

Our key relationships

Vodacom’s ability to create sustainable value depends on quality engagements with our stakeholders based on mutual trust, respect and transparency. We aim to build, maintain and strengthen these relationships by understanding and addressing a range of social, economic and environment-related issues to align stakeholders with our purpose-led journey.

Our self-assessment of the current quality of our relationship

-  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.



Governments and regulators



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 continue to engage with these stakeholders in a way that builds trust and ethically influences policy positions across government departments.

How we engage

- Directly or by 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.

The value we created

- ▶ Accelerated support through e-Health and e-Education initiatives.
- ▶ Contributed more than R22 billion in total tax to governments across our markets.

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 increased demand during COVID-19 lockdowns.
- Supporting the rollout of COVID-19 vaccines.
- Partnering to achieve the objectives of the UN SDGs.
- Expanding 5G network in South Africa and 4G across our markets in Africa.
- Maintaining and enhancing our licence to operate across our footprint.
- Creating employment opportunities and facilitating socioeconomic development.

Our response



Responding to “hot topics” on a macroenvironmental, industry and company level, [page 70](#).

Trusted brand and reputation, [page 65](#).



The [responsible business practices and disclosures](#) section of our sustainability report.



Customers



Basis of assessment:
Net promoter score (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 research via USSD, apps, SMS, focus groups, online panels, face-to-face, customer immersions.
- At our retail stores and service centres.
- Gathering NPS feedback through interviews and focus groups.
- Interactions on our social media channels.
- Targeted marketing messaging.
- Complaints management system.

The value we created

- ▶ Invested R14.6 billion to improve coverage and quality of our network.
- ▶ Launched VodaPay and M-Pesa super-apps to accelerate financial and digital inclusion.

Material stakeholder interests and expectations

- Providing easily accessible, affordable and quality products, including credit and savings products, to improve financial inclusion.
- Ensuring widespread agent network and float availability, especially during COVID-19 lockdowns.
- Providing a reliable and fast network connection, including expanded rural coverage.
- Enabling access to a wide network of payment partners.
- Securing data and protecting personal information.
- Providing swift customer service and resolving service-related issues promptly.

Our response



Secure leadership in mobile and fixed, [page 40](#).
Scale financial and digital services, [page 43](#).
World-class loyalty and customer experience, [page 51](#).



Employees



Basis of assessment:
Employee engagement index

Why we engage

Our employees drive our strategy with their ideas, skills, experience and productivity.

How we engage

- Internal communication campaigns.
- Big Conversation moments and fireside chats.
- Internal website and Vodacom Engage app.
- Training and development programmes, such as #1MoreSkill and Women in Leadership.
- Through a dedicated employee hotline and employee network forums.
- Leadership roadshows.
- Pulse surveys.
- We Connect sessions with Vodafone markets.

The value we created

- ▶ Paid R7.3 billion in salaries and benefits.
- ▶ Invested R483 million in skills development for employees in South Africa.

Material stakeholder interests and expectations

- Providing a safe, healthy and inclusive working environment.
- Ensuring job security and business sustainability given the macroeconomic environment.
- Creating opportunities for digital skills development to promote agility.
- Hosting connect sessions for coaching and mentoring.
- Facilitating communication and knowledge sharing across Vodacom.
- Providing competitive remuneration and equal pay.
- Driving transformation and localisation.

Our response



TechCo organisation and culture, [page 62](#).
Sustainability report.

Our key relationships continued



Investors and shareholders



Basis of assessment:
Investor relations survey

Why we engage

Our investors and shareholders provide the financial capital we need for long-term growth and they expect good returns based on sustainable and ethical business practices.

How we engage

- In-person and virtual meetings, roadshows and conferences.
- Investor briefing on the digital ecosystem.
- Chairman roadshow.
- Interim and annual results announcements.
- Quarterly trading updates.
- Annual and interim reports.
- SENS announcements.
- Monthly and quarterly reviews with Vodafone.
- Investor relations page on our website.

