Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Vodacom Group Limited is a leading and purpose-driven African connectivity, digital and FinTech operator. Including Safaricom, the Group serves 185.8 million customers across consumer and enterprise segments. Driven by our commitment to digital and financial inclusion, we offer a wide range of services, including telecommunications, IT, digital, Internet of Things (IoT) and financial services. From our South African roots, we have grown our business to include operations in Tanzania, the DRC, Mozambique and Lesotho. Vodacom has an effective holding of 34.94% in Safaricom Kenya. In our 2023 financial year, our operations expanded as we acquired a 55% controlling stake in Vodafone Egypt and launched commercial operations in Ethiopia through a Safaricom-led consortium (excluding its indirect interest via its shareholding in Safaricom Kenya, Vodacom has a 6.2% holding in Safaricom Ethiopia). Note that the Greenhouse Gas (GHG) emissions associated with our expansion into Egypt are not included in this CDP response. They will be included from next year when we disclose on our GHG emissions for our 2024 financial year. We do however provide stakeholders with a view of the FY2023 scope 1 & 2 GHG emissions for Egypt in our ESG addendum. Vodafone Egypt is included in all other aspects of this submission.

In FY2023, our Scope 1 and 2 (market-based) emissions were 599,648 tCO2e. Majority of our GHG emissions result from diesel and electricity used to power our network. Our network includes our base stations which relay information to and from transmitting/receiving units such as mobile phones. At 31 March 2023, we had 24,200 sites (excluding Egypt). Our Scope 1 and 2 (market-based) emissions decreased by 17.3% as a result of renewable energy and energy efficiency projects and the purchase of Renewable Energy Certificates (RECs).

In line with Vodafone's RE100 commitment, Vodacom has committed to purchasing 100% of the electricity we consume from renewable sources by 2025. This reporting year, we have taken significant steps towards achieving this target. For example, in South Africa, where the grid is emissions-intensive, we embarked on an existing project in collaboration with Eskom, the national electricity provider, to develop a solution which will allow us to procure and virtually wheel renewable power from utility-scale independent power producers. This solution is an innovative virtual wheeling platform developed by Mezzanine, a Vodacom subsidiary.

Vodacom aims to achieve a 50% reduction in our scope 1 and 2 emissions by 2025 and aspires to support Vodafone's commitment to a 100% reduction by 2030. To achieve this, we are focused on reducing our energy consumption, investing in on-site renewable energy, purchasing renewable energy and investigating alternatives to diesel. This year, we rolled out 163 solar-powered sites in Mozambique. In South Africa, we completed the first phase of our Midrand campus solar project. We are collaborating with partners to develop new innovative solutions for renewable generation for example, developing proof-of-concept microgrid solutions in Mozambique and the DRC.

We are cognisant that if we are to achieve the objectives of the Paris Agreement then we need to look beyond the boundaries of our own operations. Given this, we actively engage in climate-related projects in our value chain and the countries in which we operate. A good example of this is the partnership with ENGIE Energy Access to offer MySol, a solar home system with two LED bulbs and phone charging to Mozambican households for the price of one candle per day. This partnership brings high-quality energy, on a pay-as-you go

system, as well as connectivity and inclusive financial services to rural Mozambique. Further, we develop digital technologies and services that enable our customers (enterprises and governments) to reduce their environmental footprint. We began by using green digital solutions to tackle climate change and help decarbonise society. Our IoT services, including logistics and fleet management, and smart metering, are underpinned by a strong commercial rationale. In FY2023, we supported customers in South Africa in avoiding 1.0 million metric tonnes CO2e GHG emissions the equivalent of 50 million trees growing for 1 year (FY2022: 1.6 million metric tonnes CO2e).

The Group, headquartered in Midrand, South Africa, was founded in 1993 and was listed on the JSE in May 2009. Vodafone, one of the world's leading telecommunications companies, has 65.1% controlling stake in Vodacom. Given this, although we have own climate-related objectives and targets, we also support Vodafone's objectives and targets. Vodafone has science-based and net zero targets in place to which Vodacom is required to deliver, aiming ultimately to reach net zero emissions across its full value chain (Scope 1, 2 and 3) by 2040.

Vodacom's integrated report and ESG related disclosures can be found at https://vodacom.com/integrated-reports.php

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
April 1, 2022

End date
March 31, 2023

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
1 year

Select the number of past reporting years you will be providing Scope 2 emissions data for
1 year

Select the number of past reporting years you will be providing Scope 3 emissions data for
1 year

C0.3

(C0.3) Select the countries/areas in which you operate.
Democratic Republic of the Congo
Lesotho
Mozambique
South Africa
United Republic of Tanzania

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	ZAE000132577

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Other, please specify Board	The Vodacom Board has overall responsibility for the business strategy and monitors the company's progress against established strategic objectives. We are a purpose-led organisation and delivering our purpose is championed by our Board, which is collectively responsible for the oversight and long-term success of the Group. It is aligned with our culture and strategy, placed at the forefront of our decision-making and strategy development, and the Board considers how the initiatives progressed by management throughout the year have advanced our purpose. Board oversight ensures that continued product development realises our ambition to connect for a better future. The Board also oversees the implementation of risk assessment systems and processes to identify, manage and mitigate Vodacom's principal risks. To operate efficiently and to ensure matters are given the right level of focus, the Board delegates some of its responsibilities to its Committees. These provide focused oversight on: Board composition, performance, and succession planning; financial reporting, internal processes, and controls; investment decisions, remuneration practices; and environmental, sustainability and governance

	topics - including climate change. These include the Social and Ethics Committee, the Audit, Risk and Compliance Committee, the Nominations Committee, the Remuneration Committee, and Investment Committee. The Remuneration Committee is responsible for agreeing annual renumeration framework, including the long-term incentive structure which allocates a 10% weighting to ESG. The Board considered the top ten principal risks to the Group, as well as mitigating actions. Climate-related issues are articulated within the top 10 risks and are communicated to shareholders through our annual integrated report.
Board-level committee	The Board delegates authority on climate-related matters to the Social and Ethics Committee (SEC). The SEC ensures the Group discharges its obligations in terms of the SA Companies Act and applies the relevant recommended practices of King IV. It ensures that the Group performs against its ESG imperatives which includes environmental impacts (incl. emissions management) and climate change. In 2023, the SEC: • Considering the risks posed by energy insecurity and climate change, continued to focus on the Group's environmental impact including progress in developing and implementing an energy management system in compliance with ISO 50001. • Energy management, the link to the Group's business resilience considering the energy crisis in South Africa, and the implications for the Group's planet ambitions • Interrogated management's strategies for energy requirements relative to network availability and the negative environmental impact of rapidly increasing diesel consumption and related costs. The Group is progressing in the shift to renewable energy sources through projects such as the Vodacom Midrand campus solar installation and the ongoing rollout of solar-powered masts. In the near term, the Group is purchasing renewable energy certificates to meet the internal targets and made a public commitment to halve scope 1 and 2 GHG emissions and procure 100% of our electricity from renewable sources by 2025. • Engaged on the Group's progress in transitioning to a low-carbon economy, considering the regulatory and operating environment constraints that limit rapid progress in achieving the Group's ambitions. Noting that the Group's energy and carbon emissions reduction strategies rely significantly on power purchase agreements and wheeling to power our operations. • Noted management's ongoing efforts to advance large-scale projects to deliver the material change required for the sustainable low-carbon transition including (i) an agreement with the Egyptian government to access renewable power and (ii) In South Africa, a solution with the national energy provider, Eskom, which will allow Vodacom to procure and virtually wheel renewable power from utility scale independent power producers. • Noted the strategy is to become less dependent on diesel generators. • Noted the Group's inaugural TCFD report for 2022 and will consider the Group's net zero and climate transition plan in FY2024.
Board-level committee	The Board delegates authority on climate-related risk identification and management, as these relate to the ten principal risks, to the Audit, Risk and Compliance Committee (ARCC). The ARCC is a Board-appointed committee and reports directly to the Board, providing the Board with enhanced oversight of financial reporting, risk management and compliance which includes compliance with climate-related legislation. Vodacom's ARCC is responsible for reviewing and advising the Board on financial reporting, overseeing governance, risk management and compliance processes, internal financial and non-financial controls, independent audit, statutory and regulatory compliance, and cyber security. This year, the ARCC reviewed the top ten risks to the Group as well as mitigating actions prior to submission to the Board. Climate-related issues are articulated within the top 10 risks and are communicated to shareholders through our annual integrated report.

