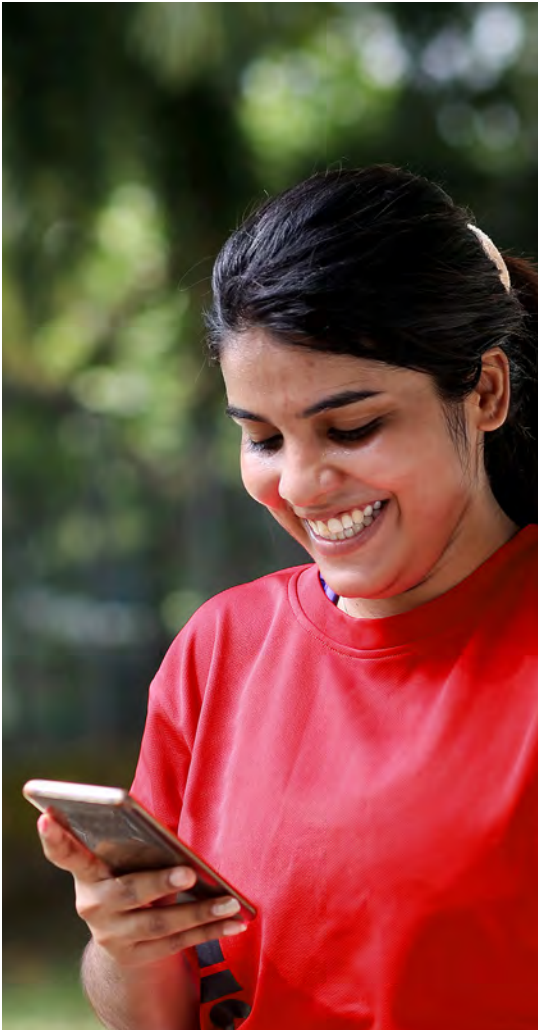


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# Intellectual capital

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.



CLICK HERE TO SEE  
EXPLANATION OF ICONS

## Our intellectual capital at a glance

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
<b>Managing spectrum to maintain our leadership</b>	<ul style="list-style-type: none"> <li>Maintained spectrum leadership in six of our eight markets</li> <li>Acquired additional spectrum in DRC and Tanzania</li> </ul>	2
<b>Creating a world-class customer experience</b>	<ul style="list-style-type: none"> <li>Top ranked TelCo in the Ask Afrika Orange Index</li> <li>Egypt's MoneyBack Guarantee and digital journeys supported best-in-class deep detractor scores</li> <li>Through the TOBi chatbot, customer call volumes across our markets have reduced, with South Africa achieving the highest containment at <b>93.8%</b>, with a focus on resolution at first touchpoint</li> <li>Improved our Vodacom Business customer experience through our Converged Portal</li> </ul>	5 6 7 8 10
<b>Leveraging Big Data for personalisation and loyalty</b>	<ul style="list-style-type: none"> <li>The penetration rate of CVM personalised offers increased across all OpCos, with South Africa achieving the highest at <b>78%</b> penetration</li> <li>Egypt leveraged its loyalty programme, Shokran, contributing to market share gains</li> <li>In South Africa, our VodaBucks loyalty programme engaged more than 13 million users per month</li> </ul>	5 6
<b>Building our trusted brand and strong reputation to differentiate</b>	<ul style="list-style-type: none"> <li>Our Group reputation index, measured by independent benchmarking firm RepTrak, increased <b>3.6pp</b> in the year and averaged <b>74.4</b></li> <li>VodaBucks was highly commended in the 2023 South African Loyalty Awards</li> <li>Ranked <b>first</b> for developmental impact within South Africa according to Trialogue's Corporate Development Impact rating</li> </ul>	5 10
<b>Sharing best practice and utilising scale across the Group</b>	<ul style="list-style-type: none"> <li>M-Pesa Africa grew our international money transfer corridors by 40%, supporting the M-Pesa ecosystem</li> <li>Centres of excellence supported by new Talent Framework for critical skills</li> <li>Leveraging Vodafone Procurement Company and multi-market request for proposals to leverage our scale</li> </ul>	2 7 9
<b>Scaling our digital and financial services to build our digital ecosystem</b>	<ul style="list-style-type: none"> <li>Developing our super-apps to support our dual-sided financial services ecosystem</li> <li>Supported over <b>78.9 million</b> (FY2023: 70.6 million) financial services customers</li> <li>Continued to develop and scale our Tech for Good solutions into agriculture, education, energy and health</li> </ul>	3 4 5 6 7 8
<b>Extending our capabilities to provide key enterprise services</b>	<ul style="list-style-type: none"> <li>Supported <b>10.3 million</b> IoT connections</li> <li><b>30.7%</b> increase in revenue from cloud, hosting and domain, managed software and security services</li> </ul>	3 4
<b>Maintaining data security and privacy to maintain technology leadership</b>	<ul style="list-style-type: none"> <li>Extensive set of cyber security baseline and super controls</li> </ul>	8 10



