	Jul 2025	333 553		-	-	333 553
2024	Jul 2023	Jul 2027		469 818			469 818
Siyanda units							
2019	Mar 2019		34 180		-	-	34 180
2020	Jun 2019		1 068		-	-	1 068
2020	Nov 2019		356		-	-	356
2022	Mar 2021		152		-	-	152

Value of shares

Financial year awarded	Date awarded	Date vesting	Value at award date	Estimated effect of share price[1]	Estimated effect of performance targets[2]	Forfeited in the year[3]	Settled in the year[3]	Value at year end[4]	Currency
Conditional benefit – restricted shares									
2014	May 2013	N/A	23 669 391	(4 383 397)	-	-	-	19 285 995	ZAR
Vodacom FSP – with company performance vesting conditions									
2021	Jun 2020	Jun 2023	42 866 299	(2 557 743)		(15 760 570)	(24 547 986)	-	ZAR
2022	Jun 2021	Jun 2024	44 367 781	(13 018 078)	(13 354 973)	-	-	13 354 973	ZAR
Vodacom conditional shares									
2023	Jun 2022	Jun 2025	29 116 277	(10 562 671)	-	-	-	18 553 606	ZAR
2024	Jun 2023	Jun 2026	29 116 347	(4 961 935)				24 154 412	ZAR
Vodafone conditional shares									
2021	Nov 2020	Aug 2023	305 589	(130 312)	-	(19 950)	(155 328)	-	GBP
2022	Aug 2021	Aug 2024	317 080	(111 793)	-	-	-	205 288	GBP
2023	Jul 2022	Jul 2025	408 135	(155 903)	-	-	-	252 233	GBP
2024	Jul 2023	Jul 2027	364 250	(8 974)	-	-	-	355 276	GBP
Siyanda units									
2019	Mar 2019		700 690	93 995	-	-	-	794 685	ZAR
2020	Jun 2019		22 481	2 350	-	-	-	24 831	ZAR
2020	Nov 2019		7 120	1 157	-	-	-	8 277	ZAR
2022	Mar 2021		6 536	(3 002)	-	-	-	3 534	ZAR

1. The estimated effect of share price is based on the share price movement between the date of award and the closing price on 31 May 2024.
2. The effect of the performance target is based on the achievement of 85.2% of target.
3. Shares settled and forfeited in the year at a share price of R122 for Vodacom and GBP1.21 for Vodafone on the vesting date.
4. Value has been calculated using the closest practicable share price, as at 31 May 2024, being R92.45 for the Vodacom share price and GBP0.76 for the Vodafone share price at an exchange rate of R23.97 and R23.25 for the Siyanda units.

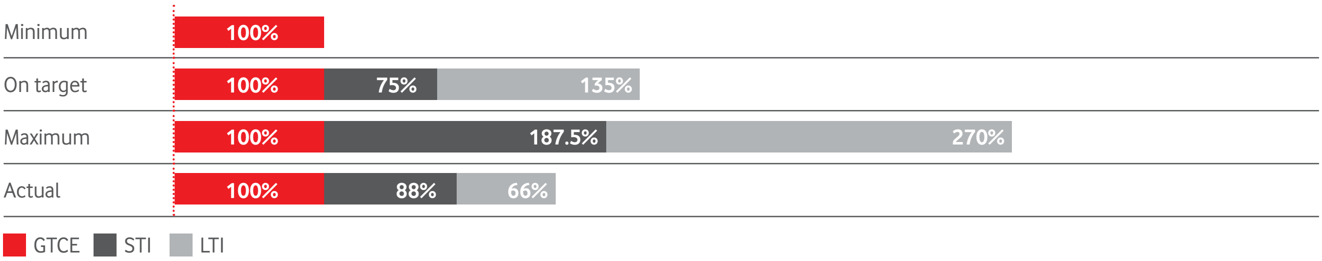
Remunerating to reward value creation – an extract from our remuneration report continued

Raisibe Morathi (CFO)

I am proud of Vodacom's satisfactory results in a year shaped by global macroeconomic uncertainty and inflationary pressure. Despite the challenging environment, we remain steadfast in our commitment to delivering on our strategy, and we are encouraged by the growth and movement we have seen in our operations as we transition to a TechCo.

- Group revenue of R151 billion was up 26.4%
- Group service revenue growth was 29.1%, and including Egypt on a *pro forma* basis was 9.2%
- Financial services revenue increased 32.2% to R13.0 billion, contributing 10.8% to Group service revenue
- Group EBITDA growth of 24.3% or 7.8% on a *pro forma* basis
- We generated OFCF of R30.3 billion, up 20.7%, having invested R20.4 billion into capital expenditure
- Group free cash flow generation of R18.2 billion supported lower leverage of 0.9x net debt to EBITDA

REM Refer to our **remuneration report** for more information on our remuneration practices



- The maximum STI for Raisibe is twice the target. This is the maximum business performance multiplier. With the implementation of Grow my Impact, Raisibe will now have an impact rating multiplier, which affects the final STI payment.
- With the changes to the Talent Management System, Raisibe may be allocated a talent rating which will impact her LTI allocation. The maximum represents the potential maximum of shares that could vest based on the standard LTI allocation, and on target represents the number of shares that are anticipated to vest.
- Dividends are received in cash on all outstanding unvested scheme awards at each dividend declaration date. Since the dividend varies from period to period, it was not included in the pay mix above.

