Optimised, future-ready TechCo

From our foundation as a market leader across our footprint, our business has evolved in line with our ambition to be a leading TechCo driven by technology leadership. As part of this journey we focus on optimising our assets and building an organisation of the future led by innovation, agility and the right skills to connect people for a better future.

CAPITALS IMPACTED

FC MC HC SRC IC NC

How this supports our system of advantage

As a leading connectivity player in Africa, we leverage the strength of our connectivity reach and digital ecosystem to promote financial inclusion and build trust with our stakeholders. While mindful of our ambition to optimise ROCE, we are leveraging partnerships and sharing models to develop innovative and smart technology platforms and connectivity solutions that support our overall customer proposition. Furthermore, by embedding our agile employee culture – the Spirit of Vodacom – across the organisation and pioneering low-cost network technology across the continent, we can build one of Africa's most trusted and loved brands.

FY2022 at a glance

PILLAR 7

Initiated the separation of our South African tower portfolio into a separate **TowerCo business**

Announced a deal with CIVH to deploy fibre, and leverage the power of scale and shared costs to reduce the cost to communicate for our customers

Leveraged the world-class technology of Alipay in our VodaPay super-app

Formed a global consortium to support Ethiopia's digital transformation

PILLAR 8

Group ROCE of **24.3%**, with R14.6 billion capital investment in network infrastructure (FY2021: R13.3 billion)

Rural sites connected increased by **357**, with **95** deep rural sites and **61** rural communities previously without any coverage

PILLAR 9

Invested **R395 million** in skills development for black employees in South Africa, with R190 million invested in black female employees and **R16 million** in black youth with disabilities

Established a skills transformation team at Group level to accelerate our #1MoreSkill programme

Achieved a Team Spirit index score of 76% (FY2021: 75%) and an employee engagement index of

77%
(FY2021: 77%)

PILLAR 10

In October 2021, Sustainalytics ranked Vodacom

first

out of more than 200 companies in its Telecommunications Service industry grouping (FY2021: second)

Over **22 million** users accessing our zero-rated ConnectU platform

Vodacom e-School has registered over **1.6 million** users since inception

07

MATERIAL MATTERS

01 03 05 07

See icon references
on **page 02**.

Optimise assets through sharing

How this supports our purpose

To transform our business into a leading TechCo, we continue exploring ways to optimise our assets and create exceptional value for our stakeholders. As part of this, we look at sharing opportunities across our portfolio of assets to reduce the cost to communicate while also deepening our rural footprint.

Sharing opportunities

Capturing network sharing opportunities

= We continue to explore opportunities for sharing network infrastructure to maximise the Group's existing capital and operational efficiencies while simultaneously creating opportunities for network expansion through partnerships and roaming.

Our infrastructure sharing principles	
Infrastructure sharing	• Sharing existing towers, sites and network platforms • Enabling access to infrastructure and additional capacity • Sharing infrastructure operating costs
Co-build or partnerships	• Building new infrastructure via partnerships • Reducing capital requirements to build new sites • Enabling infrastructure expansion to underserved areas
Roaming	• Facilitating rapid coverage expansion and capacity acquisition • Avoiding costs associated with building new infrastructure • Reducing costs during planning, optimisation and maintenance phases

= In South Africa, we are carving out our tower portfolio into a separate TowerCo business. We believe this step will create a strategic asset for the Group, providing opportunities for partnerships with other MNOs. We have over 9 500 owned sites in the country, including towers and rooftops. Once the process is completed, we will continue to capture opportunities to optimise operations, expand our network and strategically grow our business.

✓ We continue to explore opportunities to accelerate the deployment of fibre to create a market-leading portfolio. Through our proposed strategic holding in CIVH – whose material operating companies include South Africa's largest open-access fibre players, DFA and Vumatel – we will take a significant step in diversifying our connectivity offering and optimising our assets. Our capital injection and strategic support will accelerate the growth trajectory of CIVH's assets, while the contribution of our wholesale FTTH assets will add scale and enhance CIVH's fibre footprint. Importantly, the conclusion of this deal ensures we continue playing a crucial role in expanding our fibre reach in South Africa and helps reduce the digital divide that continues to exist in our communities.

✓ In Mozambique, we are leveraging existing railway infrastructure to reduce the cost of fibre deployment. We have a roaming agreement in place in the DRC with Orange and, at year end, achieved technical readiness for roaming on 70 sites. In Tanzania, we are exploring sharing opportunities with Axian.

Capturing platform sharing opportunities

✓ We are rolling out shared IT capabilities across all markets to optimise cost, operational efficiency and speed to market, and increase revenue through standardised shared platforms, infrastructure, processes and people. In this way, we create value by providing access to core capabilities otherwise not available in a specific market. This aligns with our strategy to leverage the "build once, reuse many times" principle, while also offering a standardised customer experience across the markets.

✓ We successfully delivered shared services capabilities across seven markets – MyMuze, Mum & Baby, VLive and PlayInc – by leveraging existing lifestyle platforms offered in South Africa. Looking ahead, we will roll out additional lifestyle products and services by leveraging centralised skills and standardised platforms.

✓ The Ubuntu programme – a platform-driven approach based on a common digital experience layer data platform – manages user experience across all channels, devices and touchpoints throughout the customer journey across all markets. In line with this, we launched a "Lite" version of the My Vodacom App in four international markets.