## The value we create, sustain and erode

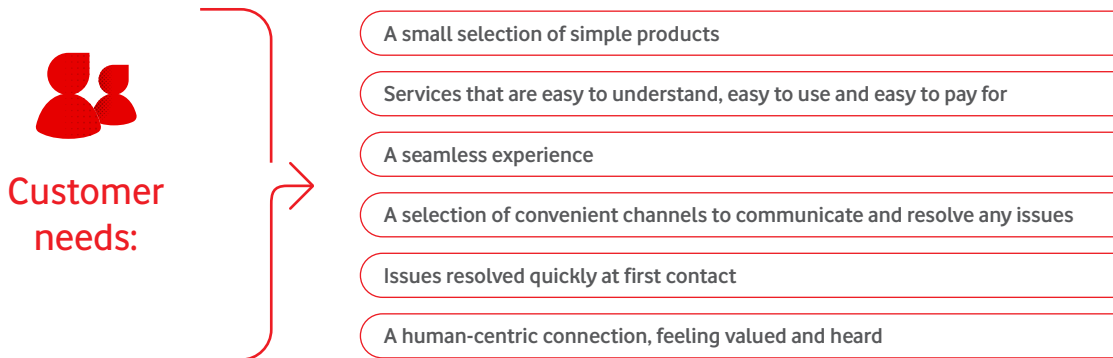
### Managing spectrum to maintain our leadership

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.



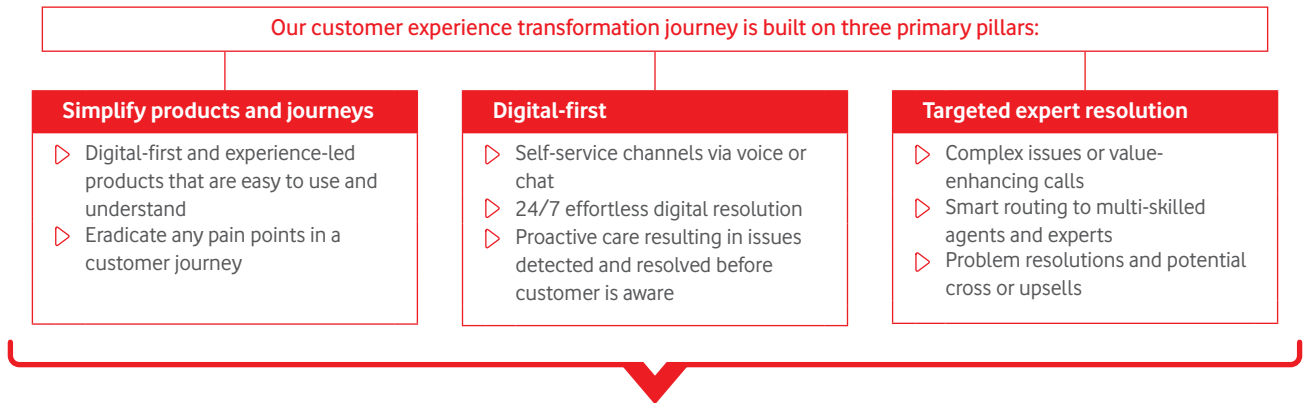
### Managing customer pain points across the Group

- 🕒 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).