Tables of total single figure of remuneration

The following tables were prepared in line with King IV and relevant practice notes and include an LTI amount. The LTI shares vesting in June 2024 are valued as at 31 May 2024, the closest practicable date, at a share price of R92.45 for Vodacom shares and GBP0.76 for Vodafone shares (exchange rate of GBP/ZAR 23.97) as at 31 May 2024.

RK Morathi	FY2024	FY2023	% increase	Currency
GP[1]	**10 696 778**	10 095 863	6.0%	ZAR
Other[2]	**2 107 547**	6 235	>100.0%	ZAR
STI[3]	**9 513 018**	6 471 806	47.0%	ZAR
LTI[4]	**7 128 023**	10 354 251	(31.2%)	ZAR
FSP	**5 004 742**	10 354 251	(51.7%)	ZAR
Vodafone shares	**2 123 281**	0	100.0%	ZAR
Dividends[5]	**664 614**	1 432 885	(53.6%)	ZAR
Total (pre-tax)	**30 109 980**	28 361 040	6.2%	ZAR
Total (post-tax)[6]	**16 560 489**	15 598 572	6.2%	ZAR

1. Salary increase effective 1 July each year and cash payments received during the financial period.
2. This includes the Vodacom cellphone benefit and a cash payment for shares forfeited from previous employer, for shares that vested in 2021, 2022 and 2023.
3. These amounts relate to the STI payable in June 2024, derived from performance for the year ended 31 March 2024.
4. Sign-on share awards are expected to vest in November 2024.
5. Dividends are the total of cash receipts during the financial year based on unvested share awards, as well as dividends received on Siyanda units.
6. Post-tax values are indicative using a 45% taxation rate applied to the gross amount.

Outstanding share awards (number and value of shares)

In the tables below, the value at award represents the face value of shares at the time of award. The value at year end, after adjusting for share price movements and the targeted vesting level, thus represents the current estimate of value likely to accrue to participants.

The column indicated by "settled in the year" represents the cash value of all awards that were settled per King IV's disclosure requirements. Similarly, the column indicated by "forfeited in the year" represents the cash value forfeited by participants in the year.

Number of shares

Financial year awarded	Date awarded	Date vesting	Opening balance	Granted in the year	Forfeited in the year	Settled in the year	Closing balance
Vodacom FSP – without company performance vesting conditions							
2021	Nov 2020	Nov 2023	47 828	-	-	(47 828)	-
2022	Nov 2021	Nov 2023	11 593		-	(11 593)	-
2022	Jun 2021	Jun 2024	34 393		-	-	34 393
Vodacom FSP – with company performance vesting conditions							
2022	Jun 2021	Jun 2024	34 393		-	-	34 393
Vodacom conditional shares							
2023	Jun 2022	Jun 2025	67 519	-	-	-	67 519
2024	Jun 2023	Jun 2026	133 185	-	-	-	133 185
Vodafone conditional shares							
2022	Jun 2021	Jun 2024	90 787				90 787
2023	Jul 2022	Jul 2025	130 927				130 927
2024	Jul 2023	Jul 2026		195 110			195 110
Siyanda units							
2021	Nov 2020		34 830	-	-	-	34 830
2022	Mar 2021		152	-	-	-	152

Value of shares

Financial year awarded	Date awarded	Date vesting	Value at award date	Estimated effect of share price[1]	Estimated effect of performance targets[2]	Forfeited in the year[3]	Settled in the year[3]	Value at year end[4]	Currency
Vodacom FSP – without company performance vesting conditions									
2021	Nov 2020	Nov 2023	5 999 960	(895 756)	-	-	(5 104 204)	-	ZAR
2022	Nov 2021	Nov 2023	1 600 097	(364 052)	-	-	(1 236 045)	-	ZAR
2022	Jun 2021	Jun 2024	4 499 980	(1 320 347)	-	-	-	3 179 633	ZAR
Vodacom FSP – with company performance vesting conditions									
2022	Jun 2021	Jun 2024	4 499 980	(1 320 347)	(1 354 524)	-	-	1 825 109	ZAR
Vodacom conditional shares									
2023	Jun 2022	Jun 2025	9 795 812	(3 553 680)	-	-	-	6 242 132	ZAR
2024	Jun 2023	Jun 2026	14 842 136	(2 529 183)	-			12 312 953	ZAR
Vodafone conditional shares									
2022	Jun 2021	Jun 2024	113 756	(45 103)	-		-	68 653	GBP
2023	Jul 2022	Jul 2025	160 202	(61 195)				99 007	GBP
2024	Jul 2024	Jul 2026	151 269	(3 727)				147 542	GBP
Siyanda units									
2021	Nov 2020		1 123 268	(313 470)	-	-	-	809 798	ZAR
2021	Mar 2021		6 536	(3 002)	-	-	-	3 534	ZAR

1. The estimated effect of the share price is based on the share price movement between the date of award and the closing price on 31 May 2024.
2. The effect of the performance target is based on the achievement of 85.2% of target.
3. Shares settled and forfeited in the year at a share price of R122 for Vodacom and GBP1.21 for Vodafone on the vesting date.
4. The value was calculated using the closest practicable share price as at 31 May 2024, being R92.45 for the Vodacom share price and GBP0.76 for the Vodafone share price at an exchange rate of R23.97 and R23.25 for the Siyanda units.