✓ Value created   ✗ Value eroded   = Value sustained

✓ We established the Group Big Data and Analytics Centre of Excellence to leverage analytics and ML cases, shared data lake and ocean operation, and monitoring and data engineering capabilities. Big Data is the engine that powers our digital ecosystem and underpins our CVM, loyalty and financial services capabilities.

Building world-class services in Ethiopia with partners

We are part of a consortium led by Safaricom to support Ethiopia's digital transformation. The partnership also includes Vodafone, Sumitomo Corporation – one of the largest international trading and business investment companies – and CDC Group, the UK's development finance institution and impact investor. The consortium partners are leaders in delivering transformative technology services – particularly those that relate to health, education and agriculture – built on quality telecoms networks. Through this partnership, we will drive economic and social impact in Ethiopia by providing accessible, affordable and high-quality mobile and internet connectivity.

Leveraging global and local supply chain management capabilities

Supply chain management (SCM) is responsible for the Group's procurement and related governance. This governance framework is guided by our code of ethical purchasing, and executed through control structures aligned with our purpose. This alignment is enforced through the measurement of suppliers on a balanced scorecard approach. For additional details on the linkage between procurement and purpose, see our sustainability report.

✓ In addition to governance, our SCM function leverages global and local capabilities to drive procurement efficiencies. Global support is provided by the Vodafone Procurement Company (VPC), which also helps ongoing global challenges in the supply chain. Locally, SCM implemented an inventory management tool called NSS to improve sharing capabilities across our markets.

CASE STUDY

Leveraging global, digitalised technology to manage inventory

In March 2022, Vodacom's international markets successfully implemented the NSS, a Vodafone-adopted, cross-platform technology solution that drives best-in-class inventory management in warehouses across our markets. Previously, our international markets were using a legacy system that could no longer keep up with changes to inventory requirements. Now, by adopting the fully automated NSS, we can manage the stock kept in our warehouses from end to end – from the moment a purchase order is recorded to when payment is received. The system ensures constant visibility of stock, which can be accessed by a click of a button, and equips us to better plan for project deployment. This, in turn, ensured better decision-making across the business. The tool also eliminated the use of manual spreadsheets, overstocking and shortages of critical stock in the warehouses, enabling our employees are able to focus on strategic operations in the warehouses.

▶ Click here to view the video.

Looking ahead

	Priorities for FY2023
SHORT-TERM	● Finalise the TowerCo in South Africa, and prepare to roll this out to the rest of the Group. ● Obtain approvals for and integrate the CIVH deal and leverage the power of scale and shared costs to drive down the cost to communicate. ● Develop a group-wide data centre strategy. ● Explore further infrastructure partnership models with global technology companies and developmental finance institutions.

	Vodacom Vision 2025
MEDIUM-TERM	Establish an Africa FibreCo with strategic partners to accelerate fibre coverage across our international markets.
	Evolve 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.

08

Technology leadership in network and IT

How this supports our purpose

We invest in modern digital systems to connect our customers for a better future while also leveraging our experience in the latest technologies to drive accessibility and inclusive growth. Our Big Data capabilities drive intelligent decision-making, solutions and operations. We explore alternative energy options in our move towards greater energy efficiency while also expanding our coverage and platforms to connect more people for a better future.

CASE STUDY

Embedding IT governance across our business

Technology is core to Vodacom's business and – considering the rapid technological advances in recent years, along with increasing regulations associated with the use of data – we ensure IT governance is embedded as an integral part of the Group's business processes to ensure we deliver on our system of advantage.

We have a dedicated framework and charter in place to ensure end-to-end technology governance, which is overseen by the Group's Chief Technology Officer. The objectives of the technology governance framework and charter are constantly reinforced in the organisation, and each element is supported by fit-for-purpose processes to align technology strategy and business needs, deliver value and manage performance, and strengthen information security management, information management, risk management and business continuity. We have a Capital Expenditure Review Board that reviews and considers investment in technology. A summary of these considerations is reviewed by the Group's ARCC. Our Group Board considers the need to obtain independent assurance on the effectiveness of Vodacom's technology arrangements, including outsourced services, as and when needed.

The protection of customer data is paramount to Vodacom. Our Chief Information Officer, Chief Officer: Commercial Operations and Chief Officer: Legal and Compliance are responsible for information governance, and focus on formulating and implementing policies, processes and systems to ensure compliance with the POPI Act and European Union General Data Protection Regulation.

South Africa

Further expanding our best gigabit networks with voice and high-speed data coverage

- We extended our 4G and 3G population coverage to 97.94% and 99.88%, respectively, while 2G population coverage remains steady at 99.9%. We also increased our outdoor 4G coverage despite not having access to the dedicated sub-1GHz 4G spectrum.

- We extended our 5G footprint beyond Johannesburg, Cape Town and Durban and now have a 5G presence in all nine provinces. Due to increased customer interest, the number of 5G capable devices active on our network surpassed 684 550 units.

- The modernisation of our network ensured we could efficiently and effectively deploy temporary spectrum while ensuring better usage and optimal performance of our existing spectrum. We utilised the temporary 5G spectrum assigned by ICASA to roll out over 600 sites, addressing the demand for connectivity for fixed wireless products. In March 2022, we acquired 110MHz of HDS.

- On 10 November 2021, we announced a major step forward in scaling our fibre offering in South Africa. By proposing the acquisition of an initial 30% stake in CIVH fibre assets – subject to competition commission approval – Vodacom will gain exposure to highly attractive and fast-growing businesses such as Vumatel and DFA.

