

Social and relationship capital

Through our relationships with our stakeholders and our purpose-led approach, we aim to foster socioeconomic progress and inclusive growth across the markets where we operate. We act responsibly and transparently, building digital societies based on our foundation of integrity. This approach creates a unified and nuanced environment from which to grow.



What social and relationship capital means to Vodacom

We define our social and relationship capital as the quality and strength of our relationships with diverse groups in our stakeholder universe. These stakeholders include communities, governments and regulators, customers, employees, investors and analysts, suppliers, media and our strategic and business partners.











How social and relationship capital supports our purpose and strategy

In living our purpose of creating a better future for all, we actively consider how this translates into stakeholder value for each group we engage with. We aim to build sustainable relationships of trust with our internal and external stakeholders that enable us to execute our strategy – the System of Advantage – providing transformative technology and delivering on our growth potential.

Our Social Contract with stakeholders

Our Social Contract is central to our purpose journey and encapsulates how we foster and renew our stakeholders' trust. Guided by our Social Contract, we build our reputation by demonstrating fairness and integrity in our operations and show leadership in innovation to uplift the communities in which we operate. The Vodacom Foundation supports our Social Contract through impactful and sustainable community programmes and initiatives.

Our social and relationship capital at a glance

Our key focus areas	Key FY2024 achievements	Strategic pillar affected
<p>Customers</p> 	<ul style="list-style-type: none"> Added 2 306 new 4G sites to support digital inclusion Accelerated financial inclusion with customers reaching 78.9 million, supported by our super-apps – VodaPay, M-Pesa and Vodafone Cash Drove digital mobile access through our affordable, entry-level 4G devices Supported data access and affordability through our Just4U, Just4YouTown, Vodacom NXT LVL Intensified personalised offerings to elevate customer experience and value proposition Enhanced the experience of customers with special needs through our National Relay Service (NRS) in South Africa 	<p>1 2 3 4 5 6 10</p>
<p>Communities</p> 	<ul style="list-style-type: none"> Supported zero-rated access through platforms like ConnectU, with more than 14.4 million users across DRC, South Africa and Tanzania Supported SMEs in their digital transformation through V-Hub and our inaugural Thrive Summit Scaling our smart agriculture platforms to 9.6 million small scale farmers Contributed to the education ecosystem, empowering more than 16 000 young women through our Code like a Girl initiative Provided e-learning and zero-rated platforms to over 2.6 million users through e-Learning, Ta3limy, VodaEduc, Faz Crescer and Instant Network Schools Supported gender empowerment through various initiatives, with m-mama, resulting in almost 2 000 lives saved In DRC, our Je Suis Cap initiative empowered 1 450 women with disabilities by training them to become M-Pesa agents since FY2023 	<p>1 2 3 10</p>
<p>Employees</p> 	<ul style="list-style-type: none"> Paid R10.1 billion in salaries and benefits Invested R0.5 billion in skills development for employees Ranked first on the continent by the Top Employer Institute 	<p>9</p>
<p>Investors and analysts</p> 	<ul style="list-style-type: none"> Ranked second-best investor relations team in the 2023 Institutional Investor EMEA TMT sector ratings (large capitalisation) Ranked sixth in the 2023 EY Excellence in Integrated Reporting Awards Retained our ESG leader AAA rating from MSCI Recognised for leadership in addressing climate change with an A- rating in our latest CDP climate change assessment 	<p>1 2 3 4 5 6 7 8 9 10</p>
<p>Governments and regulators</p> 	<ul style="list-style-type: none"> Accelerated support through our Tech for Good platforms across our markets Zero rating of national departments of health, home affairs and education R36.7 billion in total tax contributions to governments across our markets 	<p>1 3 4 10</p>
<p>Suppliers</p> 	<ul style="list-style-type: none"> Through our centres of excellence we have saved more than R2 billion in FY2024 Developed a localisation strategy for our International business In South Africa: <ul style="list-style-type: none"> R59.8 billion was spent with B-BBEE suppliers Invested R443 million in enterprise and supplier development Spent R1.8 billion in early payments Maintained our Level 1 B-BBEE contributor status 	<p>7 8</p>
<p>Media</p> 	<ul style="list-style-type: none"> Maintained media visibility in support of our brand and reputation Increased customer product and service awareness 	<p>10</p>
<p>Strategic and business partners</p> 	<ul style="list-style-type: none"> Vodafone and Vodacom entered into a long-term strategic partnership with Microsoft Hosted a Business partner conference to improve customer experience We have strategic collaborations with AWS, Ericsson, Huawei, Nokia, and satellite partners AST SpaceMobile and Amazon's Project Kuiper with the potential to scale services further 	<p>3 4 8</p>