Board-level committee	The Board delegates authority on remuneration to the Remuneration Committee (RemCo). The RemCo is a Board-appointed committee and reports directly to the Board. The committee is responsible for ensuring the Group implements and adheres to a policy of fair, responsible and transparent remuneration, which promotes the achievement of the Group's purpose including progress in terms of the purpose pillars - digital society, inclusion for all and planet – as integrated into the delivery of the Group's strategy, over the short, medium, and long term. Climate-related issues are integrated into remuneration, specifically the long-term incentives of senior leadership. In the 2023 financial year, the RemCo approved the final vesting percentage for Long-Term Incentive (LTI) awards made in June 2020, where the three-year performance period concluded on 31 March 2023. This included an emissions reduction target which was achieved. The also approved the measures for the LTI scheme for 2023 share allocations including operating free cash flow (OFCF), total shareholder's returns (TSR) and ESG measures, the latter of which includes the emissions reduction target.
Chief Executive Officer (CEO)	The Chief Executive provides leadership of the company, representing Vodacom to customers, suppliers, governments, shareholders, financial institutions, employees and the public; develops and implements Group objectives and strategy including Planet strategy and objectives; and manages the Group's risk profile and ensures appropriate internal controls are in place. The CEO leads the Group Executive Committee which is responsible for making day-to-day management and operational decisions, including climate-related issues. The Group Executive Committee has responsibility for reviewing climate change performance and making decisions based on this. The committee receives formal periodic updates on climate change strategy and progress via the Group Chief External and Corporate Affairs Officer. The CEO is a member of the Board, and the Board Social & Ethics Committee. He is the Chair of the Group Executive Committee and the Group Executive ESG and Reputation Committee. He reports directly to the Board.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy	The Board reviewed and approved Vodacom Group's strategy, which includes our purpose and Planet commitments to reduce our environmental impact (including our 2025 emissions and renewable energy targets) and other ESG targets. The Board approves any new target and strategy, and has control over budgets, acquisitions, capital expenditure and allocation of resources including those related to purpose (including climate, energy efficiency and renewable energy). In the 2023 financial year, the board met quarterly.. An annual strategy session, spanning two days, provides the Board with the opportunity to deliberate the strategy, execution to date and approve any changes which may be required. Special Board meetings are

	Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing and guiding public policy engagement Overseeing value chain engagement Reviewing and guiding the risk management process	convened when necessary. In preparation for the quarterly meetings, the Board receives reports on Vodacom's climate-related performance from the Board Social and Ethics Committee (SEC) . Throughout the year, the Board also allocates time to detailed discussions on emerging topics material to our business. These include topics identified during the setting of the annual work plan, as well as matters which may arise during the year. These discussions provide the Board with an opportunity to give specific attention to topical matters like climate change, supported by the SEC. The key climate-related focus areas for 2023 were: • The ongoing integration of ESG is the business, recognising that Vodacom's strategy and core capabilities in technology and connectivity enable the delivery of its purpose across our pillars of digital society, inclusion for all and planet. • ESG performance as measured against internal targets, including those associated with emissions reduction and the Group's ESG leadership ambitions. to remain well-informed on specific environmental and climate-related topics the SEC receive regular updates and deep-dives from subject matter experts. • Supported by the Remuneration Committee, approval of long-term incentive award (both vesting and forward looking), including ESG and specifically emissions targets. • Supported by the SEC, approved the Group's ESG report (incl Planet - climate change, emissions, circular economy and biodiversity. • Energy management, the link to the Group's business resilience considering the energy crisis in South Africa, and the implications for the Group's planet ambitions. • Regulatory matters related to market conditions and the sustainability of the Group's operations; and • Reputation management, with a focus on key reputation drivers. The SEC engaged on Vodacom's progress in transitioning to a low-carbon economy, considering the regulatory and operating environment constraints that limit rapid progress in achieving the Group's ambitions. On an annual basis, Vodacom's proposed principal risks, watchlist risks and emerging risks are reviewed and approved by the Board.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	We assess competence based on qualifications, training, and experience. We assess competence of board members on climate-related issues by reviewing their relevant career background and knowledge of ESG topics in this area, their knowledge on climate- related issues, and their experience on these topics outside Vodacom in the public and private sectors. We employ suitably qualified, experienced, and diversified leaders to manage the business ethically and transparently and strive to maintain our reputation as a responsible corporate citizen. Several Board members have experience in and/or knowledge of climate-related issues. This experience and knowledge are gained both within and/or outside of their current role on the Vodacom Board. Within their role, for example, the Board members regularly receive reports on climate-related issues from those responsible for the day-to-day management of such issues. The Social and Ethics Committee (SEC) regularly undertake deep-dive engagements on climate-related matters, most notably the Group's energy consumption, GHG emissions and progress towards targets such as Vodafone's RE100 and emissions reduction, and Vodacom's adoption thereof. The Chair of the SEC, Khumo Shuenyane, is the Chairman of Investec Bank DLC Social and Ethics Committee, a fellow of the Africa Leadership Initiative and the Aspen Institute's Global Leadership Network. The second independent director, Nomkhita Nqweni, is a member of the Old Mutual Board Responsible Business Committee and was the inaugural CEO of the Solidarity Fund where she was instrumental in coordinating the setting up of operations, governance structures, fund raising and communication efforts of the public /private partnership NPO that raised R3,1bn to augment the South Africa's rapid response to the COVID-19 pandemic. The CEO, a member of the Board and the SEC, holds a monthly management meeting with the Chief Technology Officer and the Head of Energy to gain insight into and unpack climate-related issues as related to the Group's energy strategy. In addition, the CEO chairs a special executive committee – the Group Executive ESG & Reputation Committee – where the Group's planet programme, including its response to climate change is discussed quarterly.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Executive Officer (CEO)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Providing climate-related employee incentives

Integrating climate-related issues into the strategy

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Vodacom Group Chief Executive Officer (CEO) provides leadership of the company, representing Vodacom to customers, suppliers, governments, shareholders, financial institutions, employees and the public; develops and implements Group objectives and strategy including Planet strategy and objectives; and manages the Group's risk profile and ensures appropriate internal controls are in place.

The CEO leads the Group Executive Committee which is responsible for making day-to-day management and operational decisions, including climate-related issues. The Group Executive Committee has responsibility for reviewing climate change performance and making decisions based on this. The committee receives formal periodic updates on climate change strategy and progress via the Group Chief Officer: Regulatory & External Affairs.