✔ Value created   ✘ Value eroded   ═ Value sustained

✓ The pandemic significantly increased the demand for connectivity. In response, Vodacom invested R14.6 billion in its network and implemented several transformative propositions to revolutionise how data is consumed. This includes the new Everyday-ta bundles in South Africa, which provide significant value to customers by delivering 7.5GB over 30 days at R99. We also refreshed our mobile contract packages, increasing data across the portfolio with up to 100GB of monthly data.

Extending our capabilities in modern digital IT

✓ We continued to embed Agile and DevOps practices into our way of working, focusing on faster time to market, improved customer experience and increased stability. By focusing on a smaller but increased number of releases per month, we can deliver more quickly and continue to offer an enriched customer experience.

✓ Our cloud journey remains key, delivering significant cost savings and increased efficiencies. We transitioned selected analytical workloads to the public cloud to deliver analytics at scale. In doing this, we could steer investments into beneficial channels, price plans and devices. The AWS cloud programme completed 564 migrations for cloud-native application workloads. We also successfully migrated six contact centres to the cloud, along with merchant agents – including VodaPay Chat.

✓ Vodacom maintained its lead in the independent IT4C benchmark exercise conducted by Gartner, which compares the IT capabilities of South Africa's largest mobile operators. We increased our lead by 133 points, showcasing significant improvements in our retail channels and contact centre. We believe this achievement reflects our continued investment in technology across customer touchpoints.

Reducing our environmental impact and delivering technology efficiencies

✓ Expansions and upgrades to our network infrastructure – as well as fuel, electricity, inflation and other contractual increases – place pressure on Vodacom's opex. Through our Fit4Growth programme, we focus on implementing initiatives to optimise these costs and, over the past year, saved over R800 million.

✓ Energy savings initiatives include electricity utilisation and billing optimisation, generator fuel fraud detection and runtime reduction. We installed Ruraflex time-of-use meters in over 1 072 base stations using electricity from Eskom, which led to an average reduction in electricity costs of 20%. We plan to install an additional 140 Ruraflex conversions and 750 Miniflex conversions in FY2023.

= IoT.nxt's raptor technology implemented at our sites ensure we optimise air-conditioning runtime. The raptor can support energy savings of up to 25% per site. Furthermore, we can monitor and manage energy consumption remotely. Vodacom is exploring energy wheeling opportunities from independent renewable sources.

Maintaining technology resilience

= We implemented a technology resilience programme to ensure all technical recovery plans are reviewed and maintained as needed. All critical systems are tested annually 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.

✗ Sporadic vandalism and battery theft at our network sites continue to impede business continuity, network quality and overall customer experience. This is further exacerbated by Eskom's load shedding. We continue to drive investment to mitigate this risk – for example, through our Energiser project, we are deploying four-hour and eight-hour battery vaults to all sites to maintain network availability and connectivity, along with enhanced security measures. During FY2022, we invested R683 million in this project.

International operations

Expanding our best gigabit networks

= All markets apart from Lesotho and Mozambique were first in network NPS and the Umlaut benchmarking drive test. Lesotho continues to expand its 4G population coverage and in Mozambique we continued to improve our network by deploying an additional 464 4G sites. Vodacom Tanzania upgraded 143 4G sites, improving our download speed and latency positioning from third to second. We continue to implement network improvement plans across all markets, analysing network NPS detractors to identify areas with degradation.

✓ We expanded our network coverage across our international operations, to 8 430 2G sites, 6 694 3G sites and 4 521 4G sites added across Tanzania, Mozambique, the DRC and Lesotho.

✓ In line with our Tech2025 strategic goals, our core focus has been on accelerating 4G coverage. Vodacom exceeded its 4G rollout ambitions in Mozambique despite procurement-related delays brought on by COVID-19, deploying over 464 4G sites during the year. Tanzania completed 105% of its 4G rollout objectives, while Lesotho reached 100% completion. In the DRC, we experienced delays in receiving equipment due to a customs embargo imposed by the government.
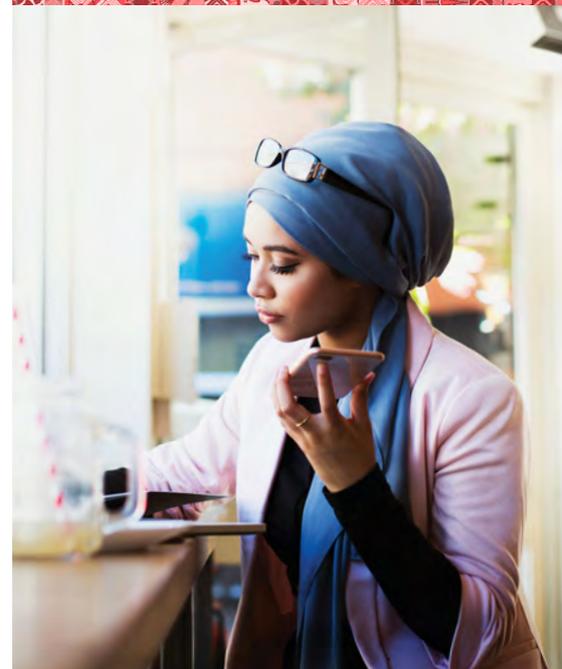
- Across all our markets, Vodacom engages with regulators to obtain spectrum to deploy 5G. All international markets are proactively executing their 5G readiness plans by ensuring that our network is 5G-ready.

- To manage the potential risk of vendor dependency over the medium term, Vodacom DRC is trialling alternative network technologies such as OpenRAN.