Social and relationship capital continued

The value we create, sustain and erode

Quality stakeholder engagements founded on mutual trust, respect and transparency supports us in creating sustainable value. We aim to build, maintain and strengthen our stakeholder relationships by understanding and addressing social, economic, and environment-related issues that impact our ability to deliver on our purpose of connecting for a better future.

Our self-assessment of the strength of our relationships with stakeholders

<p>Non-existent relationship, or fractured relationship that requires significant effort to overcome challenges.</p>	<p>An established relationship that requires further work to improve its quality.</p>	<p>Good-quality relationship, with room for further improvement.</p>	<p>Very strong relationship, based on mutual trust and shared benefit.</p>

Customers

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: 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 customer immersions, focus groups, online panels, face-to-face interactions and digital channels, including unstructured supplementary service data, apps and SMS
- At our retail stores and service centres, including dedicated support for persons with disabilities
- Gathering NPS feedback through interviews and focus groups
- Interactions on our social media channels
- Personalised propositions, direct marketing messaging and feedback
- Aspirational and inclusive brand communication
- Complaints management system


Material stakeholder interests and expectations


- Providing quality connectivity services and platforms to support digital inclusion, which are easily accessible and affordable
- Providing relevant financial services, including savings and loan products, to improve financial inclusion
- Empowering our employees and agents to provide exceptional customer service by embedding a customer-led culture
- Rewarding customer loyalty
- Securing data and protecting personal information
- Removing pain points, providing good customer service and resolving service-related issues promptly




Value creation for our customers


Investing in our network coverage and reliability

-  We invested R20.4 billion across the Group to continuously improve our network availability and coverage. This investment supported **2 306 new 4G sites**.





 For more information on our network expansion and resilience, refer to manufactured capital from **Page 70**


Maintaining positive customer experiences

-  We are committed to maintaining and growing our existing customer base through positive experiences as we develop streamlined, digital-first products, journeys and touchpoints. In FY2024, we focused on simplifying customer journeys, resolving journey pain points and using RPA to support expert customer resolution in our call centres. Our ability to maintain positive customer experiences has resulted in NPS leadership in three of our six OpCos.

 For more information on how we create a world-class customer experience, refer to intellectual capital from **Page 76**


Accelerating financial inclusion


-  Our Group financial services customers, including Safaricom reached 78.9 million as we now process an impressive US\$381.2 billion in annual transaction value.
-  In FY2024, VodaPay app downloads increased to 10.4 million, with 5.8 million registered users.
-  We have more than 55.4 million M-Pesa customers (including Safaricom).
-  In Egypt, we increased Vodafone Cash customers by 52.1% to 8.2 million, with a total of 20.3 million registered wallets.

 For more information on our financial services, refer to intellectual capital from **Page 76**




Driving digital mobile access through smartphone penetration

-  Our Group smartphone penetration reached 58.7%, providing an opportunity to migrate more than 90 million of our existing customers to a smartphone.
- We support customers in migrating to 4G-capable devices. In FY2024, **smartphone penetration** reached 61.7% in South Africa, 74.3% in Egypt, and 35.2% across our International business.


 For more information on how we are facilitating access to affordable devices and growing smartphone penetration, refer to our manufactured capital from **Page 70**

 For more information on how we are accelerating digital inclusion through our digital ecosystem, see our intellectual capital from **Page 76**

Fostering customer loyalty and supporting data access and affordability

-  Our behavioural loyalty programmes, **VodaBucks** and **Shokran**, use Big Data and CVM capabilities to reward customers and enhance customer engagement.
-  We provide customers with contextualised and personalised offers through **Just4U**. In addition, **Just4YouTown** provides geographically targeted offers and campaigns to improve the usage of underutilised network resources. Big Data helps tailor promotions and offerings by analysing usage behaviours and available network capacity. Customers who engage in personalised offers typically have higher levels of engagement and are less likely to leave than non-engaged customers. The customer base, their income levels and available network capacity inform the discounts that are offered. In FY2024, customers received an average discount of 66% through Just4YouTown.
-  Our flagship youth proposition – **Vodacom NXT LVL** – provides approximately 2.6 million NXT LVL customers in South Africa with personalised and affordable connectivity, opportunities to find employment and enhance their skills to equip them for a better future.