The CEO is a member of the Board, and the Board Social & Ethics Committee. He is the Chair of the Group Executive Committee and the Group Executive ESG and Reputation Committee. He reports directly to the Board.

Position or committee

Other C-Suite Officer, please specify

Chief Officer: Regulatory & External Affairs

Climate-related responsibilities of this position

Developing a climate transition plan

Conducting climate-related scenario analysis

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate

Managing value chain engagement on climate-related issues

Assessing climate-related risks and opportunities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Chief Officer: Regulatory & External Affairs is a member of the Group Executive Committee. He has overall accountability for ESG & Sustainable Business issues and is owner of the Planet agenda, one of the three key areas of Vodacom's articulated Purpose. He is responsible for coordinating climate change action within the Planet purpose pillar and reporting to the CEO and the Board.

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He is responsible for ESG | sustainability reporting and disclosures. He is tasked with ensuring the climate-related strategy is implemented and that Vodacom is on track to achieve its climate-related objectives and targets. He is also responsible for providing updates on progress towards achieving climate-related objectives and targets to the Board's Social and Ethics Committee and Group Executive ESG and Reputation Committee. In the execution of his duties, he is supported by all Executive Committee members as the Group's purpose pertains to their business areas e.g. the Chief Technology Officer in the execution of the energy management strategy, along with the operating countries' managing directors.

Position or committee

Other C-Suite Officer, please specify
Group Chief: Technology Officer

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Monitoring progress against climate-related corporate targets
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

One Executive responsible for supporting the Chief Officer: Regulatory & External Affairs in his climate-related responsibilities is the Group Chief Technology Officer. The Group Chief Technology Officer is a member of the Group Executive Committee and reports to the CEO and the Board. The Group Chief Technology Officer is responsible for managing and reducing energy used by the network, including driving the Group's shift from fossil fuels to renewable energy sources in pursuit of its climate-related targets.

Position or committee

Other C-Suite Officer, please specify
Chief Officer: Human Resources

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

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Providing climate-related employee incentives

Developing a climate transition plan

Implementing a climate transition plan

Monitoring progress against climate-related corporate targets

Managing value chain engagement on climate-related issues

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Chief Office: Human Resources is also a member of the Executive Committee and is responsible for the energy use in the corporate offices, warehouses, and other properties. Like the Group Chief Technology Officer, the Chief Office: Human Resources is focused on energy management and reduction in energy used by the properties, including the shift to renewable energy sources. The Chief Office: Human Resources reports to the CEO and the Board.

Position or committee

Other C-Suite Officer, please specify

Chief Risk Officer

Climate-related responsibilities of this position

Conducting climate-related scenario analysis

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Chief Risk Officer is responsible for enterprise risk management into which climate-related risks and opportunities are integrated. The Chief Risk Officer reports to the Chief Officer: Legal and Compliance who is a member of the Executive Committee and reports to the CEO and the Board. He is tasked with presenting to the Exco, Board Audit, Risk and Compliance Committee and ultimately the Board annually, Vodacom's principal and emerging risks which take climate change into consideration.

He supports the Chief Executive: Regulatory & External Affairs with the Task Force for Climate-related financial Disclosures and associated work.

Position or committee

Other C-Suite Officer, please specify

Country CEOs / managing directors

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

Providing climate-related employee incentives

Developing a climate transition plan

Implementing a climate transition plan

Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

Country CEOs / managing directors are responsible for the management of climate-related matters, including the development and implementation of country specific transition plans. The CEO of South Africa and Egypt report directly to the CEO, while the managing directors of Tanzania, the DRC, Mozambique, and Lesotho report to the Chief Executive: International Business who in turn reports directly to the CEO.

Position or committee

Other C-Suite Officer, please specify

Group Executive ESG and Reputation Committee

Climate-related responsibilities of this position

Developing a climate transition plan

Implementing a climate transition plan

Integrating climate-related issues into the strategy

Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate

Managing value chain engagement on climate-related issues

Managing climate-related risks and opportunities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Quarterly

Please explain

The Group Executive ESG and Reputation Committee, which is chaired by the Group CEO, is attended by members of the Group Executive Committee as well as managing directors / CEOs of all countries. The committee oversees country-level activities against ESG (encompassing the purpose planet pillar which includes climate-related activities) and reputation performance. It meets on a quarterly basis. As

relevant, it also conducts deep-dives into specific topics such as energy management including consideration of renewable technologies, net zero and transition planning.

Position or committee

Environment/ Sustainability manager

Climate-related responsibilities of this position

Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Reporting line

Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Group Executive Head: ESG and Sustainable Business supports the Chief Officer: Regulatory & External Affairs in developing and guiding the execution of the ESG approach encompassing the purpose planet pillar which includes the Group's climate response.

She provides updates as well as training and awareness to the Board Social and Ethics Committee and the Group Executive ESG and Reputation Committee on climate related matters.

Execution of the planet strategy It involves leading engagement with a wide range of internal stakeholders (including commercial business lines, subsidiaries, support functions such as technology and procurement, human resources, investor relations, compliance, company secretariat and others). it is interrelated the overall Group ESG-strategy which includes implementing the Group's human rights strategy; leading external reporting relative to the portfolio (annual and ESG ratings); and driving partnerships and stakeholder engagement on the topic externally at local and regional level.

Execution includes understanding the needs of stakeholders in relation to climate change, providing specialist guidance and strategic advice to Vodacom leadership, inclusive of the Group Executive ESG and Reputation Committee and Board Social and Ethics Committee; leading the Group's interactions with the Vodafone ESG and sustainable business team, Vodafone investor relations and other relevant Vodafone functions as required.

Position or committee

Energy manager

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

Monitoring progress against climate-related corporate targets

Managing value chain engagement on climate-related issues

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Executive Head of Energy reports to the Group Chief Technology Officer and has primary responsibility for managing the Group's energy consumption across the network and driving the Group's transition to a low carbon network. This includes oversight of energy programmes at a country level.

Position or committee

Facility manager

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

Monitoring progress against climate-related corporate targets

Managing value chain engagement on climate-related issues

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Reporting line

Operations - COO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Managing Executive of National Properties reports to the Chief Officer: Human Resources and leads the energy efficiency activities for the Group's corporate offices, warehouses and other properties and activities to increase utilisation of onsite renewable energy.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
> Corporate executive team

Type of incentive
> Monetary reward

Incentive(s)
> Shares

Performance indicator(s)
> Progress towards a climate-related target
> Achievement of a climate-related target
> Implementation of an emissions reduction initiative
> Reduction in absolute emissions

Incentive plan(s) this incentive is linked to
> Long-Term Incentive Plan

Further details of incentive(s)
> ESG targets account for a 10% weighting of long-term term incentive (LTI). The first emissions reduction target was set in 2020 with the performance period ending at 31 March 20235. The emissions target was achieved. This emission reduction target is reviewed annually with reference to a three-year performance cycle. These are aligned with the Group's ESG targets is of a 50% reduction in Scope 1 and 2 emissions from 2017 baseline by 2025. This represents a third of the 10%.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
> The inclusion of the GHG emission reduction target into the LTI ensures that it is a focus for the Group Executive and senior leadership teams and the organization as a whole.