Extending our capabilities in modern digital IT

- We implemented Agile SAFe practices across our markets to ensure customer-focused delivery. Programme Increment (PI) is part of SAFe – a timebox during which an Agile Release Train (ART) delivers incremental value in the form of working, tested software and systems – and helps teams collaborate and align on workflows. PI improved the visibility of all work, enabling improved prioritisation and effective use of resources. We have plans in place to establish the Group Lean Portfolio Management capability, whereby we will be able to leverage PI to manage demand across our markets.

Addressing cyber threats to maintain customer security and privacy

- We are implementing a strategy to introduce next-generation security technologies across the Group, which will enhance our current prevention and detection capabilities, provide data insights for real-time detection and response, and introduce a more secure and frictionless employee experience.
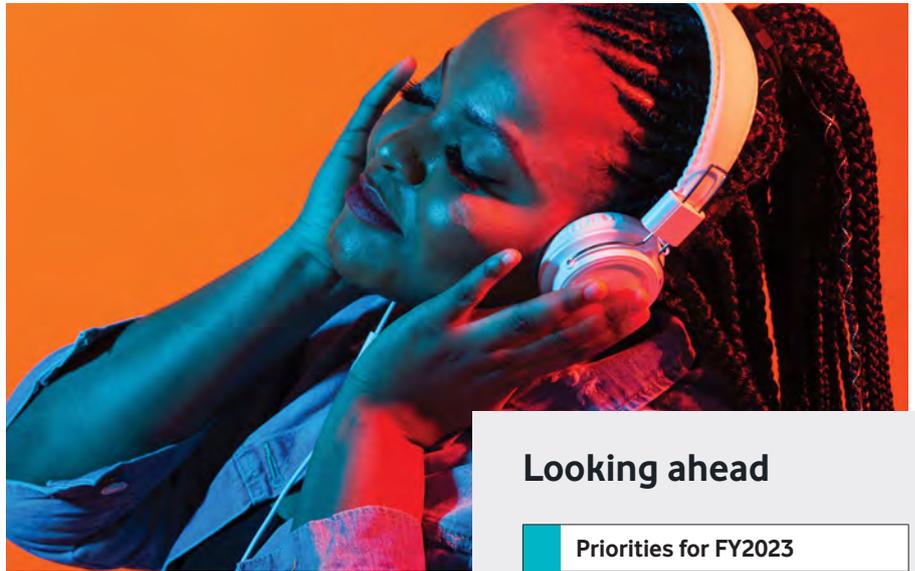
- Vodacom has an extensive set of cyber security baseline and super controls in place, which are consistently measured and monitored to ensure they remain effective and efficient. Furthermore, the Group's incident detection and response capabilities are continually enhanced through security orchestration, data visibility, endpoint detection and response capabilities.

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

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

Looking ahead

Priorities for FY2023

SHORT-TERM

- Achieve the best network NPS in every market.
- Integrate Vodacom and CIVH fibre assets post approval from regulatory bodies, and establish a model for expanding our fibre business across our international markets.
- Increase the resilience and quality of the South African network by leveraging newly acquired spectrum.
- Achieve cyber security baseline score across markets.

Vodacom Vision 2025

MEDIUM-TERM

Build new capabilities and develop new skills through insourcing and reskilling.

Enable the evolution of mobile and fixed network access, transport network simplification and TelCo 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 ML 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.

CASE STUDY

Elevating cyber security offerings amid a changing threat landscape

As a leading technology provider, we aim to provide solutions that help businesses digitalise effectively while overcoming the complexities of a remote, cloud-based environment. This includes increased cyber threats as criminals become more sophisticated. This year, Vodacom Business expanded its managed security solutions to offer Trend Micro Worry-Free Services to help businesses prevent cyber attacks. Through this partnership with Trend Micro, we offer easy-to-install and simple-to-use security services that eliminate security gaps across user activity from anywhere in any business. Given the speed at which the cyber threat landscape changes, Trend Micro Worry-Free Services were designed to learn, adapt and share intelligence in real time. Furthermore, this solution offers protection against crypto, malware and other advanced threats. And, given the sensitivity of data, the integrated data loss prevention, encryption management and device control capabilities of Trend Micro Worry-Free Services can help data security.

09

TechCo organisation and culture

How this supports our purpose

We aim to build an organisation of the future underpinned by digital innovation and agility, and develop a distinctively digital employee experience to motivate our customers to thrive. Above all, we value inclusivity and diversity, and embed a mindful organisational culture across our business to ensure every action is rooted in our purpose.

Facilitating a differentiated employee experience

✓ In FY2022, Vodacom was certified as one of Africa's Top Employers for the sixth consecutive year across all markets, advancing overall ranking to the top three in Africa. Safaricom Kenya was certified for the first time and in South Africa we ranked third out of 114 participating companies for two consecutive years. Safaricom Kenya also earned a Top Employers Africa badge for the first time this year. We believe this certification recognises our efforts to create a nurturing environment where employees can thrive, enabling us to reflect on our progress to becoming an employer of choice. It is also a reflection of our continued commitment to improving people efficiencies and driving an exceptional employee experience.

= To embed the Spirit of Vodacom across the business, we have a recognition scheme called Vodafone Stars which allows for in-the-moment recognition for employees who display Spirit behaviours, comprising either cash awards or peer-to-peer recognition. In FY2022, over 5 000 employees were recognised through the Vodafone Stars programme. We use our rewards programme and organisational culture to encourage employees to demonstrate Spirit behaviours in their daily work activities, ensuring that employees deliver the desired results for our business.

