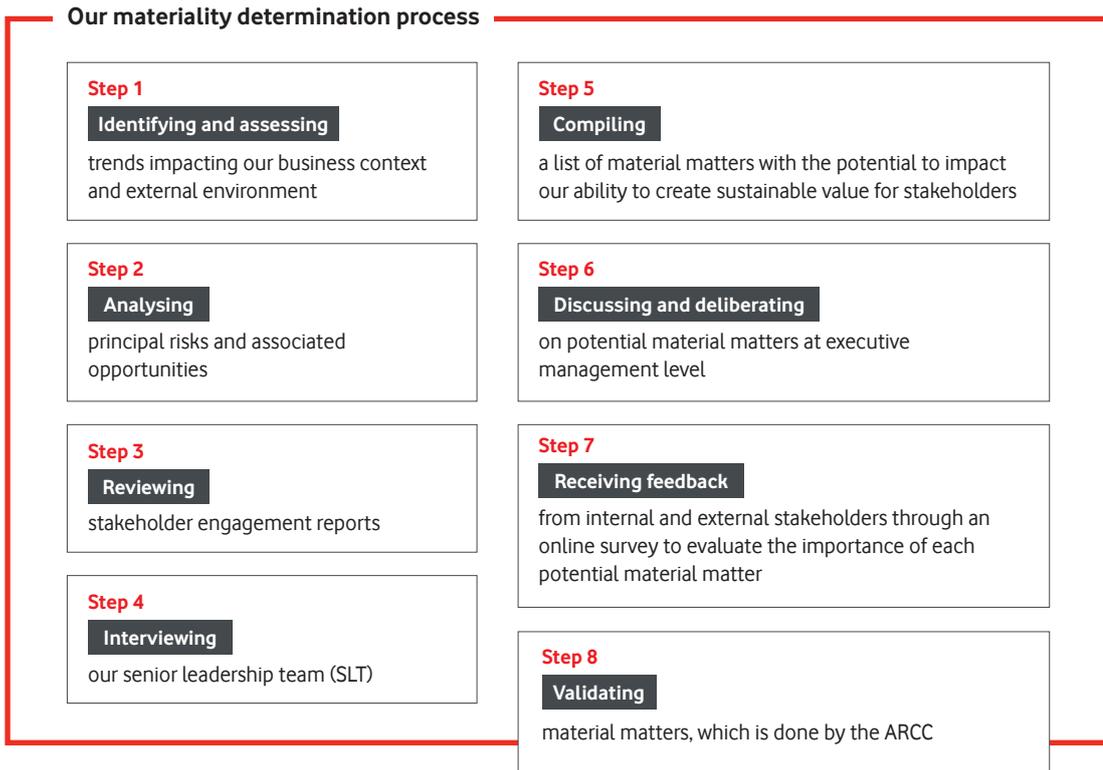


Our material matters

Vodacom conducts an annual review of the material matters that could potentially affect the value we create over time and our ability to deliver on our purpose to connect for a better future. In FY2022, we enhanced our process by adopting a double materiality approach to identify and prioritise matters based on their impact on Vodacom’s ability to create value (inward-focused), as well as their impact on society, communities and the environment (outward-focused). The outcome of this process guided the content of both our integrated and sustainability reports.

Below, we provide an overview of the detailed assessment we conducted in FY2022 to identify our material matters.



Following the above-mentioned process, we identified and ranked the following material matters from highest to lowest based on their impact on Vodacom:



- 01 Accelerating growth while enhancing returns
- 02 Complex regulatory environment
- 03 Competitive environment
- 04 Financial and digital inclusion
- 05 Network resilience and climate impact
- 06 Our people
- 07 Economic and political landscape

01 Accelerating growth while enhancing returns CAPITAL IMPACTED

FC IC SRC

Why this is important:

As Vodacom transitions from a traditional telecommunications company (TelCo) to a fully fledged digital TechCo, we must deliver on our multiproduct strategy – what we call the system of advantage – to provide differentiated offerings to customers. As we combine our geographic expansion and product diversification with Big Data analytics, machine learning (ML) and world-class technology, we can distinguish ourselves from competitors and provide superior growth and returns to shareholders.

Chief Executive Officer's (CEO's) statement Page 14
Our strategy Page 17

02 Complex regulatory environment CAPITAL IMPACTED

FC IC SRC

Why this is important:

We operate in an environment characterised by stringent regulatory and compliance requirements. These risks are driven by specific challenges in each market but could impact the Group's ability to generate profit and grow, scale and deliver quality services.

Responding to "hot topics" on a macroenvironmental, industry and company level Page 70
Our principal risks and associated opportunities Page 32

03 Competitive environment CAPITAL IMPACTED

FC IC MC SRC

Why this is important:

As we grow our business, our competitive landscape follows suit. We face competition from new entrants and competitors as we enter new markets or industries, all competing for market share amid reductions in disposable income and growth of over-the-top (OTT) and other non-traditional players.

Forces shaping our industry context Page 72

04 Financial and digital inclusion CAPITAL IMPACTED

FC IC SRC

Why this is important:

Driven by technology and connectivity, financial and digital inclusion can create a more equitable society. We recognise that reducing the cost of information and communication technology (ICT) services and providing affordable and accessible data is critical to addressing societal challenges in the countries we operate in. Through our commitment to our purpose and our Social Contract with stakeholders, we can connect people and things to the internet and facilitate a digital future that is accessible to everyone.

Scale financial and digital services Page 43
Trusted brand and reputation Page 65

Sustainability report: Digital society
Sustainability report: Inclusion for all

05 Network resilience and climate impact CAPITAL IMPACTED

FC IC MC NC

Why this is important:

Vodacom's ability to maintain quality of service, increase the capacity of networks and reduce network disruptions plays a critical role in our growth strategy. We must also consider the impacts of the increasing occurrence of extreme weather events, such as heavy rainfalls and flooding, on the continuity of our services. Accordingly, we focus on preserving our natural resource base, investing in climate-smart, energy-efficient networks and solutions, developing water-wise practices and minimising waste across the value chain. In addition, given the nature of our industry, we face increased cyber security threats, and cyber resilience is essential to prevent interruption to our service or the breach of confidential customer data. We also need to manage ongoing global supply chain disruptions, while also ensuring we invest responsibly.

Responding to "hot topics" on a macroenvironmental, industry and company level Page 70
Our principal risks and associated opportunities Page 32
Secure leadership in mobile and fixed Page 38
Technology leadership in network and IT Page 59

Sustainability report

06 Our people CAPITAL IMPACTED

HC IC

Why this is important:

To build an organisation of the future, we need appropriately skilled and capable leaders and employees who embrace the Spirit of Vodacom. We focus on fostering a digitally agile, diverse and inclusive working environment to facilitate innovation and enable a digitally connected society.

TechCo organisation and culture Page 62

Sustainability report

07 Economic and political landscape CAPITAL IMPACTED

FC SRC

Why this is important:

While gross domestic product (GDP) growth rebounded across markets, the impact of the pandemic will persist longer in Africa. Recovery is likely to be slow, with fluctuating foreign exchange and inflation rates, high unemployment rates and reduced consumer spend all contributing to unstable economic and market conditions. The Ukraine-Russia war presents incremental macroeconomic uncertainty, and places pressure on governments, which is likely to result in higher taxation. The changing political landscape also impacts Vodacom's ability to generate revenue and contain operating costs and capital expenditure (capex).

Responding to "hot topics" on a macroenvironmental, industry and company level Page 70
Our performance Page 80