AFS Funding of share plans and dilution details of the shares used for the scheme are included in the Group's **consolidated annual financial statements** and **directors' report**

Remunerating to reward value creation – an extract from our remuneration report continued

Termination of office payments

No termination of employment payment for executive directors was made in FY2024.

Shareholding

AFS Details of the beneficial interests of directors in Vodacom's ordinary shares (excluding interests in the LTI) are set out in the directors' report in the **consolidated annual financial statements**

Policy compliance

The disclosure presented in this report is based on awards to qualifying employees. All remuneration decisions were made in total compliance with the remuneration policy as previously approved by shareholders. There were no known deviations from the policy in FY2024.

NED remuneration

Vodacom believes that NEDs' duties and fiduciary responsibilities extend beyond meeting attendance. For this reason, fees are set as single retainer amounts. NEDs do not receive any short-term cash awards or long-term share awards.

We benchmark our NED fees against those published by peer group companies in their most recent notices of AGM. This comparator group is different from the TSR peer group, as NEDs' skills come from a pool of more appropriately sized companies.

Our peer group of companies included:

- MultiChoice Group Limited
- Woolworths Holdings Limited
- Sibanye Stillwater Limited
- Anglo Gold Ashanti Limited
- Shoprite Holdings Limited
- Bidcorp Limited
- Gold Fields Limited
- Sasol Limited
- MTN Group Limited
- Standard Bank Limited

NED payments

NED fees are benchmarked against a peer group of similarly sized companies as outlined on **Page 134**

FY2024 fees (R)

Name	Director fee	ARCC		RemCo		SEC		InvestCo		NomCo	*Ad Hoc*	Total
		Chairman	Member	Chairman	Member	Chairman	Member	Chairman	Member	Member	Committee	
SJ Macozoma[!#]	3 701 798											3 701 798
F Bianco[β]	582 473				177 820					152 418		912 711
A Dimitrova[β°]	260 898											260 898
SG Kamath[β°]	27 130											27 130
P Klotz[β]	582 473								152 418			734 891
P Mahanyele-Dabengwa[#α]	582 473			341 529						152 418		1 076 420
NC Nqweni[#α]	582 473		245 302				152 418					980 192
JWL Otty[β]	582 473								152 418		12 946	747 836
JH Reiter[β°]	288 858						75 586				12 946	377 390
KL Shuenyane[!#α]	1 452 165		78 622			85 491		85 491		48 852		1 750 621
S Sood[β°]	293 615											293 615
CB Thomson[#α]	582 473	450 035			177 820				152 418			1 362 746
LS Wood[β]	582 473				177 820		152 418			152 418		1 065 129
	10 101 773	450 035	323 924	341 529	533 461	85 491	380 422	85 491	457 254	506 106	25 892	13 291 378

Notes:
β Fees paid to Vodafone and not the individual director.
° Fees for a portion of the year.
! The Chairman's fee is an all-inclusive fee. At the annual general meeting on 20 July 2023, an all-inclusive fee was approved for the Lead independent director. This came into effect from 1 August 2023. Accordingly, the fees set out above in respect of the Lead independent director reflect those fees paid prior to 1 August 2023 (before the all-inclusive fee came into effect), and the balance of the fees paid after 1 August 2023, which reflects fees paid on an all-inclusive basis.
Fees excluding VAT paid.
α Excludes an amount of R3 000 paid in September 2023, for incidental expenses while travelling to Board meetings in Egypt.

FY2023 fees (R)

Name	Director fee	ARCC		RemCo		SEC		NomCo	Other	Total
		Chairman	Member	Chairman	Member	Chairman	Member	Member	Member	
SJ Macozoma[#α]	3 502 922									3 502 922
DH Brown[#]	182 023	103 030			40 710					325 763
F Bianco[β]	551 181				168 267			144 229		863 677
P Klotz[β]	551 181								12 213	563 394
P Mahanyele-Dabengwa[#α]	551 181			320 595				144 229		1 016 005
NC Nqweni[α]	551 181		232 124				144 229			927 534
A O'Leary[β]	249 365									249 365
A Dimitrova	301 817									301 817
JWL Otty[β]	551 181								12 213	563 394
KL Shuenyane[#α]	691 688		232 124			252 401		128 095	21 373	1 325 681
S Sood[β]	551 181									551 181
CB Thomson[#α]	551 181	322 829	56 159		127 557				12 213	1 069 939
LS Wood[β]	551 181				168 267		144 229	144 229		1 007 906
	9 337 263	425 859	520 407	320 595	504 801	252 401	288 458	560 782	58 012	12 268 578

Notes:
β Fees paid to Vodafone and not the individual director.
° Fees for a portion of the year.
Fees excluding VAT paid.
α Excludes an amount of R2 000 paid in September 2022, for incidental expenses while travelling to Board meetings in Kenya.