Enhancing the experience of customers with special needs

-  We offer a real-time assistance service accessible to registered Vodacom prepaid and postpaid customers who have hearing and speech impairments in South Africa. In November 2023, the NRS contact centre commemorated its first year anniversary. The **NRS** contact centre provides support to customers for various query types, including SIM swaps, balance enquiries, data disputes, invoice and statement clarifications, and specific needs registrations. Through the NRS, we have not only connected people, but we have also bridged gaps, empowered lives, and fostered a more inclusive community.

In Egypt, we served 35 000 deaf and hard-of-hearing customers through our call centre, and in Tanzania, we launched our disability desks and applications to assist the blind and deaf. These initiatives reflect our passion for putting our customers first in everything we do.

Social and relationship capital continued



Communities

QUALITY OF RELATIONSHIP



BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT

Why we engage

We extend our purpose of creating a better future for all beyond our customers and into the communities in which we operate. We aim to be a responsible business and understand the impact of our activities on these communities. We build our brand and reputation by focusing on initiatives spanning agriculture, education, climate, healthcare, safety and wildlife.

How we engage

- Sustainability and Vodacom Foundation partnerships
- Our Tech for Good platforms in agriculture and healthcare
- Ecosystem approach to education, including support for school leadership, connecting public education institutions to the internet, early childhood development centre programmes, digital skills development, learning material and e-learning platforms
- Community crisis support, such as disaster relief and food security support
- Partnerships with NPOs across numerous aspects of community upliftment
- Gender-based violence prevention, response and empowerment tools

Material stakeholder interests and expectations

- Addressing socioeconomic inequalities
- Managing and reducing our environmental footprint
- Supporting gender empowerment
- Providing affordable access to educational resources
- Zero-rated access to government, employment and empowerment solutions through ConnectU

Value creation for communities

Supporting zero-rated access to essential services

- **ConnectU** provides zero-rated access to basic internet and essential services. The platform had 14.4 million unique visitors (FY2023: 6 million¹), with over 12 million sessions initiated per month. ConnectU is available in DRC, Mozambique and South Africa.

Supporting the contribution of enterprises to economies

- ✔ SMEs are rapidly adopting cloud, unified communications, IoT, AI, advertising and other digital technologies. One of the key challenges remains the skills required to operationalise these technologies in SMEs. **V-Hub**, our online resource portal, is designed to help SMEs unlock their full potential as we support them through their digital transformation journey. Over 290 000 unique users have leveraged this platform to date. In FY2024, we introduced a personalised one-on-one, free business advice service to further support SMEs.

Our inaugural Thrive Summit further supported over 800 SMEs both in person and online. The summit featured masterclass sessions to educate, uplift and inspire SMEs while driving digital readiness. The summit covered crucial topics such as access to finance, digital marketing and cyber security.

- ✔ Our subsidiary, Mezzanine, is scaling **smart agriculture platforms**. eVuna is a digital platform that improves productivity, revenue, and resilience for small-scale farmers. It is available across Tanzania, Kenya, Uganda and Zambia, and 6.4 million farmers use this agriculture platform (FY2023: 5 million). In addition, MYFARMWEB™ supports commercial farms which adopt precision agriculture practices, leveraging IoT to enhance data-driven decision-making.

Building the education ecosystem

Our belief that everyone should have a better future drives us to continue to leverage the power of technology to promote access to education, particularly for women and the youth. We strive to make an impact across the education ecosystem in various areas, including connectivity, schools of excellence, teacher development, training centres, youth academies, partnerships with NPOs, and learning materials.

- ✔ In South Africa our 27 ECD centres (FY2023: 15) benefit more than 1 800 (FY2023: 700) children have been upgraded, renovated and provided with ICT equipment, mobile libraries, and water and sanitation facilities.



