

Our material matters

Annually, Vodacom assesses matters that may impact our ability to deliver on our value creation and our purpose – to connect for a better future. Our materiality approach identifies and prioritises material matters based on the extent of their impact on our ability to create value (inward-focused) and on society, communities and the environment (outward-focused) – a process known as double materiality. The outcome of this process guides the content of our integrated and ESG reports, respectively.

ESG Read our **ESG report**



Our materiality determination process in FY2024:





Through this process, we identified and ranked the following eight material matters from highest to lowest based on their impact on Vodacom:

MM1

Financial and digital inclusion

Why this is important

Enabling a digital society by increasing connectivity, supporting enterprises and educating consumers helps to create a more equitable society.

We believe that increasing the **affordability of products and services** is critical to addressing societal challenges. This includes providing **affordable and accessible financial services**.

Our commitment to our purpose and **delivering on our Social Contract** with stakeholders guides us in connecting people and things to the internet and facilitating a digital future that is accessible to everyone.

Capitals impacted

FC MC IC SRC
PG 56 PG 70 PG 76 PG 88

Related strategic pillars

3 4 6 10

Related risks

2 7 9 10



For more information, refer to our **ESG report**

MM2

Network and technology resilience

Why this is important

Our ability to maintain **network availability, quality, reliability and security** plays a critical role in our growth strategy.

Considering the nature of our industry, we increasingly face **cyber security** threats. Cyber resilience is therefore essential to prevent interruption to our service or the breach of confidential customer data.

We consider how **stability in infrastructure and utilities**, including energy, water, waste and road infrastructure, impact and challenge our service continuity.

We also remain aware of the need to monitor **supply chain reliability** as global supply chain disruption risks persist.

We **leverage technology and innovation to grow and mitigate risk of technology failure** through our multi-product strategy – the System of Advantage.

Capitals impacted

FC MC NC
PG 56 PG 70 PG 102

Related strategic pillars

2 3 4 6 7 8 10

Related risks

3 4 6 7 9 10



For more information, refer to our **ESG report**



Hot topics impacting our operating context **Page 46**

MM3

Accelerating growth while delivering returns

Why this is important

We aim to deliver **performance consistent** with our medium-term targets, enabling sustainable growth in our earnings and dividends.

We **execute strategic projects while delivering returns** by combining our geographic footprint with diversifying our product offering through Big Data analytics, machine learning and world-class technology.

Our strategy distinguishes us from competitors, **attracts funding and delivers favourable shareholder returns**.

Innovating through partnerships and collaboration accelerates our growth even further.

Capitals impacted

FC MC IC SRC NC HC
PG 56 PG 70 PG 76 PG 88 PG 102 PG 110

Related strategic pillars

1 2 3 4 5 6 7 8 9 10

Related risks

1 2 3 5 7 8 9 10



Our approach to value creation **Page 28**

MM4

Competitive environment

Why this is important

Our focus on innovation provides us with the necessary tools to mitigate risks and leverage opportunities associated with **new competitors and disintermediation** in a continuously changing competitive environment.

Within this complex and competitive operating environment, we must effectively manage **customer experience and satisfaction**, and **develop innovative and competitive products and services** that meet their needs and remain a provider of choice.

Capitals impacted

FC MC IC SRC
PG 56 PG 70 PG 76 PG 88

Related strategic pillars

1 2 3 4 5 6 7 8 10

Related risks

8 9 10



Hot topics impacting our operating context **Page 46**



Our principal risks and associated opportunities **Page 40**

Our material matters continued

MM5

Economic and political landscape

Why this is important

Our markets continue to experience **constrained economic growth and an evolving inflationary and interest rate environment**, potentially impacting our borrowing costs, pricing decisions and demand for our products.

Macroeconomic and political uncertainty remains, influenced by election cycles, currency volatility and high unemployment rates. In particular, operating across multiple countries amplifies our **exposure to foreign exchange risks**, which could significantly affect our financial performance. In addition to this, **increasing tax pressures** persist as governments grapple with economic pressures, which may affect our profitability.