Five-year historic review

	2024	2023	2022	2021	2020	Compound growth (%)
Summarised income statement (Rm)						
Service revenue	**120 897**	93 650	79 936	77 574	73 354	13.3
Revenue	**150 594**	119 170	102 736	98 302	90 746	13.5
Operating profit	**35 337**	29 252	28 236	27 652	27 711	6.3
Net finance charges	**(7 201)**	(4 248)	(3 673)	(3 800)	(3 834)	17.1
Profit before tax	**28 123**	25 008	24 563	23 781	23 058	5.1
Taxation	**(8 859)**	(6 897)	(6 829)	(6 710)	(6 414)	8.4
Net profit	**19 264**	18 111	17 734	17 071	16 644	3.7
Net profit attributable to equity holders	**16 292**	16 767	17 163	16 581	15 944	0.6
Summarised statement of financial position (Rm)						
Non-current assets	**169 886**	162 527	127 448	125 670	142 395	4.5
Current assets	**70 727**	65 788	50 519	46 309	47 828	10.1
Equity and reserves	**103 828**	97 427	85 466	85 690	100 070	0.9
Non-current liabilities	**65 524**	66 502	34 834	44 219	53 403	5.2
Current liabilities	**71 261**	64 386	57 667	42 070	36 750	17.8
Net debt	**49 876**	48 310	35 181	34 249	35 180	9.1
Capital expenditure	**20 422**	16 490	14 642	13 307	13 218	11.5
Summarised statement of cash flows (Rm)						
OFCF	**30 305**	25 111	22 693	22 338	21 782	8.6
Free cash flow	**18 209**	18 524	15 660	14 974	16 284	2.8
Cash generated from operations	**57 123**	48 312	41 152	41 097	39 251	10.0
Tax paid	**(8 112)**	(7 361)	(7 124)	(7 736)	(6 417)	6.0
Net cash flows from operating activities	**49 011**	40 951	34 028	33 361	32 834	10.7
Net cash flows utilised in investing activities	**(20 723)**	(26 704)	(11 964)	(8 997)	(9 164)	21.1
Net cash flows used in financing activities	**(25 699)**	(11 727)	(20 564)	(23 588)	(19 847)	6.7
Net increase/(decrease) in cash and cash equivalents	**2 589**	2 520	1 500	776	3 823	n/a
Cash and cash equivalents at the end of the year	**21 513**	20 731	16 658	15 209	16 191	7.4
Performance per ordinary share (cents)						
Basic earnings per share	**842**	948	1 013	978	939	(2.7)
HEPS	**846**	948	1 013	980	945	(2.7)
Diluted HEPS	**827**	922	984	957	923	(2.8)
Net asset value per share	**4 996**	4 688	4 655	4 667	5 450	(2.2)
Dividends per share[1]	**590**	670	850	825	845	(6.9)
Profitability and returns (%)						
EBITDA margin	**37.3%**	37.9%	38.8%	40.0%	41.4%	
Operating profit margin	**23.5%**	24.5%	27.5%	28.1%	30.5%	
Effective tax rate	**31.5%**	27.6%	27.8%	28.2%	27.8%	
Net profit margin	**12.8%**	15.2%	17.3%	17.4%	18.3%	
Return on equity[2]	**18.2%**	20.3%	21.6%	19.4%	18.8%	
ROCE[3]	**23.1%**	21.8%	23.4%	22.0%	22.7%	
Liquidity and debt leverage (times)						
Interest cover[4]	**4.3**	5.3	6.8	6.6	5.9	
Net debt to EBITDA	**0.9**	1.1	0.9	0.9	0.9	
Current ratio[5]	**1.0**	1.0	0.9	1.1	1.3	
Quick ratio[6]	**1.0**	1.0	0.8	1.1	1.3	

Notes:
1. Total dividend declared for the financial year.
2. Return on equity is calculated by dividing net profit attributable to equity shareholders by shareholders' equity.
3. ROCE (before tax) is calculated by dividing adjusted statutory operating profit by the average of total assets less current liabilities.
4. Interest cover ratio is calculated by dividing earnings before interest and tax for the year by finance costs for the year.
5. The current ratio is calculated by dividing current assets by current liabilities.
6. The quick ratio is calculated by dividing current assets, excluding inventory, by current liabilities.