For information on our Code like a Girl programme and other Vodacom employee gender empowerment initiatives, see our human capital from **Page 110**

1. Methodology revised to report unique visitors only.

- ✔ Value created
- ✘ Value eroded
- Value sustained

- ✔ We increased the number of schools of excellence in South Africa from 13 to 25, in the year. Eight of these were provided with virtual classroom solutions, and two have a coding and robotics programme.
- ✔ In South Africa more than 2 500 (FY2023: 3000) schools have been connected and provided with ICT equipment.
- ✔ Our Vodacom **e-learning** platform in South Africa has over 1.3 million registered learners accessing digital education content to increase their digital literacy (FY2023: 1.4 million).
- ✔ Outside of South Africa, we deliver e-learning solutions and zero-rated platforms:
 - In Egypt, **Ta3limy** is a free educational platform for Egyptian K-12 students, parents and teachers and 378 890 registrations (FY2023: 341 818).
 - In DRC, the **VodaEduc** platform has 102 557 users. The platform is supported by the Vodacom Foundation's Connected Classrooms and helps improve the quality of education by using our technology. In FY2024, we launched the VodaEduc scholarship in nine regions to encourage students to follow career paths in STEM.
 - In Mozambique, **Vodacom Faz Crescer**, supported by the Vodacom Foundation, is available in 86 schools throughout the country, providing computer labs and free connectivity to 301 069 students and teachers since 2018.
 - In Tanzania, the **e-Fahamu** platform registered an additional 42 181 users in FY2024, resulting in a total of 227 181 registered users.
- ✔ Our **Code like a Girl** programme provides ICT training to more than 16 000 young women across Africa through exposure to science, technology, engineering and mathematics (STEM) skills and innovation. Our ambition is to upskill 1 million young people across our markets over the medium term.



Supporting gender empowerment

- ✔ In Egypt, we were catalytic in forming the Egyptian Gender Alliance in collaboration with different public and private partners. We aim to implement tailored programmes to empower women by improving their access to new opportunities.
- ✔ Our mobile-based maternal and neonatal emergency transportation system programme – **m-mama** – supports governments with emergency referrals in Tanzania, Lesotho and Kenya. To date, m-mama has supported 59 633 maternal and neonatal emergencies, resulting in an estimated 1 856 lives saved.
- ✔ We support expecting mothers through our zero-rated mobile health platform, Mum & Baby, which provides mothers with regular information on maternal, neonatal and child health and nutrition, available in the context of specific markets and languages.

Mum & Baby users:

- South Africa: Over 2.4 million (FY2023: 2.3 million)
- DRC: 536 000 (FY2023: 195 000)
- Mozambique: 65 600 (FY2023: 203 215)
- Lesotho: 10 700 (newly launched)

Supporting persons with disabilities

- ✔ In DRC, our **Je Suis Cap** initiative empowered 1 450 women with disabilities by training them to become M-Pesa agents.
- ✔ Smart devices have become a lifeline for visually impaired persons. Vodacom South Africa partnered with the Cape Town Society for the Blind to support its Smart Digital Training Course. The course aims to increase the digital skills of visually impaired persons by teaching them how to optimally use the accessibility features on their smartphones.

ESG For more information on our social and environmental impact, refer to our **ESG report**

For more information on how we aim to conserve our resources for future generations, see our natural capital from **Page 102**





Employees

QUALITY OF RELATIONSHIP



BASIS OF ASSESSMENT: EMPLOYEE ENGAGEMENT INDEX

Why we engage

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

Material stakeholder interests and expectations

- Providing a positive and inclusive culture with increased opportunities to thrive
- Ensuring job security and business sustainability
- Fostering strong and inclusive leadership
- Developing individual career paths and talent
- Creating learning opportunities that focus on the acceleration of digital and future skills transformation
- Hosting connect sessions for coaching and mentoring
- Facilitating communication and knowledge sharing across Vodacom
- Providing competitive remuneration and equal pay
- Driving transformation and localisation
- Supporting gender empowerment

How we engage

- Training and development programmes that enable a learning culture, such as #1MoreSkill, Skills labs, RPA and Big Data citizen developer programme, LEAP, Women in Leadership and IGNITE
- Grow my Impact performance programme
- Internal communication campaigns
- Big Conversation moments and fireside chats
- Spirit of Vodacom-themed days and events
- Internal website and Vodacom Engage app
- A dedicated employee hotline and employee network forums
- Our Group-wide C.A.R.E. policy framework for employee well-being
- Leadership roadshows
- Spirit Beat and pulse surveys
- We Connect sessions across our markets

Value creation for employees

- From FY2024, we restructured individual key performance indicators to drive Group performance. More frequent performance reviews provide the opportunity to manage the link between performance and remuneration. Our total reward framework is underpinned by our commitment to fair pay. Vodacom paid R10.1 billion in salaries and benefits across the Group.