The value we created

- ▶ Increased HEPS by 3.4% to 1 013 cents per share (cps).
- ▶ Increased ROCE 1.4 percentage points to 23.4%.

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 strategy.
- Managing and mitigating risk.

Our response



Share information, [page 98](#).



Consolidated AFS.

Sustainability report.



Suppliers



Basis of assessment:
Kantar stakeholder assessment

Why we engage

Our suppliers provide cost-effective, quality products and services to 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 of proposals, request of interest and requests for quotation.

The value we created

- ▶ Spent R41 billion on suppliers with a Level 4 BBBEE rating and higher.
- ▶ VodaTrade enabled an annual cashless trade of R270 billion.

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 COVID-19 health and safety concerns.
- Promoting environmental solutions.
- Driving supplier and product innovation.
- Complying with BBBEE requirements, including preferential payment terms for BBBEE suppliers.
- Promoting black female-owned suppliers.

Our response



Trusted brand and reputation, [page 65](#).



Sustainability report.



Communities



Basis of assessment:
Kantar stakeholder assessment

Why we engage

Our relationships with the communities in which we operate can impact our brand and reputation. We therefore aim to be a responsible business and understand the impact of our activities on these communities.

How we engage

- Through sustainability and Vodacom Foundation partnerships.
- Community crisis support, such as food security support.
- Partnerships with non-profit organisations (NPOs).
- Psychosocial support in schools.
- Green early childhood development (ECD) centre programme.
- Online GBV prevention tools and platforms.

The value we created

- ▶ Donated R10 million to the GBVF Response Fund 1.
- ▶ Donated R7 million to communities affected by the civil unrest in July 2021.
- ▶ Established 92 teacher training centres in South Africa.
- ▶ Established 10 youth centres and 13 schools of excellence.
- ▶ Connected 3 000 schools.
- ▶ Provided health departments and universities with data bundles.

Material stakeholder interests and expectations

- Addressing the profound socioeconomic impact of COVID-19.
- Support through our mVacciNation platform.
- Managing and reducing our environmental footprint.
- Supporting the fight against GBV.
- Providing affordable access to educational resources.
- Zero-rating access to government, employment and empowerment solutions through ConnectU.

Our response

Trusted brand and reputation, page 65.



Sustainability report.



Media



Basis of assessment:
Kantar stakeholder assessment

Why we engage

We engage to manage our brand and reputation while increasing customer product and service awareness.

How we engage

- In person, virtually or through telephonic engagements.
- CEO and key executive interviews and other speaking engagements.
- Roundtable discussions.
- Through product and service launches.
- Media press releases.
- Strategic social media content.
- Thought leadership articles.
- Engaging with government departments and non-governmental organisations (NGOs).

The value we created

- ▶ Strategic brand positioning in key media titles i.e. transition from TelCo to TechCo purpose-led organisation.
- ▶ Industry thought leadership profiling Group leadership.
- ▶ Earned publicity around "tech for good" and Africa Hero project initiatives.

Material stakeholder interests and expectations

- Engaging with brand ambassadors.
- Providing timely and transparent access to key information, activities and offerings.
- Ensuring transparency around company performance.

Our response



Integrated report.

Consolidated AFS.

Sustainability report.



Business partners



Basis of assessment:
Kantar stakeholder assessment

Why we engage

Our business partners – franchisees, retailers, wholesalers, freelancers, agents, merchants, aggregators and banks – are custodians of our reputation and a critical extension of our brand.

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.
- Through agent outlets, stores and retail visits.
- Long-term sustainable partnerships with channels.
- Credit support to businesses.

The value we created

- ▶ Provided store support during COVID-19.
- ▶ Enhanced digital onboarding and support for merchant payments.

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 and VodaPay.

Our response



World-class loyalty and customer experience, page 51.