Entitled to incentive
> Other C-Suite Officer

Type of incentive
> Monetary reward

Incentive(s)

Bonus - % of salary

Shares

Performance indicator(s)

Progress towards a climate-related target

Achievement of a climate-related target

Implementation of an emissions reduction initiative

Reduction in absolute emissions

Energy efficiency improvement

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

The Chief Technology Officer has the primary accountability for Vodacom's energy consumption which directly impacts Vodacom's GHG emissions. For this reason, the Chief Technology Officer's short-term incentive includes energy-related initiatives (projects) and targets like successful ISO 50001 certification, implementation of major pivotal projects, i.e. virtual wheeling of renewable electricity and deployment of an energy management system. These constitute 7% of the Chief Technology Officer's short-term incentive.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The inclusion of energy management, energy efficiency and renewable energy considerations into the STI short-term incentive ensures that it is a focus for the Chief Technology Officer. Reduction of energy and a move away from fossil fuels to renewables is the basis of Vodacom's plan to achieve its climate commitments.

Entitled to incentive

Energy manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Shares

Performance indicator(s)

Progress towards a climate-related target

Achievement of a climate-related target

Implementation of an emissions reduction initiative

Reduction in absolute emissions

Energy efficiency improvement

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

The Executive Head of Energy reports to the Chief Technology Officer and supports the Chief Technology Officer in achieving his energy-related targets and objectives. For this reason, the Executive Head of Energy's short-term incentive (STI) includes renewable energy plans and trials, energy efficiency initiatives and implementation of virtual wheeling of renewable electricity. These constitute 47% of the Executive Head of Energy's STI.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The inclusion of energy management, energy efficiency and renewable energy considerations into the STI ensures that it is a focus for the Executive Head of Energy. Reduction of energy and a move away from fossil fuels to renewables is the basis of Vodacom's plan to achieve its climate commitments.

Entitled to incentive

Other, please specify
Managing Executive: Properties and Facilities

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Shares

Performance indicator(s)

Energy efficiency improvement
Reduction in total energy consumption
Other (please specify)
Green Energy solutions implementation, Behaviour change related indicator, Environmental criteria included in purchases

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

The Managing Executive: Property and Facilities, reporting to the Chief Officer: Human Resources, has the primary responsibility to manage the energy consumption of the corporate offices, and warehouses of Group which directly impacts the carbon emissions of the Group (accounting for 4% of emissions).

Energy targets, including efficiency targets and energy reduction and renewable energy projects, form part of her performance contract and her annual performance assessment.

For facilities managers with energy within their remit, their performance targets are to reduce energy consumption and drive down costs, in line with our energy and carbon reduction commitments. Meeting or exceeding targets determines an individual's performance rating for the year, which in turn determines the scale of any financial reward through the short-term incentives (STI). A decrease in energy consumption through energy reduction or efficiency projects will generally lead to a better performance rating and therefore a greater financial reward. Implementing energy reduction and efficiency projects helps us to meet our group emissions target.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The inclusion of energy management, energy efficiency and renewable energy considerations into the STI ensures that it is a focus for the Managing Executive: Properties and Facilities. Reduction of energy and a move away from fossil fuels to renewables is the basis of Vodacom's plan to achieve its climate commitments.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	In line with Vodacom's enterprise risk management framework, including specific timeline considerations for climate work conducted with Group Risk.
Medium-term	5	15	In line with Vodacom's enterprise risk management framework, including specific timeline considerations for climate work conducted with Group Risk.
Long-term	15	30	In line with Vodacom's enterprise risk management framework, including specific timeline considerations for climate work conducted with Group Risk.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Vodacom rates each residual risk, after considering mitigating risk factors, according to its impact and likelihood. Substantive risks are those residual risks that have a very high impact rating and also those with a high impact rating that are highly likely to occur (81-100% probability of occurrence). A very high impact rating means the following in terms of impact:

OPERATIONAL
- Customers: More than 50% of customers have been negatively affected. Large-scale customer loss.
- Business Systems and Operations: Business is unable to operate due to significant loss of systems. Disruption to the business requiring significant additional unbudgeted resource and the attention of the crisis management team. Significant impact on internal parties.
- Employees: More than 50% of the workforce is affected. Significant negative impact on employee experience.

REPUTATIONAL
- Stakeholders: Formal regulatory investigation and/or intervention and fines. Affects stakeholders with strategic relevance (government, shareholders, and strategic partners). Significant customer lobby group formed which advocates boycott of Vodacom.
- Brand: Negative national and international media coverage that detrimentally affects Vodafone. Opinion pieces and editorials call for action against Vodacom.

FINANCIAL
- Revenue and Cost: Revenue loss of 10% or more of revenue. Financial loss is unacceptable to management and/or can only be recovered in the long term (over 3 years). This has a significant effect on the share price.

A high impact rating means the following in terms of impact:

OPERATIONAL
- Customers: 25-50% of customers have been negatively affected. Serious customer loss.
- Business Systems and Operations: Business continues to operate with a major loss of systems. Disruption to the business requiring additional unbudgeted resources and the attention of senior management. Major impact on internal parties.
- Employees: Impacts between 25% - 50% of our workforce. Negative impact on employee experience.

REPUTATIONAL
- Stakeholders: Formal regulatory investigation or enquiry. Major impact on working relationships with key stakeholders, including external parties.
- Brand: Negative national (and limited international) media coverage.

FINANCIAL
- Revenue and Cost: Revenue loss of in excess of 5%, but less than 10% of revenue. Financial loss is major and/or can only be recovered in the medium term (3-years). This has a negative effect on the share price.

An example of a substantive risk is the risk relating to technology failures. We base our customer value proposition on the reliability and availability of a high-quality network. A major failure affecting our network or IT assets and systems – brought on by, for example, extreme weather events – could profoundly impact our customers, revenue, and reputation. This has occurred numerous times in recent years and resiliency to such events is core to our business continuity programme. In addition, the reliability of our network is eroded by an unreliable power supply from the electricity distribution network. Another risk is that of not being able to adapt fast enough to the introduction of new technologies that cater for digital business strategy, innovation, and enterprise change, including those relevant in a low carbon world.

The impacts are viewed at Vodacom Group-level and will be lower when considering different countries and businesses. For example, a substantive risk for Vodacom Mozambique may have a lower impact than a substantive risk for the Group.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
> Direct operations
> Upstream
> Downstream

Risk management process
> Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
> More than once a year

Time horizon(s) covered
> Short-term
> Medium-term
> Long-term

Description of process
> The process for identifying, assessing and responding to climate-related risks and opportunities is integrated into the Group's enterprise risk management framework. The approach is aligned to the ISO 3100 International Risk Management Standard and the requirements of King IV to ensure best practices in the governance of risk which is divided into two approaches which are managed differently, namely (i) principal risk management and (ii) tactical and operational risk management.
>
> Principal risks are the high-level risks that could negatively affect the Group from achieving our strategic goals. Material risks are those that are identified as potentially influencing or triggering the Group's principal risks and are viewed as having a critical strategic or financial influence on the Group. Tactical and operational risk management form the foundation of the principal risk and are identified and managed at a business unit or operational level. Emphasis is placed on individual business units being accountable for identifying risks that could affect the objectives and strategy of projects and/or processes that the unit is responsible for. This approach includes project and process risk.
>
> Through enterprise risk management, we identify Vodacom's key risks and provide ExCo and the Board with a robust assessment of the Group's principal risks. An embedded enterprise risk management process supports the identification of these principal risks. The process adopts both a bottom-up and a top-down approach to identify and escalate risks across all levels of the organisation. It covers risks across the value chain (direct operations, upstream and downstream). It covers short-, medium- and long-term time horizons. It has both bi-annual and annual components.
>
> The process used to determine which risks and opportunities could have a substantive financial or strategic impact on Vodacom is as follows:
> • At subsidiary-level the Board Directors consider risks and opportunities, including climate-related issues, when they formulate strategy, approve budgets and monitor progress against business plans. The process is overseen by the Risk Management Committees (RMC) in each subsidiary, which is chaired by the respective Managing Directors and include the Executive Committee members in each

country.
• The Group Risk division reporting to the Chief Risk Officer assists in identifying, assessing and recording the risks and opportunities facing the Group and, where appropriate, monitors mitigating actions.
• These risks and opportunities are periodically reviewed and updated. A filtering and reporting process ensures that the relevant risk items are reported to the Audit, Risk and Compliance Committee (ARCC). The ARCC considers current and potential future climate risk considerations and reporting in conjunction with the Social and Ethics Committee (SEC).