In South Africa, Vodacom spent

R483 million

on **skills and leadership development programmes.**

The Spirit of Vodacom — our culture

Through the Spirit of Vodacom, we advocate for a culture that focuses on trust, drive, curiosity and belonging. We have embedded four pillars, which are earn customer loyalty; create the future; experiment, learn fast; and get it done, together. Our ethos is that no matter where we work in Vodacom, we act as one. Together, we create a place where everyone can truly be themselves and belong.

We keep employees engaged, boost staff morale and create a progressive and conducive organisational culture as we continue to navigate recovery from the pandemic. Accordingly, we launched the Spirit of Vodacom day — a quarterly meeting-free event that provides space and time for our employees to focus on personal growth, well-being and connection. We hosted our first Spirit of Vodacom day in October 2021, our second one in February 2022 and have three more quarterly events planned. To support our Spirit journey, we launched the Spirited Leader series as the vehicle for a future-ready Vodacom. This series is designed to drive high-impact actions, leadership standards and well-being, and also provide playbooks and action toolkits, share best practices and facilitate peer support from leaders across the Group.

Listening to our employees is a key aspect of improving our culture and ensuring we continually strive for excellence. A key measure of how the Spirit of Vodacom resonates with our employees is our Employee Spirit Beat surveys. We run Employee Spirit Beat surveys bi-annually and have thus far completed three cycles in FY2022, with a participation rate of 86%. The data from the surveys reflect the following scores and insights:

Employee index of **77%**	Purpose index of **86%**	Spirit index of **76%**

Positive themes from surveys
- New employees resonate strongly with our purpose
- Satisfaction with a hybrid working model
- Learning new skills and abilities

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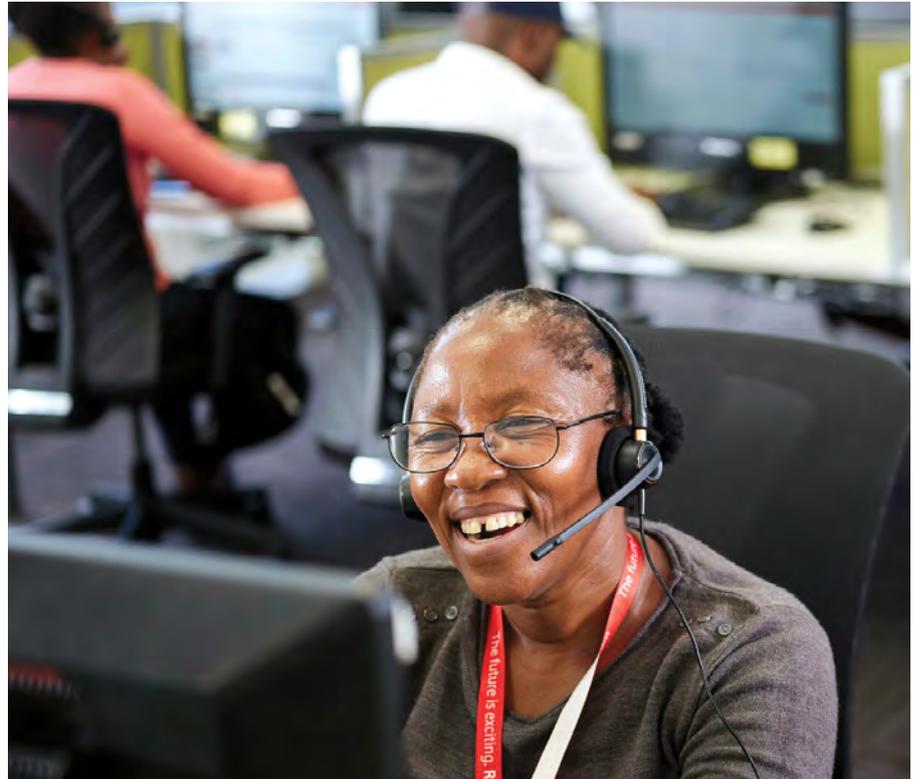- Working effectively across the Group to find the best solutions for customers

✓ Value created   ✗ Value eroded   = Value sustained

Accelerating the digital skills of our employees

✓ Our #1MoreSkill programme continued to support skills development across Vodacom. This year, we established a skills transformation team at Group level to accelerate the initiative, focusing on the capabilities required to drive our ambitions: software engineering, cloud computing, RPA, Agile, cyber security and 5G.

✓ In South Africa, we focused predominantly on increasing software engineering capabilities. Over 331 employees completed 7 225 hours of instructor-led training across 76 courses. This equates to R3.2 million in internal costs.

✓ In all our markets, there was also a focus on cloud capability build. Over 141 employees were certified in AWS expertise, Azure and GCP Solution Architects, AWS Developers and Security expertise. In addition to this, through our five-year partnership with AWS, 977 employees completed 221 certifications in cloud architecture in Vodacom South Africa.

✓ Vodafone University continues to offer our permanent employees access to online learning opportunities across multiple training platforms such as LinkedIn Learning, O'Reilly, Udemy and UiPath. In FY2022, 94% of employees completed at least one course in South Africa. Across the Vodacom Group, employees completed 515 616 online training programmes this year, equating to 141 669 hours of learning.