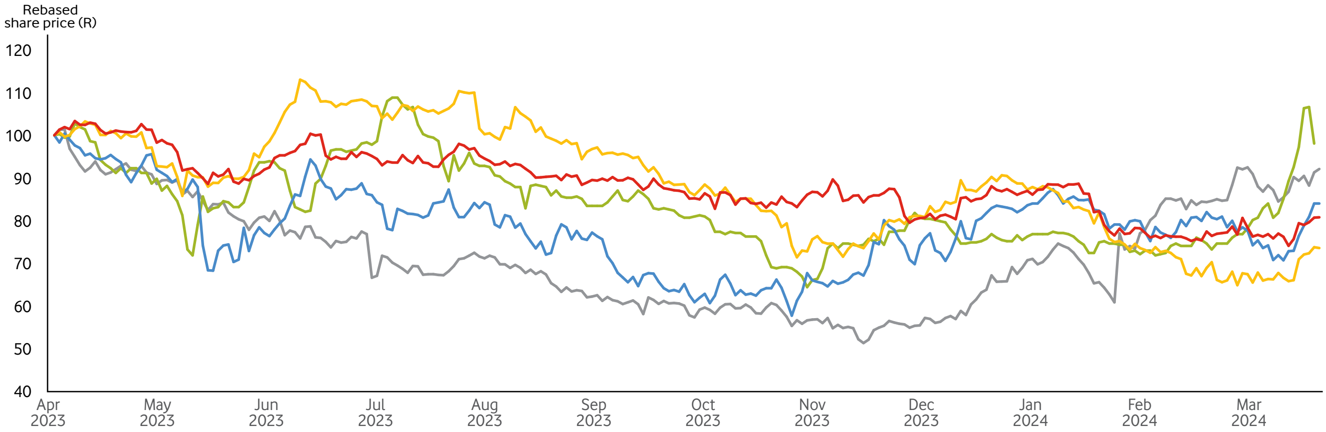
Five-year historic review by segment

	2024	2023	2022	2021	2020	Compound growth (%)
South Africa						
Revenue (Rm)	**88 304**	84 715	80 828	76 737	69 593	6.1
EBITDA (Rm)	**32 808**	32 569	31 747	30 745	29 094	3.0
Capital expenditure (Rm)	**11 115**	11 171	11 149	10 076	9 860	3.0
EBITDA margin (%)	**37.2%**	38.4%	39.3%	40.1%	41.8%	
Capital expenditure intensity (%)	**12.6%**	13.2%	13.8%	13.1%	14.2%	
Customers (000)[1]	**51 654**	44 230	45 459	44 061	41 312	5.7
Number of employees	**5 372**	5 401	5 583	5 493	5 403	(0.1)
Total ARPU (rand per month)[2]	**90**	93	90	95	86	1.1
Egypt[3]						
Revenue (Rm)	**32 502**	8 252				
EBITDA (Rm)	**13 067**	2 859				
Capital expenditure (Rm)	**4 617**	1 225				
EBITDA margin (%)	**40.2%**	34.6%				
Capital expenditure intensity (%)	**14.2%**	14.8%				
Customers (000)[1]	**48 335**	45 493				
Number of employees	**5 816**	5 659				
ARPU (rand per month)[4]	**49**					
ARPU (local currency per month)[4]	**84**					
International						
Revenue (Rm)	**30 843**	27 165	22 888	22 746	22 492	8.2
EBITDA (Rm)	**10 973**	10 145	8 504	8 784	8 679	6.0
Capital expenditure (Rm)	**4 687**	4 067	3 486	3 226	3 358	8.7
EBITDA margin (%)	**35.6%**	37.3%	37.2%	38.6%	38.6%	
Capital expenditure intensity (%)	**15.2%**	14.9%	15.2%	14.2%	14.9%	
Customers (000)[1]	**54 109**	50 228	41 715	39 751	38 595	8.8
Number of employees	**2 150**	2 244	2 247	2 149	2 054	1.1
Total ARPU (rand per month)[2]						
Tanzania	**42**	39	33	37	36	3.9
DRC	**46**	48	42	45	46	0.0
Mozambique	**44**	53	59	57	59	(7.1)
Lesotho	**61**	51	52	59	69	(3.0)
Total ARPU (local currency per month)[2]						
Tanzania (TZS)	**5 523**	5 328	5 132	5 259	5 616	(0.4)
DRC (US$)	**2.5**	2.8	2.8	2.8	3.1	(5.2)
Mozambique (MZN)	**151**	199	249	250	252	(12.0)

Notes:
1. Customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active while roaming.
2. Total ARPU is calculated by dividing the average monthly service revenue by the average monthly active customers during the period.
3. Egypt was acquired on 8 December 2022.
4. ARPU is calculated by dividing the average total service revenue by the average monthly closing customers during the period.

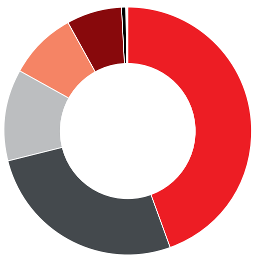
Share information

Share price | Relative to peers



Source: FactSet. Date range 1 April 2023 to 31 March 2024.

Geographical institutional shareholding, excluding GEPF (%)



	FY2024	FY2023
United States of America	**44.5%**	41.8%
South Africa	**26.9%**	24.0%
United Kingdom	**12.0%**	15.3%
Europe	**8.9%**	9.5%
Asia	**7.1%**	8.7%
Rest of world	**0.7%**	0.7%