The day-to-day responsibility for the management of enterprise risk lies with the head of the business unit or support function, which conducts the activity which gives rise to the risk. Line management is guided and assisted by the Group Risk division, which reports to the Chief Risk Officer.

Risks and opportunities are prioritised through the following process:
INDENTIFY: Define the risks - Various levels of management in each operating company define risks and opportunities at project, process, operational, tactical and strategic levels.
ASSESS AND MEASURE:
• Risks are assessed based on their potential impact on the operation (customers, business systems and employees), reputation (stakeholders and brand) and financial (revenue and cost). At level 1 the risk impact is seen as low and at level 4 as very high.
• Assess their likelihood - Risks are assessed based on the likelihood of them happening after considering the controls that are already in place to mitigate them. A scale from 1 to 4 is used to assess the likelihood of the risk, where 1 is "never/rare" and 4 is "highly likely". When a risk is rated with a likelihood as "4".
• Classify the risk - Risks are classified as critical, high, medium and low based on the impact and likelihood score.
RESPOND: Treat the risk - Management review all critical and high risks to determine which need additional treatment to reduce the risk to a medium or low, for example, the implementation of additional controls.

All risks and opportunities, including climate-related issues, are captured on the risk management system, continually monitored and reviewed every six months. Quarterly risk reports are provided to the ARCC and the Board.

We have also undertaken climate change modelling for different scenarios. Each scenario was based on a time-horizon, i.e. time periods identified by Vodacom, and a GHG concentration pathway. Risks were analysed for 2035, 2050 and 2100 time horizons under the following scenarios:

• RCP 2.6: Limit the rise in temperature to 1.5°C
• RCP 4.5: Limit the rise in temperature to between 1.6 to 2°C
• RCP 8.5: Limit the rise in temperature to between 3.1 to 4°C

These scenarios allowed the identification of impact and likelihood of risks based on each scenario.

The results highlighted the need to move from fossil fuels to renewables in the first two climate scenarios. As such, we are focused on improving energy efficiency, integrating energy management systems into our business operations, installation of on-site renewable energy solutions such as solar and hybrid solutions as well as investing to replace diesel generators with technology that can run on alternative renewable fuel sources, such as green hydrogen. This depends on both the development of technology and the accessibility of renewable fuels. We are a large owner of telecommunications

infrastructure across the markets we operate in. This increases exposure to the physical risks of climate change due to the increased risk of asset damage or loss. The results also highlighted the need to protect infrastructure against physical risks like floods, cyclones etc. in all three scenarios, with impacts more pronounced under RCP 8.5. We have controls in place across the business which build resilience against the impacts of physical climate risks, which are centred around damage to our infrastructure and disruption to network services due to the nature of our business. The effectiveness of these demonstrated in the fast restoration of business in South Africa following extreme flooding and in Mozambique following Cyclone Freddy.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	SUMMARY As a regulated technology-based business that is highly dependent on energy, we could be significantly affected by changes in regulations as society and the economy transition to a low-carbon world. Current regulation is included in our risk assessments for both our own operations and our value chain. At Vodacom, climate-related regulation is continually reviewed and assessed at a group- and country-level as part of our risk assessment process. In South Africa, we have been impacted by mandatory reporting of GHG emissions and carbon pricing. We are also impacted by regulations governing own generation. RISK EXAMPLE Carbon tax was introduced in South Africa in 2019. Vodacom South Africa is a carbon taxpayer, paying tax on its GHG emissions from diesel. The current carbon tax rate is R159/tCO2e, but it is anticipated to rise to R1 848/tCO2e by 2050. Given the amount of loadshedding experienced and the expected rate increases, the impact on Vodacom in future could be significant. Furthermore, although the carbon tax is currently structured such that Eskom, the national utility provider, does not pay, it is anticipated that this may change in future. The carbon tax may impact on the price of electricity post 2025 The neutrality on the electricity price expires at the end of 2025, which is when electricity generated by Eskom will be subject to carbon tax. This carbon tax liability will inevitably be passed on to its consumers. SA households currently pay around R2.51 per kilowatt-hour (kWh) of electricity. Deloitte's modelling of Eskom's CO2 emissions per kWh against projected carbon tax increases shows that the proposed increase in the carbon tax rates could increase the rate consumers pay for electricity by approximately 20% by 2030 (based on the current price) (Source: South Africa's carbon tax: Changes and implications for taxpayers (deloitte.com). RISK MANAGEMENT When regulation or changes to regulation are released for comment, we forecast the impact that they will have on our operations. For those expected to have a material impact, we engage with the regulator. We are also focused on mitigating the impact of regulation. For example, in South Africa, we are focused on reducing our GHG emissions to reduce our current and future carbon tax liability. We do this by implementing on-site renewables. We are also working on an innovative project with

	Relevance & inclusion	Please explain
		Eskom which will enable us to wheel renewable energy through the national grid to our base stations.
Emerging regulation	Relevant, always included	SUMMARY We engage internally with subject matters experts regarding potential regulation relevant to our business. Identified emerging regulatory risks include the introduction carbon pricing in other countries of operation and changes in energy market regulation. We continue to monitor policy and regulatory trends relating to energy efficiency and storage, cross-border carbon pricing, and refrigerant gas regulations to understand potential impacts on the telco sector. We monitor regulations that could restrict, constrain or unlock our ability to roll out improvements to our network, products or services, such as around IoT, spectrum use, or 5G connectivity or the enablement of wheeling on an aggregated basis (critical for the distributed nature of our network infrastructure) which we see as critical enablers for the green digital transition. We also monitor regulation for sustainability reporting and disclosure. RISK EXAMPLES In SA, there is a bill draft titled the Climate Change Bill which would see sectorial emissions targets for specific industries. While this might not directly affect the information technology and telecommunications industry, it may impact our suppliers and customers, particularly our energy suppliers. As such, we are monitoring to ensure we understand what impact it could have on our value chain and operations. In the DRC, ratifications on the Ordinance-Law No. 23/007 of March 3, 2023, have been proposed to be amended with a view of lump sum amount in the form of carbon tax to be charged to companies. Still in development, we are yet to understand whether this will impact our operations. We actively engage with policymakers and in policy-making processes to understand its impact on us and also highlight the for the widespread adoption of smart technology and internet of things as a way to achieving GHG emission reduction. RISK MANAGEMENT We engage with policymakers and with national and multinational legislative bodies to advocate for appropriate carbon regulation and fiscal measures that will support the low carbon, green digital transition. We monitor and analyse the impact of emerging regulations and participate in consultations to raise any concerns or comments. In addition, transitioning our business to net zero across our full value chain (Scope 1, 2 and 3) in line with Vodafone's SBTi approved net zero targets will help minimise our exposure to regulatory risks related to carbon pricing and carbon taxation.
Technology	Relevant, always included	SUMMARY We base our customer value proposition on the reliability and availability of a high-quality network. Failure affecting our network systems or power supply due to extreme weather events could profoundly impact our customers revenue, reputation and our network reliability. This increases negative climate impacts as we rely on diesel generators. In addition, there is a risk of not being able to adapt fast enough to the introduction of new technologies, including those that will deliver climate change benefits, that cater for digital business strategy, innovation, and enterprise change.