## 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.



### 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

- 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.
- 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.

- 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

- 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

- 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	1 <sup>st</sup>	1 <sup>st</sup>
Egypt	71.2	73.2	1 <sup>st</sup>	1 <sup>st</sup>
DRC	84.4	1	1 <sup>st</sup>	1
Lesotho	(1)	68.6	(1)	2 <sup>nd</sup>
Mozambique	(1)	(1)	(1)	(1)
Tanzania	(1)	78.6	(1)	1 <sup>st</sup>

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**

## Intellectual capital continued

✔ **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

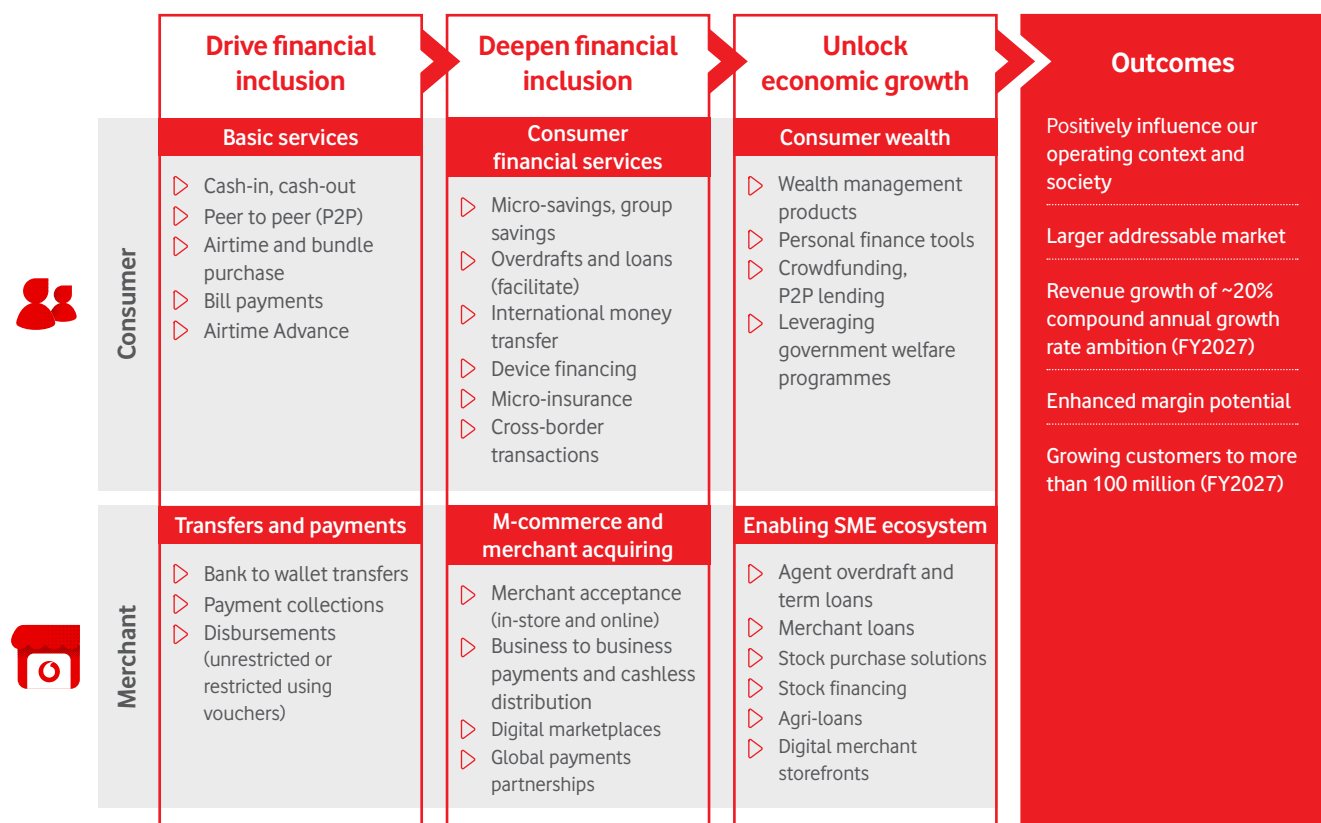
We have built a formidable financial services business across our markets, developing products that cut across consumer segments and geographies. Our financial services diversify and materially enhance the Group's growth and returns profile and unlock strategic opportunities with our key partners. We 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