For more information on how we are realising the potential of our employees, see our human capital from **Page 110**

- Our Talent Framework is aligned with our purpose and business strategy, and we invest in the appropriate skills and leadership development programmes to support this.
 - Invested R0.5 billion in skills development for employees across the Group

- ✔ We differentiate our employee experience through the **Spirit of Vodacom**. Internally, we achieved a Spirit Beat index score of 82% (FY2023: 76%). In FY2024, Vodacom was ranked first on the continent by the **Top Employer Institute**.

Additional recognition received in our respective markets:

- Top Employer certification in South Africa, Tanzania, DRC, Mozambique, Lesotho and Kenya
- South Africa and Mozambique ranked first in the overall country rankings

- ✔ Demonstrating Egypt's dedication to diversity and inclusion, LEAP offers individuals with disabilities a comprehensive two-year development journey. Participants rotate throughout the company, engaging in various assignments and projects that allow them to showcase their potential. Among the six participants, those successful secure permanent positions at Egypt.

For more information on our employee experience, employee development programmes, and remuneration and rewards, refer to human capital from **Page 110**

For more in-depth information on our ESG initiatives, refer to our **ESG report**

Investors and analysts

QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: INVESTOR RELATIONS SURVEYS

Why we engage

Our investors provide the financial capital we need for long-term growth and expect attractive returns based on sustainable and ethical business practices. Analysts provide investors with research, insights, and recommendations regarding investment opportunities in financial markets, playing an important role in communicating critical information.

How we engage

- In-person and virtual meetings, roadshows and conferences
- In-person investor trip to Ethiopia
- Chairman's roadshow
- Interim and annual results announcements and reports
- Quarterly trading updates
- Stock Exchange News Services announcements
- Monthly and quarterly reviews with Vodafone
- Investor relations page on our website
- Notice of annual general meeting
- Integrated report

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 that supports earnings growth
- Managing and mitigating risk

Value creation for investors and analysts

- Our position as the second-best investor relations team in the 2023 **Institutional Investor** EMEA TMT large-cap ranking highlights our commitment to meeting the needs of the investment community.
- Vodacom's FY2022 integrated report placed sixth in **EY's Excellence** in Integrated Reporting Awards 2023, an annual survey of integrated reports from South Africa's JSE 100 companies. This achievement recognises Vodacom's ability to effectively communicate how it creates value for investors and other stakeholders.
- Ranked low ESG risk by **Sustainalytics**, retained our ESG leader AAA rating from **MSCI** and improved our **International Shareholder Services** rating to Prime. We were also awarded an A- rating in the latest **CDP** climate change assessment.

- Free cash flow generated of R18.2 billion (FY2023: R18.5 billion), with ROCE improving to 23.1% (FY2023: 21.8%).

Financial capital, **Page 56**

Share information, **Page 138**

Refer to our **annual financial statements**

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





Governments and regulators

QUALITY OF RELATIONSHIP



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

How we engage

- Supporting governmental digitalisation through our Tech for Good platforms
- Meetings and briefings with presidents and their delegates
- Submitting reports on a quarterly basis to ministers when appropriate
- Engaging with ministers and regulators on our spectrum policy and regulatory matters
- 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
- Engaging with ministers and key government personnel on government priorities and societal matters

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 increases in demand
- Partnering to achieve the objectives of the UN SDGs
- Expanding 5G and 4G across our markets in Africa
- Maintaining and enhancing our licence to operate across our footprint
- Creating employment opportunities and facilitating socioeconomic development
- Zero-rated access to key government services

Value creation for governments and regulators

Improved RepTrak score

- ✓ The Group improved its RepTrak score to 74.4 from 70.8 in the prior financial year. This was supported by DRC, which improved its rating and was scored as “excellent”.

Supporting digital transformation in government

- ✓ Vodacom uses technology to drive efficiency in the government sector through various solutions, for example, smart asset management to reduce resource consumption and GHG emissions; citizen engagement, which enhances communication between citizens and municipalities; and SmartGov solutions aimed at efficiently managing administrative processes.