	Relevance & inclusion	Please explain
		RISK EXAMPLE High levels of power interruptions in SA have significantly impacted the availability of our network, revenue, and operating costs. Since 2020, rather than investing in transition activities, we have spent over R4bn in backup power solutions such as batteries and generators and a further R300m in the past financial year on additional running costs. High levels of loadshedding led to increased diesel consumption. Diesel reduction plans are in development; however, the level of reduction is influenced by capital available for investment as well as the availability and feasibility of low carbon alternative technologies when compared to diesel generators. These challenges are further exacerbated by the need to physically secure renewable technologies like solar and batteries from theft and vandalism. RISK MANAGEMENT We work with stakeholders to trial, develop and rollout new technologies. We embarked on a collaborative project with Eskom aimed at sourcing renewable electricity from IPPs and contributing power to the national grid. We aim to play a pioneering role in mitigating the impact of South Africa's energy challenges. We are also collaborating with partners to develop new innovative solutions for renewable generation for example, developing proof-of-concept microgrid solutions in Mozambique and the DRC. We continue to implement on-site renewables. In the reporting year, we rolled out 163 solar-powered sites in Mozambique. In South Africa, we completed the first phase of our Midrand campus 6MWp solar project that will yield 10.8GWh/year of renewable energy and trials with solar, wind and hydrogen are ongoing to continuously find suitable solutions that can help decarbonise our operations Due to current global, regional and local economic conditions, we look to innovative partnerships and funding models to drive this investment.
Legal	Relevant, always included	SUMMARY Legal and policy risks are related to: · Change in regulations covering infrastructure efficiency, carbon offset pricing, carbon taxes on purchased products that lead to increase compliance requirements and operational costs. · A large, listed company in South Africa, regulation changes in stakeholder expectation e.g. lack of reporting on climate-related issues could bring increase in stakeholder class actions against Group companies due to lack of climate action; · Increasing compliance costs to meet environmental, energy and climate-related targets. RISK EXAMPLE Climate-related and GHG emission reporting laws and regulations are continuously changing around the world and therefore require regular monitoring and assessment for requirements. Climate-related litigation claims could stem from non-compliance with the carbon taxes, national GHG reporting regulations and other climate-related legislation and could include monetary fines and/or prison sentences for those responsible of such oversight at Vodacom. RISK MANAGEMENT Compliance risks are identified and assessed as part of the compliance management

	Relevance & inclusion	Please explain
		processes. Legal risks and implications are continually reviewed as part of the risk management process which considers our potential litigation risks and addresses any issues if relevant. Our legal policy covers litigation risk. Feedback on issues is reported as per Vodacom's risk management framework. In terms of litigation risk related to climate action, Vodacom has an ambitious climate strategy in place (as defined by the Vodafone net zero targets) along with leadership targets as well as transparent reporting on performance and progress. A focus on accuracy in reporting will assist in avoiding accusations of green washing. There are various levels of controls around external disclosures including sign off and internal approvals for all types of public disclosures.
Market	Relevant, always included	SUMMARY As more stakeholders attempt to lower their own Scope 3 emissions, there is growing stakeholder scrutiny of our environmental performance, including demands from our customers to commit to emissions reductions, target setting, and disclosures. As part of their request for quotation and supplier selection processes, several of our customers ask Vodacom for sustainability information and/or demand that Vodacom share information through ESG platforms like the CDP. Increasingly, investors are rating or scoring investments in terms of climate performance covering a range of factors including the setting and progress towards science-based targets. If Vodacom is unable to fulfil growing customer, investor and other stakeholder expectations for climate ambition-setting and action, it runs the risk of not being environmentally investor friendly and/or lose market share. RISK EXAMPLES Vodacom has received requests from customers on our sustainability roadmap and actions we are taking to against climate change as part of their RFP processes. In addition, some stakeholders are requesting tangible details of the transition plans by Vodacom to a low carbon economy. If we are not able to demonstrate this to customers and investors, we face losing business and the risk of investors selling down their holdings, or potential ESG investors electing not to invest in the Group. RISK MANAGEMENT Vodacom has a focused Planet programme, led by its ESG & Sustainable Business team with support from key stakeholders across the Group. This programme covers multiple aspects of environment, including climate change. There is a clear governance structure both at executive management and board level that review its sustainability roadmap and expectation from each structural level. The Board is aware of the expectations and support the reporting of all applicable environmental disclosures for all stakeholder to have a view on the work being carried out. Our targets, and other environmental initiatives are published through the TCFD and ESG. These targets inform our emission reduction strategies, and we are implementing initiatives in an effort to achieve the targets.

	Relevance & inclusion	Please explain
Reputation	Relevant, always included	SUMMARY A key climate-related risk identified through our TCFD assessments over recent years is increasing stakeholder scrutiny over our environmental performance, impacting revenue, market share and reputation. This includes pressure from our investors to maintain good ESG performance. There are reputational risks related to failure to deliver our public commitments on climate and renewable energy, particularly in light of rising concerns of corporate "greenwashing". RISK EXAMPLES There is a chance that representations about our environmental performance as an organization or the environmental advantages provided by our products and services would give our stakeholders the impression that they have been misled. In order to standardise performance reporting and increase transparency to stop stakeholders from being misled, there are growing standards for sustainability reporting and disclosure. We started a multi-year programme to bring the accuracy, thoroughness, and integrity of our financial reporting into our ESG data reporting. We made good progress in strengthening controls over the data and narrative used in our corporate disclosures to improve transparency. RISK MANAGEMENT We have set targets to reduce our carbon emissions and purchase renewable electricity sources. Vodacom, and other telecommunication companies, are also seen as the provider and enabler of solutions to reduce climate change with associated reputation benefits through connected devices and IoT. We see our ability to reduce our own impact and help our customers as a positive impact on our reputation if managed well through actively addressing our impact and offering solutions for our customers to reduce their own. In addition, we have management committees in place to manage reputational risks relating to ESG reporting including green claims. We have ExCo and Board level committee in place to oversee public disclosures (i.e., the Board-level Social & Ethics Committee and ExCo-level Group ESG & Reputation Committee). Reputational risks related to our climate programme are escalated via our Planet governance structure. Reputational risks are monitored through feedback surveys, such as the Brand Tracker and RepTrak, as well as through engagement with key stakeholder groups such as investors and market analysts.
Acute physical	Relevant, always included	SUMMARY Acute physical risks are relevant and always included in our risk assessments for our own operations and those in our value chain. The results of our climate-related scenario analysis showed that we are exposed to increased occurrence and severity of extreme weather events. Although a risk for all scenarios, it is particularly pronounced under RCP 8.5. This is confirmed by the IPCC's recently released 6th assessment report. Extreme weather events may damage our infrastructure, interrupting our services until such time as we can repair the damage. Our services may also be interrupted due to power outages and unsafe road conditions caused by these extreme weather events.