Group shareholders

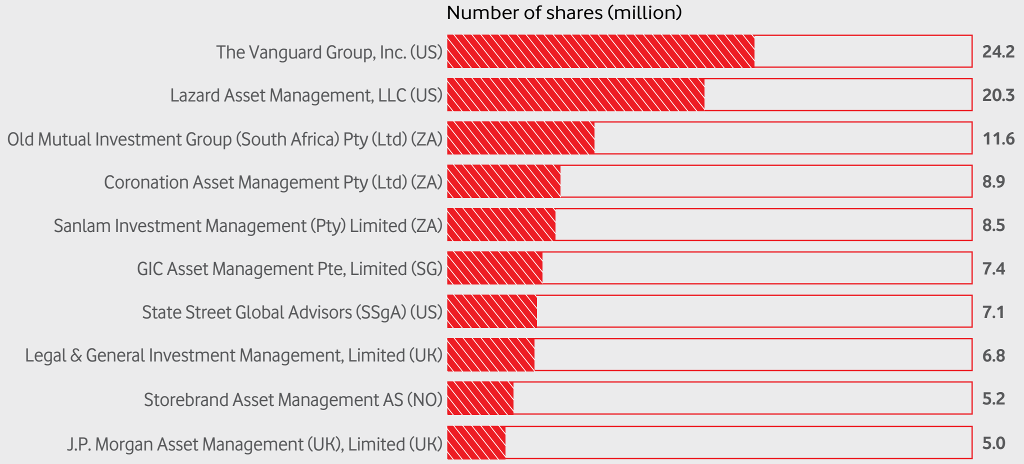
As at 31 March FY2024

	Number of shares	% of shares in issue
Vodafone Group Plc∞	1 352 606 124	65.10%
Government Employees Pension Fund	248 154 534	11.94%
YeboYethu Investment Company (Pty) Limited	114 451 180	5.51%
Wheatfield Investments 276 (Pty) Limited#	15 421 231	0.74%
Institutional investors	290 383 652	13.98%
Retail positions	45 113 805	2.17%
Other~	11 710 678	0.56%
Total	**2 077 841 204**	**100.00%**

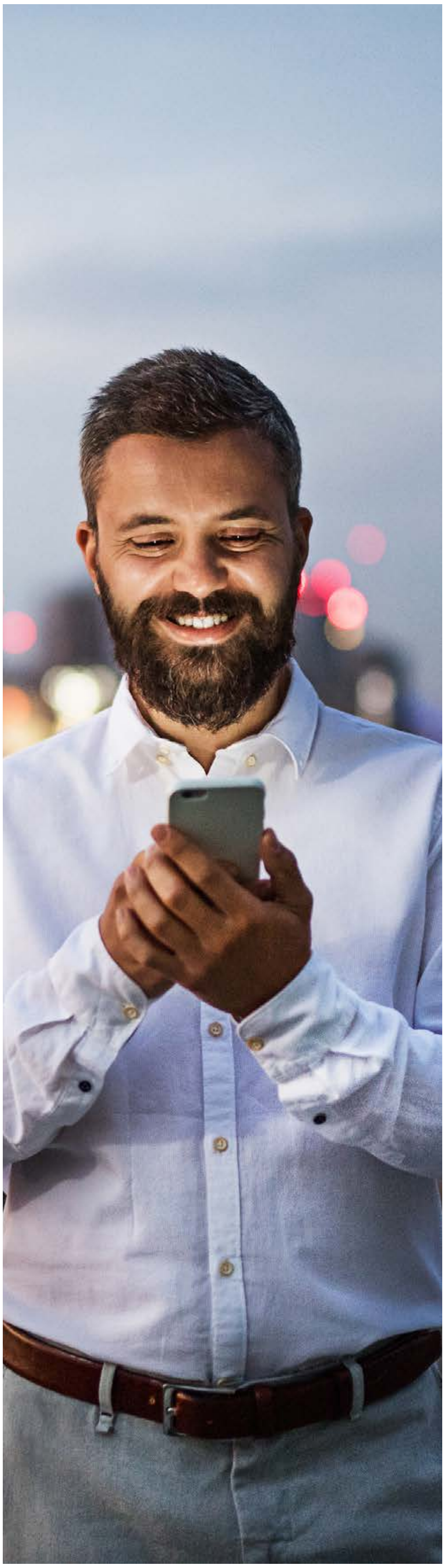
∞ Directly held by Vodafone Investments SA (Pty) Limited and Vodafone International Holdings B.V.
~ Balance of remaining holdings
# Treasury shares

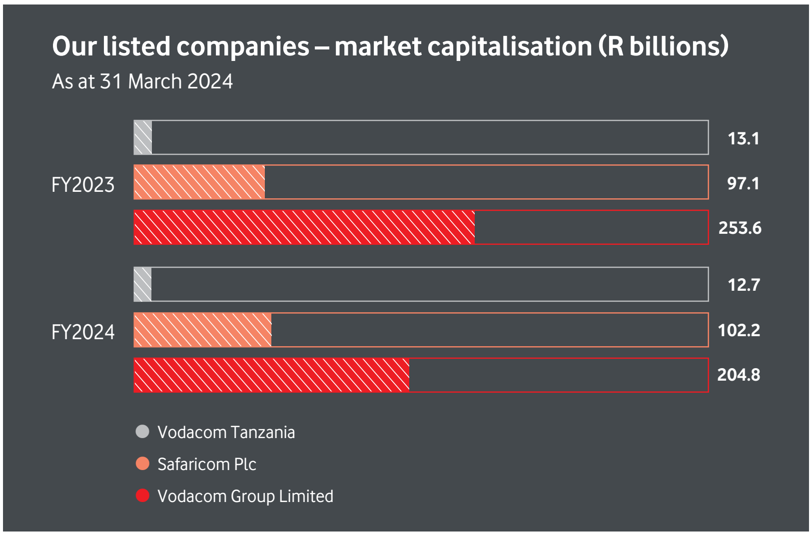
Shareholding | Top 10 institutional shareholders, excluding GEPF

As at 31 March FY2024



Source: JP Morgan Cazenove.