Providing digitally-enabled support in the agriculture sector

- ✓ In Tanzania, we are accelerating sign-ups to the **M-Kulima** platform, our easy-to-use system that enables communication and transactions between companies, the government and farmers. Currently, 3.2 million farmers have registered on the platform through which they will receive access to loans and insurance advisory services.



M-Kulima
Tanzania



- Value created
- Value eroded
- Value sustained

- Mezzanine also supported the South African Department of Agriculture, Land Reform and Rural Development to disburse subsidies to smallholder farmers through **e-Vouchering**. In FY2024, almost 53 000 vouchers were redeemed to the value of more than R740 million.
- In Egypt, we are currently in proof-of-concept phase with agri-fintech **Mozare3** concept, which will provide smart-agri product enhancing farm profitability and reducing the negative environmental impact of farming. A suitable model for mid-sized farms is being established, and we expect to be able to go to market with the solution by 2025.
- 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).

Providing digitally enabled support in the education sector

- As part of our education ecosystem, referred to above, we enhance learning outcomes through connectivity, schools of excellence, teacher development, training centres, youth academies, partnerships with NPOs and learning materials.

Providing digitally-enabled support in the healthcare sector

- In Egypt, we have partnered with the government to digitalise the country's healthcare system through the **UHI** and the Egyptian University Hospitals programmes. The digitalised UHI platform is available in 309 hospitals, serving more than 6.3 million people across Egypt. The platform has the potential to meaningfully scale over the medium term.
- We have expanded our maternal and neonatal emergency transportation system programme, **m-mama**, beyond Tanzania, with the support of USAID and the Vodafone Foundation. M-mama now also operates in Lesotho and Kenya, with a roadmap to introduce the programme in our other markets. This year alone, over 1 856 lives were saved.
- In South Africa we partner with our subsidiary Mezzanine to provide technological innovations that improve efficiencies and productivity for healthcare service providers and promote access to quality facilities using our **stock visibility solutions**.

Contribution to government's fiscal programmes

- R36.7 billion in total tax contributions to governments across our OpCos.



For more information on our tax contribution, refer to our **tax transparency report**



For more information on our purpose pillars, refer to **Page 28** and our **ESG report**



Our governance, **Page 18**



Social and relationship capital continued



Suppliers

QUALITY OF RELATIONSHIP



BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT

Why we engage

We rely on our suppliers to provide cost-effective, quality products and services that support our value proposition to customers, employees and other stakeholders.

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 health and safety concerns
- Promoting environmental solutions
- Driving supplier and product innovation
- In South Africa, complying with B-BBEE requirements, including preferential payment terms for B-BBEE suppliers
- Promoting local and female-owned suppliers

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 for proposals, requests for expression of interest and requests for quotations
- Early payments for small suppliers

Value creation for suppliers

Leveraging our supply chain management capabilities

- ✔ We share best practice and learnings across the Group through our **centres of excellence** and use multi-market requests for proposals to leverage cost-savings benefits across the Group, saving more than R2.0 billion in FY2024.



For more information on how we share best practice and utilise scale across the Group, refer to intellectual capital from **Page 76**

Ensuring supply chain ethics and health and safety

- Our code of ethical purchasing sets out the standards we wish to see achieved by our suppliers over time. We measure our suppliers on a balanced scorecard approach and conduct sustainable and inclusive sourcing of our suppliers through questionnaires and our sourcing tool called Ariba. We also ensure that our suppliers live up to our health and safety standards as set out in our code of ethics.

Enabling the transformation of our supply chain

- We are in the process of implementing a **localisation strategy** in our International business, similar to B-BBEE procurement in South Africa. We have developed scorecards as part of the programme and intend to set locally relevant targets and track key supplier data after considering feedback from our suppliers.

Committing to SME development and B-BBEE transformation in South Africa

- Vodacom spent R8.4 billion in procurement with B-BBEE SME suppliers, of which R1.8 billion was paid in early payments (within five days, FY2023: R2.2 billion) to help South African SMEs with their cash flow.
- ✔ R443 million was invested in enterprise development and support of black-owned SME and youth entrepreneurs operating in the ICT sector.
- Supplier development incorporates various transformation initiatives such as retail channel transformation, equipment support through grants, support to the South Africa SME fund and the SME early payment terms cited above. In addition to early payments we invested R191 million in the various initiatives to support supplier development.