	Relevance & inclusion	Please explain
		Any power outages will require that we refuel our generators, but if the sites are inaccessible, this becomes impossible until such time as the roads are safe again. Interrupted service to our customers impacts on our revenue. Damage to our infrastructure impacts on our capex and also our annual insurance premiums. Use of diesel impacts on our operating costs and GHG emissions. RISK EXAMPLE From 2022, Mozambique has been hit by five cyclones. The last one, Cyclone Freddy, occurred in early 2023 and was exceptionally long-lived, powerful, and deadly. It had devastating consequences for the country, taking lives, and leaving an estimated 600 000 people homeless. It left the entire city of Quelimane without power, water and access to cell networks. It damaged network infrastructure, resulting in network downtime. This downtime was prolonged due to poor road conditions that limited our ability to access the damaged infrastructure for repairs. This resulted in both operational and revenue losses. RISK MANAGEMENT Vodacom has developed and implemented business continuity, disaster recovery, technical recovery and crises management plans. These plans outline what must be done in event of extreme weather events such as the Cyclone Freddy so as to allow for rapid and effective response to these events. In an attempt to minimise the network downtime and to facilitate communication during these events, Vodacom has implemented redundancy on its network, buried cables in the ground, increased battery autonomy and elevated cabinets to limit damage from flooding. We also operate a highly dispersed network which itself has an inherent resilience against localised events. In addition, Vodacom insures against physical risks.
Chronic physical	Relevant, always included	SUMMARY The results of our climate-related scenario analysis showed that we are exposed to increased temperatures and changes in rainfall over all three physical climate scenarios used. Temperature changes ranged from 0.83°C under RCP 2.6 to 4.9°C under RCP 8.5. Precipitation changes were notable, with some countries expected to experience increases as high as 112mm p.a. and others to experience decreases as much as 43mm p.a. RISK EXAMPLES Increased temperatures will mean additional energy for cooling to bring the temperatures inside our base stations and technology centres in line with required operating conditions. High temperatures would limit our ability to use free cooling, further increasing our energy requirements. Energy represents a significant cost to the business. An increased demand for energy will increase operational expenses. Changes in precipitation may lead to droughts or floods. Floods could damage infrastructure while limited water availability can impact operations where water is required for cooling. In April 2022, parts of South Africa experienced heavy rains leading to severe flooding. It was estimated this caused the loss of 450 lives, left 44 000 people homeless and resulted in R17bn in infrastructural damage. More than 400 of our base stations were

	Relevance & inclusion	Please explain
		affected due to power outages, which negatively impacted our network quality. Efforts to get emergency power to the towers were also hampered due to access roads having been damaged by the heavy rains. RISK MANAGEMENT Chronic physical changes are deemed to occur over longer time frames than that of the upgrade/replacement cycle of our equipment and technology, which has an expected life span of several years before becoming obsolete and being replaced/upgraded. Therefore many long-term changes are addressed through an ongoing basis, during the replacement and upgrade cycle of our equipment and facilities. To manage the risks associated with increased temperature, we focus on installing energy efficient HVAC units in our base stations and technology centres. We also reduce energy consumption of existing HVAC units through best practice controls and maintenance. To manage the risks associated with changes in precipitation and potential flooding, we work to make our network as robust as possible by, for example, elevating base station cabinets on blocks and burying cables below ground. Where necessary, relocation of critical facilities out of identified flood zones may be required.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Increased infrastructure damage from climate change perils including coastal inundation, river flood, surface water flood, extreme heat, extreme wind, wildfire, drought and / or flood driven subsidence.

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

This relates to the risk associated with increased occurrence and severity of extreme weather events to which we are exposed. Extreme weather events can damage our infrastructure, impacting on the

availability of our network and associated revenue. During the reporting period, modelling was undertaken for different climate scenarios. Risks were identified and analysed for 2035, 2050 and 2100 time horizons for RCP 2.6, RCP 4.5 and RCP 8.5. Under these scenarios, particularly RCP 8.5, an increased occurrence and severity of extreme weather events such as flooding was identified as a top risk across all the markets. In fact, each of the markets experienced flooding in the past year. In South Africa, for example, in April 2022, parts of the Kwa-Zulu Natal and the Eastern Cape coastline and inland areas were devastated by severe flooding that caused the loss of 450 lives, left 44 000 people homeless and resulted in R17 billion in infrastructural damage. During this event more than 400 of our towers were affected due to power outages, which negatively impacted our network quality. Emergency power supply to the towers were also hampered due to access roads being damaged by the heavy rains.

In March 2023, Cyclone Freddy affected central Mozambique. Wind speeds of up to 213km/hr were experienced and left the entire city of Quelimane without power, water or access to cell phone networks. The expected rainfalls were in the regions of 200mm in one day. Freddy is the longest-lasting tropical cyclone ever recorded breaking the 31 Days previous record. An estimated 600 000 were left homeless. people had to be evacuated to homes. More than 60% of the population lives in low-lying coastal areas which exacerbate the effects of the risks associated with flooding. It must be noted that it is not only flooding that is of concern. There are other extreme weather events to which our operations have already been exposed and are likely to be exposed going forward. In recent years, for example, Mozambique has experienced several cyclones, with the latest being the most severe. Cyclone Freddy was one of the most powerful and longest-lasting cyclones ever recorded. It took lives, left many homeless and without water and power.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure – minimum (currency)

40,000,000

Potential financial impact figure – maximum (currency)

100,000,000

Explanation of financial impact figure

The financial impact is based on estimations of damage incurred to our physical infrastructure in various recent extreme weather events.

Cost of response to risk

150,000,000

Description of response and explanation of cost calculation

We are a large owner of infrastructure across all of our markets, which is integral to our ability to deliver telecommunications services. This increases Vodacom's exposure to the physical risks of climate change due to the increased risk of asset damage or loss. We identified the key climate drivers most likely to impact our assets and infrastructure. Through the scenario analysis conducted, we are able to

understand and locate the areas within our key markets where assets are likely to be most affected and it enables us to build on our resilience planning and investment to cover the range of best to worst case scenario outcomes in a targeted manner.

We manage this risk by being prepared for extreme weather events. We have business continuity, disaster recovery and crises management plans in place that ensure we know what to do in the event of a disaster and can respond quickly and effectively. We operate a highly dispersed network which has an inherent resilience against localised events. We build redundancy into our network to limit the impact on the customer and our revenue losses. We bury cables, elevate our base station cabinets and increase battery autonomy on our sites. Maintaining an active and sufficient network and services is vital to our operations. As such, it is prioritised when designing our systems and infrastructure.

Current costs to respond are low as many of the actions are already covered by our existing resilience programmes, but there is potential for increased costs in the future depending on the long-term trajectory of climate action and global warming. We also manage this risk through insurance. The cost of response to the risk are based on an estimate for all risk insurance premiums. This does not include significant reported costs incurred relating to network investments undertaken (batteries, diesel generators, fuel and security) in response to power disruptions arising from events such as loadshedding in South Africa.

Comment

nil

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Changing temperature (air, freshwater, marine water)

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Vodacom's energy consumption is mostly from its base stations which account for 79% (FY23 value) of the total energy consumption. A large percentage of the energy consumption is associated with radio equipment and HVAC systems where installed, which are needed to cool the equipment to the desired temperatures. Technology centres will be significantly impacted by increasing temperatures and variation of freshwater supplies and a large percentage of the energy consumption is associated with HVAC systems which are needed to cool the equipment to the desired temperatures. Higher temperatures will also impact the efficiency of solar installations and increase the rates of degradation of equipment.