Fostering workplace inclusivity and diversity

✓ Driving an inclusive employee culture, which fosters tolerance and embraces diversity, is a key component of our human capital strategy. We have various initiatives and forums to ensure we respect and include the different viewpoints, backgrounds, ethnicity, ages and genders of our employees. These include the Disability Forum, LGBTQ+ Network, National Consultative Committee, Women's Network Forum and Youth ExCo.

= We review our internal pay ranges annually and consistently apply them throughout the organisation. All OpCos conduct an annual fair-pay analysis to ensure they are committed to fair pay and responsible remuneration across all employee levels.

✓ Vodacom was also recognised for the support we provide to LGBTQ+ employees being one of three companies in South Africa that achieved SAWEI Gold status in this regard. This is a key milestone following silver status achieved previously. The South African Workplace Equality Index aims to rank South African companies on how well they implement best practice for LGBTQ+ equality in the workplace.

✓ We have a parental leave policy which gives four months paid leave to non-birthing partners and those who adopted a child or became a parent through surrogacy. Since the policy was launched group-wide in September 2020, 223 employees have enjoyed this benefit.

✓ We introduced an external bursary programme in South Africa for people living with disabilities in 2021. This programme is aimed at assisting students who live with disability, lack necessary resources to further their studies and have achieved outstanding academic results.

✓ Our job shadow programme continued to support high school pupils in selecting university careers in line with jobs of the future, focusing specifically on science, technology, economics and maths-related programmes. This year, 50 school pupils were enrolled in the programme.

✓ In South Africa, the WeThinkCode programme trains Africa's top tech talent and drives the digitisation of African businesses. We continue to collaborate with the programme and, accordingly, annually sponsor 10 students as they complete National Qualifications Framework 5 programmes in software engineering and coding at non-traditional learning institutions. In March 2022, we onboarded 10 additional students, investing a total of R1 million.

Providing a safe and healthy employee experience

The health, safety and well-being of each employee continue to be a priority and key focus area across our markets – particularly through the various COVID-19 waves. We aim to achieve a 100% Home Safe culture by managing our top risks, sustaining our employees and suppliers through the pandemic, supporting mental health and building the resilience of all who work for us – our employees and suppliers and their families.

In October 2021, we updated our remote ways of working policy to formalise a hybrid way of working between the office and home. This transition signals the return to normality after the lifestyle changes associated with COVID-19 lockdowns. Although we have seen an improvement in the return to office-based work, our employees are still adjusting to the hybrid working environment.

Employee wellness remained a priority during the year, and we continued to drive several employee support and engagement activities across the Group. Our employee assistance programme counsellors and employee ambassadors worked to assist our workforce with coping strategies, stress management, communication, grief counselling and parental guidance during COVID-19. We hosted 80 sessions in South Africa, attended by 7 800 people.

Vodacom created vaccination opportunities for employees, their families and members of the public by implementing vaccination drives and pop-up vaccination sites. Over 13 700 people were vaccinated there, of whom an average of 55% comprised employees across our markets in Africa. As our employees return to the workplace, we provide free antigen testing to them and their immediate family members should they present with COVID-19 symptoms.

We continued to accelerate our digital transformation journey and unlock new opportunities. Our Vodacom Engage app, a mobile employee engagement platform, continued to be used extensively as the primary communication gateway for the business, offering users a seamless and connected experience. To give our employees a distinctive digital experience, we used the app's COVID-19 functionality to include screening, reporting positive cases and declaring vaccination status. The app had 6 107 active users from across the Group at year end.

We continue to focus on reducing road risk and significantly enhanced our driver behaviour across our OpCos. This decreased both the frequency and severity of incidents, as well as our employee and supplier fatality rates. Tanzania, specifically, celebrated 10 years of being fatality-free. This is primarily attributable to a phenomenal innovative health and safety executive team leading the business and increased ownership of safety and well-being by our leadership, continued engagement with suppliers and proactively monitoring and measuring of field activities.

Sadly the lives of two members of the public were lost as a result of a road accident in Mozambique. To prevent future fatalities, we continue implementing road risk reduction initiatives and adapted learnings from Tanzania across all markets.

Looking ahead

SHORT-TERM	Priorities for FY2023
	• Build a skills hub to accelerate critical skills.
	• Continue to transform the skills profile of the organisation to enable our transition to a TechCo.
	• Realign our operating models.

MEDIUM-TERM	Vodacom Vision 2025
	Embed a culture of inclusivity by promoting our commitment to workforce diversity and localisation.
	Embed a hybrid working culture with the introduction of a progressive remote working policy.
	Promote skills development and youth empowerment.
	Build the coaching capabilities of our leaders.
	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 align our graduate and bursary programme to attract these skills.
	Identify high-performing black females in the market to develop future skills and leadership through a female empowerment training programme.

10

Trusted brand and reputation

How this supports our purpose

We aspire to be a purpose-led organisation, connecting for a better future by enabling a digital society, inclusive of all, with the least environmental impact. We embed these values into our culture and activities across the Group, and aim to enhance Vodacom's reputation by demonstrating this purpose in our product development strategies and communicating it across customer experiences. Beyond our brand purpose, we recognise the need to earn and maintain trust, and are guided by our Social Contract to operate an ethical business that is responsive and transparent to a diverse group of stakeholders.

Building trust with our purpose-led model

At our core, we believe technology and connectivity can enhance the future and improve people's lives. To this end, Vodacom has taken decisive steps towards embedding our purpose of connecting for a better future into our company, into our people and into the way we do business. In FY2022, our refreshed brand campaign, Further Together, was a rallying call for our employees and partners, and a commitment to Africa that Vodacom will not stop until everyone is connected to the abundant potential of a digital society.