- Value created
- Value eroded
- Value sustained

We support 185 SMEs with supplier development through the Innovator Trust (FY2023: 147). During the year, we were proud to organise the annual Women in Tech awards ceremony in partnership with the **Innovator Trust**, as it celebrates female-owned SMEs. The ceremony created a networking platform and empowerment opportunities for female small business owners and industry leaders, particularly in the ICT sector. In addition, in FY2024, 41 SMEs benefited from the Ithuba initiative.

In South Africa, we launched an AI and Big Data digital transformation initiative, where more than 50 SMEs received 24 hours of training through a specialist AI and digital tool masterclass to improve productivity and customer engagement.

The transformative initiatives described above have contributed significantly to South Africa's ability to maintain the highest B-BBEE contributor status of **Level 1** for the fifth consecutive year.

For more information on how our human capital contributed to this status, refer to **Page 116**

Scoring element	Target points	Achieved points			
		FY2024	FY2023	FY2022	FY2021
Enterprise and supplier development	50	48.84	48.12	48.55	47.98
Procurement	25	22.42	22.80	23.07	22.05
Supplier development	10	9.42	8.32	8.48	8.93
Enterprise development	15	17.00	17.00	17.00	17.00
Socioeconomic development	12	12.00	12.00	12.00	12.00

Hot topics impacting our operating context, **Page 46**, our trade-offs, **Page 54**

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

Media QUALITY OF RELATIONSHIP

BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT

Why we engage

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

Material stakeholder interests and expectations

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

How we engage

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

Value creation for media

- We align our media positioning with our purpose-led strategy. In FY2024, this included support for Africa's digital transformation through the Africa.connected campaign in partnership with Vodafone and Safaricom. We also increased coverage of our Tech for Good solutions and CSI initiatives.
- In addition our coverage of existing industry conferences such as the Triologue Business in Society Conference and the Mobile World Congress, we supported South Africa's inaugural Disability and Accessibility Conference.
- We align our media positioning with our purpose-led strategy. In FY2024, this included support for Africa's digital transformation through the Africa.connected campaign in partnership with Vodafone and Safaricom. We also increased coverage of our Tech for Good solutions and hero project initiatives.

Social and relationship capital continued



Strategic and business partners

QUALITY OF RELATIONSHIP



BASIS OF ASSESSMENT: KANTAR STAKEHOLDER ASSESSMENT¹

Why we engage

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

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 across our markets through our strategic hub, M-Pesa Africa
- Coordinated Group approach with global over-the-top and hyperscalers
- Support digital transformation through cloud and infrastructure deals, device affordability initiatives as well as building AI use cases

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
- Agent outlets, stores and retail visits
- Long-term sustainable partnerships with channels
- Credit support to enterprises
- Regular operational and executive sessions, with strong governance in place
- Strategic partnership meetings with international technology partners and over-the-top players


Value creation for strategic and business partners


Collaborating with our partners


- In FY2024, we hosted our annual **business partner conference** to bring together stakeholders, including business partners, leaders, and experts in the field of customer experience, to collaborate, share insights, and align strategies aimed at improving customer experiences and creating more value for customers. The conference focused on knowledge sharing, collaboration, networking, education, training and innovation.
- ✓ In South Africa, we partnered with Microsoft to offer free digital training courses through the Mzansi Digital Learning platform. This partnership highlights our joint commitment to digital inclusion, providing access to opportunities in the digital economy, including AI proficiency. The platform is integrated into our zero-rated ConnectU platform and is focused on topics like generative AI, entrepreneurship, and cyber security. With the goal to reach 300 000 people, the partnership aims to empower youth and entrepreneurs to succeed in a digitalised market.

- ✓ In January 2024, Vodafone and Vodacom announced a long-term strategic partnership with **Microsoft**.

- ✓ We have strategic collaborations with AWS, Ericsson, Huawei, Nokia, VISA and satellite partners such as AST SpaceMobile and Amazon's Project Kuiper with the potential to scale services further.

 For more information, see intellectual capital from **Page 76**

 For more information on our partnerships and optimising our assets, see manufactured capital from **Page 70**

 For more information on our digital platforms for strategic and business partners and credit support to enterprises, refer to intellectual capital from **Page 76**

1. Kantar assessment does not include strategic partners.