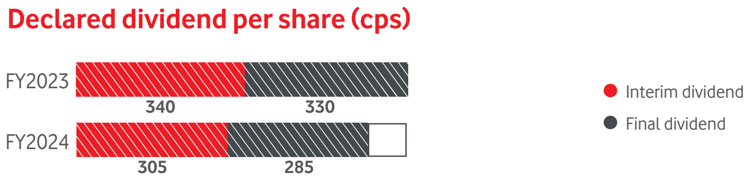




Valuation analysis
As at 31 March FY2024

Price earnings
10.7x

Dividend yield
6.0%



Ticker symbol: VOD

Number of shares in issue: 2 077 841 204

ADR code: VDMCY

Free float: 17.6%

Stock exchange: JSE and A2X

Transfer agent: Computershare

2024 investor relations calendar

First quarter FY2025 results	**24 July 2024**
Group AGM	**17 July 2024**
Interim results	**11 November 2024**

Disclaimer

Non-IFRS information

This report contains certain non-IFRS financial measures which have not been reviewed or reported on by the Group's auditors. The Group's management believes these measures provide valuable additional information in understanding the performance of the Group or the Group's businesses, because they provide measures used by the Group to assess performance. However, this additional information presented is not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for or alternatives to the comparable IFRS measures, but rather complementary to them.

Normalised growth

All amounts in this integrated report marked with a ^ represent *pro forma* growth, presented as if the effective date of the Egypt acquisition was 1 April 2022 and on a constant currency basis.

* Normalised growth presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current year as base) and excludes the impact of M&A and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results. We believe that normalised growth, which is not intended to be a substitute for or superior to reported growth, provides useful and necessary information to investors and other interested parties for the following reasons:

- It provides additional information on underlying growth of the business without the effect of certain factors unrelated to the operating performance of the business;
- It is used for internal performance analysis; and
- It facilitates comparability of underlying growth with other companies, although the term normalised is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies.

Trademarks

Vodafone, the Vodafone logo, M-Pesa, Connected Farmer, Vodafone Supernet, Vodafone Mobile Broadband, Vodafone WebBox, Vodafone Passport, Vodafone live!, Power to You, Vodacom, Vodacom 4 Less and Vodacom Change the World are trademarks of Vodafone Group Plc (or have applications pending). Other product and company names mentioned herein may be the trademarks of their respective owners.

Forward-looking statements

This integrated report, which sets out the annual remuneration for Vodacom Group Limited for the year ended 31 March 2024, contains "forward-looking statements" which have not been reviewed or reported on by the Group's auditors, in respect of the Group's financial condition, results of operations and businesses and certain of the Group's plans and objectives. In particular, such forward-looking statements include, but are not limited to, statements in respect of: expectations regarding the Group's financial condition or results of operations, including the confirmation of the Group's targets and expectations for the Group's future performance generally; expectations regarding the operating environment and market conditions and trends; intentions and expectations regarding the development, launch and expansion of products, services and technologies; growth in customers and usage; expectations regarding spectrum licence acquisitions; expectations regarding adjusted EBITDA, capital additions, free cash flow and foreign exchange rate movements; and expectations regarding the integration or performance of current and future investments, associates, joint ventures, non-controlled interests and newly acquired businesses.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "will", "anticipates", "aims", "could", "may", "should", "expects", "believes", "intends", "plans" or "targets" (including in their negative form). By their nature, forward-looking statements are inherently predictive and speculative, and involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following: changes in economic or political conditions in markets served by operations of the Group; greater than anticipated competitive activity; higher than expected costs or capital expenditures; slower than expected customer growth and reduced customer retention; changes in the spending patterns of new and existing customers; the Group's ability to expand its spectrum position or renew or obtain necessary licences; the Group's ability to achieve cost savings; the Group's ability to execute its strategy in fibre deployment, network expansion, new product and service rollouts, mobile data, enterprise and broadband; changes in foreign exchange rates, as well as changes in interest rates; the Group's ability to realise benefits from entering into partnerships or joint ventures and entering into service franchising and brand licensing; unfavourable consequences to the Group of making and integrating acquisitions or disposals; changes to the regulatory framework in which the Group operates; the impact of legal or other proceedings; loss of suppliers or disruption of supply chains; developments in the Group's financial condition, earnings and distributable funds and other factors that the Board takes into account when determining levels of dividends; the Group's ability to satisfy working capital and other requirements; changes in statutory tax rates or profit mix; and/or changes in tax legislation or final resolution of open tax issues.

All subsequent written or oral forward-looking statements attributable to Vodacom, to any member of the Group or to any persons acting on their behalf, are expressly qualified in their entirety by the factors referred to above. No assurances can be given that the forward-looking statements in this document will be realised. Subject to compliance with applicable laws and regulations, Vodacom does not intend to update these forward-looking statements and does not undertake any obligation to do so.