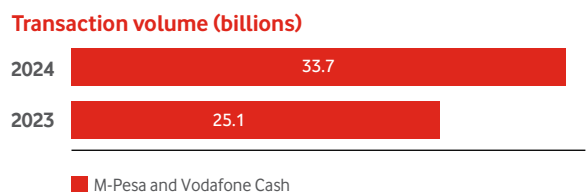
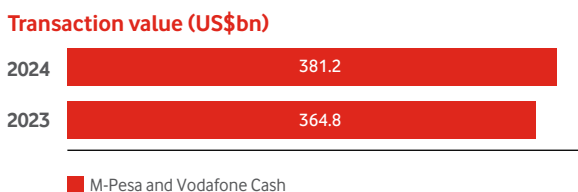
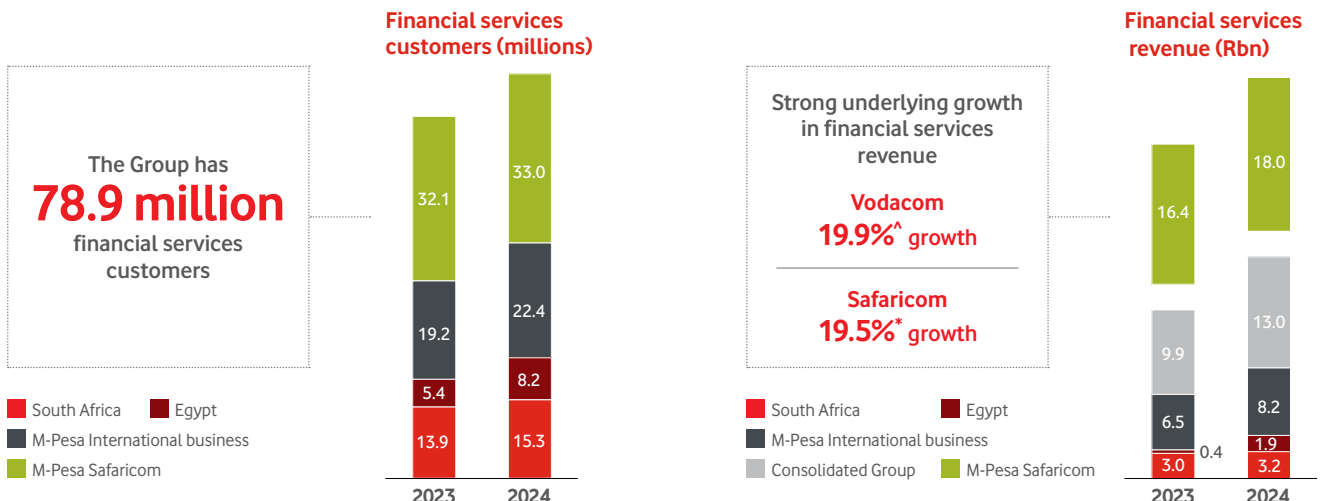


- Value created
- ⊗ Value eroded
- Value sustained

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

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

**Africa's leading FinTech operator**



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



## Intellectual capital continued

### 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.

## Intellectual capital continued

### 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.



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.