As we deliver on our purpose-led model, we focus on three pillars: digital society, inclusion for all, and planet. Below, we provide some examples of the progress we are making across these pillars, and our focused Hero campaigns. For more detailed information, refer to our sustainability report, available on our website.

✔ Value created

✘ Value eroded

= Value sustained

Digital society

Connecting people and things to the internet

✔ In March 2022, as part of the ITU's Partner2Connect programme, Vodacom committed to investing to increase 4G population coverage across our footprint by an additional 70 million people over the next five years.

✔ To drive digital inclusion through device penetration, Vodacom facilitates access to affordable smart devices in our markets. Vodacom connected 34.1 million smart device users to our network during the year, a 12.5% increase from FY2021. The number of 4G and 5G devices in South Africa increased by 23.9% to 18.5 million, while in the international markets smartphone penetration increased to 33.7%.

✔ Through ConnectU, a platform that provides basic internet and essential services, Vodacom provides zero-rated access to free online courses and selected job sites for job seekers. The platform has over 22 million unique users. We launched ConnectU in the DRC during the year and plan to rollout the platform to the remaining international markets.

Market	ConnectU launch date
Mozambique	Development complete, site launch in June 2022
Lesotho	Quarter two, FY2023
Tanzania	Quarter three, FY2023

✔ To maintain affordability for our customers, in South Africa we introduced 4G-targeted Everyday-ta bundles, which deliver a daily allocation of data over 30 days, priced at R99 for 7.5GB, and reduced out-of-bundle charges by 75% and headline monthly data prices by 50%. The Just4U personalised pricing bundles also enabled Vodacom to offer lower rates to the most price-sensitive, lower-income consumers.

Providing access through platforms

✓ We continued to support governments in their response to the pandemic. As part of this, we processed 1.5 million COVID-19 tests through e-Labs. To address inefficiencies in medicine supply chains, through Mezzanine we partnered with the South African Department of Health to develop the Stock Visibility Solution (SVS). Over 14 million stock updates were made during FY2022. In Kenya, the World Food Programme used the SVS to monitor stock levels of food aid.

✓ This year, Vodacom launched V-Hub – a platform that provides SMEs with access to business opportunities and support. We also provided black-owned SMEs with R16 million as part of our deep rural lease programme by transferring several base station sites to these SMEs on a lease-back agreement for maintenance and construction.

✓ In Mozambique, we introduced a supplier portal as part of the local procurement programme through which SMEs have access to bids. In FY2022, the platform registered 200 suppliers, of which 45 were invited to submit bids.

Promoting financial inclusion

✓ Vodacom has 60.6 million financial services customers, of whom 47.1 million are M-Pesa customers and 13.5 million financial services customers in South Africa. Through M-Pesa we processed over US$324.6 billion in transaction value during the year.

✓ In FY2022, more than 10.5 million customers used Airtime Advance to the value of R13 billion in South Africa – an increase of 8.7%. Airtime Advance represented 45.2% of total prepaid recharges during the year.

✓ Vodacom, through Mezzanine, supported the Department of Agriculture, Land Reform and Rural Development and the Solidarity Fund to disburse subsidies to small-scale farmers. The e-Voucher mobile and web-based solution enabled cashless value distribution to these farmers, who redeemed vouchers worth more than R400 million.

✓ Vodacom introduced VodaLend Business Cash Advance to facilitate finance to smaller unregistered businesses needing quick access to short-term cash advances. By offering finance of between R3 000 and R350 000 to customers using VodaPay POS devices, Business Cash Advance complements VodaLend's range of lending products aimed at SMEs – driving financial inclusion and sustainability in this key sector.

Inclusion for all

Education ecosystem

We believe everyone should have the chance at a better future, and continue to leverage the power of technology to create opportunities for women and youth while promoting access to education. Across our markets, we have prioritised education as a Hero campaign. We strive to make an impact across the education ecosystem, including connectivity, schools of excellence, teacher development, training centres, youth academies, partnerships with NPOs and learnings materials.

✓ In South Africa, we support 3 000 schools, 15 early childhood development (ECD) centres, 13 schools of excellence and 10 youth academies. Our interventions include support with curriculum, infrastructure upgrades, providing computer centres, connectivity and upgraded security. Further, we provided free connectivity to Vodacom e-School, which has registered 1.6 million learners since inception, with over 60 000 learners reached in the year.

✓ Across our international footprint, we delivered projects and set goals for each market. In the DRC we launched the market's first digital e-learning platform, VodaEduc, which helps improve the quality of education by using our technology. The platform already has close to 150 000 monthly active users. In Mozambique, Vodacom Faz Crescer brings digital inclusion and literacy to public secondary schools by providing computer labs and connectivity. The programme directly impacted 24 638 beneficiaries.

CASE STUDY

Empowering girls for a better future

Vodacom continues to train girls to code through the Code Like a Girl programme. In October 2021, Vodacom ran the programme virtually, inviting 600 young girls from across South Africa to learn how to code and enhance their STEM knowledge during the 2021 spring school holidays.