Glossary

*	All amounts in this integrated report marked with a * represent normalised growth, which presents performance on a comparable basis. This adjusts for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current year as a base) and excludes the impact of merger, acquisition and disposal activities, at a constant currency basis where applicable, to show a like-for-like comparison of results
^	*Pro forma* growth, presented as if the effective date of the Egypt acquisition was 1 April 2022 and on a constant currency basis
2G	2G networks are operated using global system for mobile (GSM) technology which offers services such as voice, text messaging and basic data. In addition, the entire Group's controlled networks support general packet radio services (GPRS), often referred to as 2.5G. GPRS allows mobile devices to access internet protocol based data services such as the internet and email
3G	A cellular technology based on wideband code division multiple access delivering voice and data services
4G	Technology that offers even faster data transfer speeds than 3G/HSPA
5G	Fifth-generation wireless is the latest iteration of cellular technology, engineered to greatly increase the speed and responsiveness of wireless networks
AI	Artificial intelligence
ARCC	Audit, Risk and Compliance Committee
ARPU	Average revenue per user
AWS	Amazon Web Services
B-BBEE	Broad-based black economic empowerment
CDP	Formerly known as the Carbon Disclosure Project
Churn	Churn is calculated by dividing the annualised number of disconnections during the period by the average number of monthly customers during the period
Consumer	A customer in their individual capacity accessing mobile and/or fixed products and services
COP28	28th annual Conference of the Parties
CSP	Conditional share plan
CVM	Customer value management
DRC	Democratic Republic of the Congo
EBITDA	Earnings before interest; taxation; depreciation and amortisation; impairment losses; profit/loss on disposal of investments, property, plant and equipment and intangible assets; and profit/loss from associate and joint ventures, restructuring costs and black economic empowerment income/charges
Enterprise	A customer that is a business or company accessing mobile and/or fixed products and services
ESG	Environmental, social and governance

EVP	Employee value proposition
FSP	Forfeitable share plan
FTTx	A collective for fibre to the home, fibre to the business and fibre to the site
GHG	Greenhouse gas
GSMA	GSM Association
ICT	Information and communication technology
IFRS	International Financial Reporting Standards
International business	International business comprises the segment information relating to our operations in DRC, Lesotho, Mozambique and Tanzania as well as the operations of Vodacom International Limited and Vodacom Business Africa
IoT	Internet of Things
LTI	Long-term incentives
n/a	Not applicable
n/m	Not measured
NED	Non-executive director
NomCo	Nomination Committee
NPO	Non-profit organisation
NPS	Net Promoter Score
NRS	National relay service
OFCF	Operating free cash flow
PPA	Power purchasing agreement
RemCo	Remuneration Committee
ROCE	Return on capital employed
RPA	Robotic process automation
SEC	Social and Ethics Committee
Smart devices	Smart devices include smartphones, tablets and modems
SME	Small and medium enterprise
STI	Short-term incentives
TCFD	Task Force on Climate-related Financial Disclosures
tNPS	touchpoint Net Promoter Score
TSR	Total shareholder returns consist of the aggregate share price appreciation and dividend yield
UHI	Universal Health Insurance
USAID	United States Agency for International Development
Vodacom South Africa	Vodacom South Africa is commonly referred to as South Africa in the integrated report. It relates to Vodacom (Pty) Limited, a private limited liability company duly incorporated in accordance with the laws of South Africa and its subsidiaries, joint ventures and SPVs
WWF	World Wide Fund for Nature

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

Karen Robinson
Vodacom Corporate Park
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Telephone: +27 11 653 5000
Email: **companysecretary@vodacom.co.za**

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited
(Registration number: 1951/000009/06)
3rd Floor, Block F
Nedbank Building
135 Rivonia Road
Sandown, Sandton, 2196, South Africa

Auditors

Ernst & Young Inc.
102 Rivonia Road
Sandton
South Africa
(Private Bag X14, Sandton, 2146, South Africa)

Transfer secretaries

Computershare Investor Services (Pty) Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa
(Private Bag X9000, Saxonwold, 2132)

ADR depository bank

J.P. Morgan Chase Bank, N.A.
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USA

Group investor relations

Telephone: +27 11 653 5000
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Group media relations

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Our journey

Vodacom is a leading and purpose-led African connectivity and financial services company.

We have a history of being innovative and being first to market.

Vodacom was the first to launch pre-paid services in 1996.

30 YEARS

of connecting for a better future

1993
Vodacom is **awarded a licence** to operate a GSM cellular network in SA

1995
Vodacom is granted a **GSM licence in Lesotho**, our first outside SA

1996
We are the first in the world to launch a **prepaid service**

2000
We **launched** commercial operations in **Tanzania**

2002
Vodacom **launches** in the **DRC**

2003
Vodacom **Mozambique launches** after a record three-month network rollout

2006
We launch the first **3G HSDPA** network in SA

2009
Vodacom **lists** on the **JSE**

2012
First to launch **4G** in SA

2018
Acquire **34.94%** shareholding in **Safaricom**

Vodacom **Tanzania** lists on the Dar es Salaam Stock Exchange

2019
Complete the **largest B-BBEE** transaction in telecoms sector

Launch **5G** in Lesotho

2020
Landmark **agreement with AliPay** to drive digital & financial inclusion

2021
COVID-19 **interventions**, including vaccine support

Vodafone Egypt and South Africa **fibre** deals announced

VodaPay and M-Pesa super-apps launched

2022
Ethiopia GSM launch

Vodafone Egypt acquisition completed

2023
Ethiopia **M-Pesa** launch

2024
Serving over **200 million** customers

1. Vodacom Group has a proportionate stake of 34.94% in Safaricom. Customers are inclusive of 100% of Safaricom's customers.