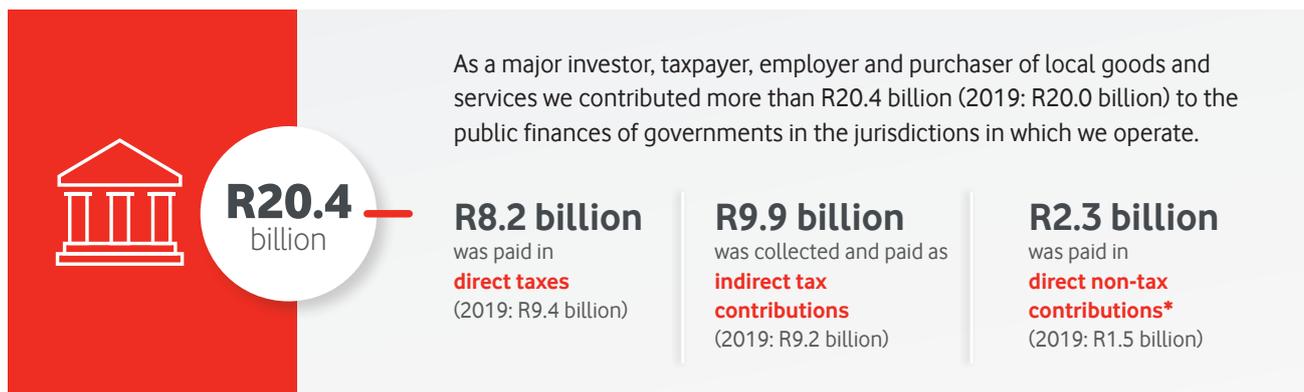


Tax and our total economic contribution to public finances

In the countries in which we operate taxes are most often the largest source of government revenue. These tax revenues enable governments to pay for essential public services, such as health care, security and education, whilst ensuring a functional infrastructure is built and maintained across society.

We take our responsibilities to contribute to the social and economic development of the countries in which we operate seriously, and we remain committed to acting with integrity, honesty and transparency in the creation and execution of our tax strategy, policies and practices. The below contributions reported excludes the taxes and other economic contributions made by joint ventures and associates of the Group.



The major tax types included in the above are:



We paid R6.4 billion (2019: R6.5 billion) in corporate taxes and dividend withholding taxes on profit before tax of R23.1 billion (2019: R22.1 billion).

Thus we paid R0.28 in corporate tax for every R1 we generated in profit.



We paid R2.2 billion (2019: R2.2 billion) in various forms of employment tax on behalf of our employees.

Thus 28% of our payroll expenditure is made up of employment taxes.



We paid R1 billion in customs and import duties (2019: R1.1 billion).



We collected R7.6 billion (2019: R5.7 billion) in net value-added tax from our operations and excise duty on behalf of governments.

Thus we contributed R0.33 in value-added tax and excise duties for every R1 we generated in profit.



We withheld R537 million (2019: R521 million) in withholding tax from our suppliers and paid it to the relevant tax authorities on their behalf.



We paid R477 million in dividend withholding tax on dividends received from Lesotho, Kenya and Tanzania. (2019: R240 million).



For more information in respect of the taxes we pay in each country, alongside the principles on which we operate and our views on various matters of significance relating to the payment of taxes, including clarifying some areas that are often a source of public confusion, read our Tax Transparency report 2020 on www.vodacom.com.

* Direct non-tax contributions refer to all regulatory fees paid to the various relevant government bodies and include among other licence fees, spectrum fees and contributions made to the universal access fund.