Shreya Rupan – now a second-year university student studying towards a degree in computer science and applied mathematics – attended the Code Like a Girl programme in 2018 when she was 15 years old. Of the experience, Shreya said, "It was an empowering experience that transformed my life. After I completed the programme, I decided to pursue a career in technology and am now on my way to becoming a data scientist." Vodacom provided a full bursary for Shreya to complete her studies. "If the stars align," Shreya said, "I would love to start my data science career at Vodacom. Women are still underrepresented in STEM careers, and we need to break away from traditional careers and empower ourselves to capture opportunities."

Gender empowerment

✓ Through the ICT agriculture platform, Vodacom trained female farmers in ICT skills and enabled them to use technology to build their businesses and participate in the economy in a meaningful way. Over 2 150 female farmers were trained during the year.

✓ We support expecting mothers through Mum & Baby – a zero-rated mobile health platform providing regular information on maternal, neonatal and child health and nutrition. The platform currently has 2.1 million users in South Africa, 150 000 in the DRC and 196 558 in Mozambique. In Tanzania, we expanded the M-Mama programme – an emergency digital transport solution and Hero campaign – across the country to facilitate access to a network of local taxi drivers that act as ambulances when pregnant women need transport to hospitals. This service is a US$9.25 million investment that will reach over half of Tanzania in the next six years.

✓ In the DRC, we collaborated with the AgroMwinda web-based platform – which has over 90 600 farmers as subscribers – to provide training in new technologies and mobile solutions for smart agriculture to 10 000 rural women and girls, thereby promoting socioeconomic development.

✓ In South Africa, Vodacom donated R10 million to fund the private sector-led, multi-sectoral GBVF Response Fund 1 to support the implementation of the National Strategic Plan and the wider GBVF response in the country.

Empowering customers with disabilities

✓ We continue to partner with various organisations to support customers with disabilities. For example, we provided smartphones to the Hein Wagner Academy for visually impaired people and trained some of them on how to use these devices.

✓ Vodacom launched the Nokia 2720 – a smartphone designed to provide easier access for elderly persons, people living with disabilities and those who experience other barriers to communication. The 4G feature phone comes pre-loaded with WhatsApp and Facebook and has a dedicated emergency button.

Planet

Managing our environmental impact

✓ We believe urgent and sustained action is needed to address climate change and that the success of our business should not be at the expense of the environment. We are committed to managing our environmental impact. We have 1 088 solar-powered sites and will implement further installations in FY2023. Our GHG emissions per terabyte of data reduced by 14.8% to 0.64 $mtCO_2e$ per terabyte of data. Our carbon emissions increased by 4.6% most notably due to network and traffic growth, increased diesel consumption as well as higher emissions factors.

✓ To reduce our SIM card packaging, we halved the plastic, paper and cardboard in SIM starter packs. We produced 40 million of these new starter packs, saving 295 tonnes of paper and cardboard and 156 tonnes of plastic.

Waste management

✓ We reused or recycled 96% of our telecoms equipment waste (506 tonnes) and reused or recycled 14 thousand kilograms of consumer devices. In South Africa, we recycled 11 thousand kilograms of plastic and 8 thousand kilograms of general office waste.

✓ Using the BiobiN, 98% of food waste was diverted from landfills and converted into compost in FY2022. Our water-saving initiatives resulted in a 76% reduction in water consumption against our 2017 baseline.

Maintaining a strong reputation

✓ We aim to be a purpose-led TechCo, building one of the most trusted, innovative and loved brands in the countries where we operate. Pleasingly, Vodacom moved from fourth place to second in Kantar's BrandZ list of South Africa's most valuable brands. This is particularly significant given the Group's ongoing role in connecting families, learners, communities and businesses.

✓ Vodacom was ranked first by companies and NPOs for having the biggest developmental impact within South Africa according to Trialogue's Corporate Development Impact 2021 rating. This is the fifth consecutive year Vodacom has been ranked first by companies, and the second time we received a top-five ranking from NPOs. This achievement further signals our commitment to creating a more inclusive digital society.

✓ We focus on creating innovative, easy-to-use products that offer customers the best value for money in the market. We measure Vodacom's reputation and the levels of trust from our stakeholders through various methods. For example, we use tNPS to assess the quality of our customers' experiences, and commission an independent research company to conduct an annual reputation survey across our markets to measure how stakeholders perceive our performance against our competitors and non-TelCos.

= The Group's most recent reputation survey found that Vodacom shows average to strong reputation performance ahead of TelCo peers and comparable with non-TelCo benchmarked brands in most markets. Our stakeholders scored us higher than our competitors on rational reputation dimensions, including innovation, performance and leadership. According to the survey, three of our five markets achieved a strong Global RepTrak index score (between 70 and 80) and are ahead of the global TelCo reputation average.

✓ Our reputation survey and regular stakeholder engagements provide deeper insights into the hot topics our stakeholders are concerned about. We regularly engage with stakeholders to ascertain their interests and implement various initiatives to build mutual trust.

	South Africa	Tanzania	DRC	Mozambique	Lesotho
Our reputation index performance in FY2022[1]	**65.4**	**66.2**	**71.4**	**75.1**	**72.6**
Relative to competitors	1st	2nd	1st	2nd	1st

Looking ahead

Priorities for FY2023

SHORT-TERM

- Accelerate the delivery of our purpose pillars – digital society, inclusion for all, and planet.
- 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.

Vodacom Vision 2025

MEDIUM-TERM

Continue to combine Vodacom's technology with the potential of the human spirit.

Develop innovative and smart technologies to reduce poverty.

Provide access to essential services such as healthcare, financial inclusion and education while making the lives of our customers easier, healthier and smarter.

1. Index score is based on a scale of 0 to 100.