Global unrest and risks associated with regional conflicts pose unforeseeable challenges in our markets. In an unpredictable world, Vodacom must continue to enhance its **ability to withstand or respond to unforeseen global shocks**.

Capitals impacted **FC SRC**
PG 56 PG 88

Related strategic pillars **2 3 4 7 10**

Related risks **1 2 4 9**

Hot topics impacting our operating context **Page 46**

MM7

Our people

Why this is important

We need to **attract and retain scarce and critical technical skills** to create a future-ready organisation.

Prioritising our people's **health, safety and well-being** is essential to ensure they can do their best work.

We **develop and empower our people** because they live our purpose and embody the Spirit of Vodacom.

Creating a **diverse and inclusive workspace** drives innovation and enables us to contribute to a digitally connected society.

Capitals impacted **IC HC**
PG 76 PG 110

Related strategic pillars **3 4 5 6 8 9**

Related risks **9**

ESG For more information, refer to our **ESG report**

Our principal risks and associated opportunities **Page 40**

MM6

Complex regulatory environment

Why this is important

We are exposed to regulatory and compliance risks resulting from market-specific challenges. Vodacom must meet these **complex compliance requirements**, including customer data regulations, or may face reputational and financial risk.

Delays in regulatory approvals can impact the Group's ability to grow, scale and deliver quality services.

Data privacy and security regulations, for example, continue to evolve, requiring us to invest human and financial capital to remain compliant.

Capitals impacted **FC IC SRC HC**
PG 56 PG 76 PG 88 PG 110

Related strategic pillars **1 2 3 4 6 8 10**

Related risks **1 2 3 5 7 8 9 10**

Hot topics impacting our operating context **Page 46**

MM8

Increased focus on ESG

Why this is important

In addition to the specific ESG matters, Vodacom is increasing its focus on ESG-related issues pertinent to the Group.

We apply **sound corporate governance** principles, **operate transparently, and advocate within the industry** to contribute to its long-term success and resilience. Vodacom must ensure ethical leadership and conduct through transparent and appropriate governance structures to maintain stakeholder trust and legitimacy. The Board, as custodian of Group corporate governance, must therefore have appropriate skills, diversity and composition.

Our respect for **human rights** throughout our value chain demonstrates our commitment to ethical business practices and our positive contribution to society.

Managing the **energy and water** we use, reducing our **waste** and managing our **climate and biodiversity impact** is embedded in our daily business management. This involves investing in climate-smart, energy-efficient networks and solutions, developing water-wise practices, and minimising waste across the value chain.

We extend this focus beyond our operations through **responsible sourcing**.

Capitals impacted **IC SRC NC HC**
PG 76 PG 88 PG 102 PG 110

Related strategic pillars **3 4 7 10**

Related risks **2 5 9**

Our governance **Page 14** **GOV** For more information, refer to our **corporate governance report**

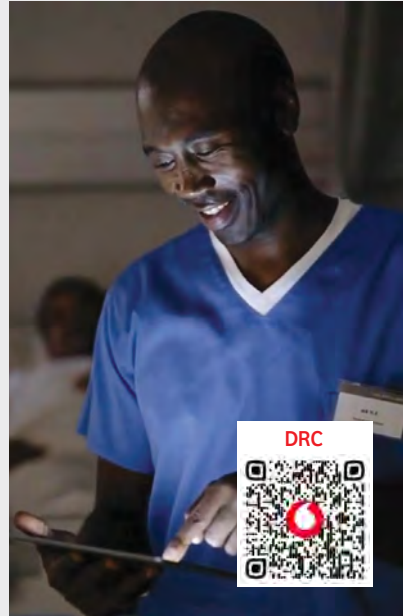
ESG For more information, refer to our **ESG report**



South Africa



Egypt



DRC



Lesotho



Showcasing how we connect customers for a better future



Mozambique



Tanzania



Ethiopia



Kenya