The climate change assessment conducted indicated that the temperature could rise by as much as 4.9°C by 2100 under RCP 8.5. This would increase cooling demand and associated energy consumption. The increase would be further aggravated by the inability to use as much free cooling (affected by both ambient temperatures and humidity) as we currently do, given the high temperatures.

Vodacom would need to implement mitigating actions so that they are not adversely affected by increased operating costs.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2,297,100,000

Explanation of financial impact figure
The financial impact is estimated at 5% of our direct expenses. Energy costs from part of our direct expenses. Reported energy costs for FY2023 were R3.0 billion. Increased temperatures and cooling requirements are expected to increase operating costs. This will also result in additional increased capital costs depending on the severity of the climate change impact on equipment.

Cost of response to risk
33,000,000

Description of response and explanation of cost calculation
Vodacom is committed to improving energy efficiency at base stations. We continuously upgrade our network and other equipment, such as cooling, to more energy efficient technologies.   The cost of response is the amount spent on energy efficiency initiatives in the reporting year but excludes capital costs associated with new site deployments. In addition, to reduce impact of our upstream supply chain emissions working with Vodafone, we engage our network equipment suppliers in the procurement process to improve the sharing of carbon footprint data and identify opportunities for energy efficiency improvements.

Some base stations were upgraded to use modern, energy efficient equipment. A large percentage of our base stations employ radio equipment that is located outside of the container so that they can make use of free cooling. This has realised energy savings as it has decreased the cooling demand.

We are piloting wind and solar solutions on our base stations and continue to invest in new technology to drive transition to lower carbon energy sources. In data centres, we are reconfiguring equipment to use hot/cold isle and containment which lowers cooling demand. We are also rolling out advanced control systems to better control temperatures within data centres. We are in the process of expanding onsite renewable for some technology centres and offices (including our head office Midrand campus) and we deploy control systems to improve building management supporting energy efficiencies.

Comment
nil

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Technology

Transitioning to lower emissions technology

Primary potential financial impact

Increased capital expenditures

Company-specific description

Through the climate risk assessment conducted, technology risks were determined to be material in achieving targets. Markets operated by Vodacom are vulnerable to grid disruption. Additionally, the majority of DRC's network access sites off-grid. This results in markets making use of readily available, high-emission diesel generators as a backup source of electricity.

We are a large owner of infrastructure across all of our markets, which is integral to our ability to deliver telecommunications services. This increases complexity, capital and operational costs required for a transition to the low carbon economy. Markets operated by Vodacom are constrained by the electrical distribution network availability and can be vulnerable to power interruptions. South Africa is experiencing increasing intermittent power interruptions (loadshedding) compared to prior years. In addition, a large percentage of our base stations in operations outside of South Africa are 'off-grid due to limitation of the grid network. This requires the extensive use of diesel generators. To ensure network availability during loadshedding and to power off-grid sites, Vodacom has had to purchase diesel generators. In fact, since 2020, Vodacom South Africa has spent over R4 billion in backup power solutions such as batteries and generators and a further R300 million in the past financial year on additional running costs, including diesel, security, and maintenance.

Access to novel renewable or low emissions technologies within African markets has proven to be difficult. Barriers such as a skills gap, high capital cost as well as theft and vandalism are experienced in our markets. To mitigate the technological risks from future policy and market changes, some of the key areas of focus for Vodacom are improving energy efficiency, integrating energy management systems into our business operations, and investing primarily to replace diesel generators with technology that can run on alternative renewable fuel sources, such as green hydrogen. This depends on both the development of technology and the accessibility of renewable fuels. Vodacom is actively combating the effects of climate change despite the difficulties.

Vodacom is developing plan and quantifying the estimated costs to implement new technologies that will deliver energy security and emission reductions.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

5,958,500,000

Explanation of financial impact figure

We are currently going through a detailed process to quantify the investment needed to achieve our climate-related targets. However, it is expected that the cost would be in the region of 5% of our revenue.

Cost of response to risk

33,000,000

Description of response and explanation of cost calculation

Vodacom response to mitigating the technological risks is by investing in energy efficiency measures and where feasible technologies to reduce GHG emissions and responds to climate change.

The actions are summarised as follows:
• Driving energy efficiencies
• Switching to renewables
– Investing in on-site renewable energy
– Purchasing renewable electricity
• Reducing diesel consumption

In FY23, we spent R33m energy efficiency programs drawing on new technologies, which is the cost of responding to the risk as reported above. We are detailing the investments needed to achieve a transition and so our climate-related targets and therefore these costs are not yet reflected.

Case study: In switching to renewable energy sources, in the reporting year, we rolled out 163 solar-powered sites in Mozambique. In South Africa, we completed the first phase of our Midrand campus solar project with the installation of solar panels. This 6MWp solar installation will yield around 10.8GWh/year of renewable energy, saving 11 448mtCO2e. We also collaborate with stakeholders to reduce our transition to new technologies which also allows us to reduce emissions. For example, our South African operations pioneered and developed an innovative virtual wheeling solution in collaboration with Eskom, the national electricity provider. This solution will allow Vodacom to purchase renewable electricity from independent power producer and contributing it to the grid, moving away from predominantly coal-based electricity to renewable electricity. By engaging in this initiative, Vodacom aims to play a pioneering role in mitigating the impact of South Africa's energy challenges. Extensive stakeholder engagements have been held with government, at both Group and South Africa level, across various aspects, including loadshedding. Further, recent developments in the amendment to the Competition Act, now allows telecommunication companies to collaborate in relation to security and sharing of assets on colocation, will be very valuable.

We continue to trial, develop, and implement low carbon technologies. To further drive reduction of diesel consumption, we are collaborating with partners to develop new innovative solutions for renewable generation for example, developing proof-of-concept microgrid solutions in Mozambique and

the DRC. Furthermore, trials with solar, wind and hydrogen are ongoing to continuously assess suitability of solutions to decarbonise our operations.

Comment

nil

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation

Other, please specify

Increasing stakeholder scrutiny over our environmental performance, impacting revenue, market share and reputation

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Reputational and financial damage from customer/stakeholder perception of lack of action on climate change.

The ICT sector is expected to be an increasing user of electricity and associated emissions. Vodacom is a leading telecommunications company in Africa. As such it is expected to lead from the front within the industry. This is no different when it comes to climate change commitments. Customer awareness of climate change, and sustainable development more broadly, is increasing, particularly amongst our corporate customers. This is evidenced by an increase in requests from Vodacom Business customers about our environmental footprints and our net zero strategy. Some Vodacom Business customers specify requirements in RFPs for Vodacom (as their supplier) to have a decarbonization strategy, have set emission reduction targets or commitments, and disclose GHG emissions data.

For example, we have been asked by companies to respond to the CDP Climate Change questionnaire. Environmental considerations are, in select instances, criteria in awarding public tenders. If we fail to keep pace with the changes in customer expectation, with regard to reducing the environmental impact of our products and services, we may suffer reputational damage, loss of revenue and lose market share. In addition, we may lose customers should we not be able to provide the necessary technological solutions targeting carbon enablement (emissions avoidance) to assist customers on their own new zero journeys.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure – minimum (currency)

17,400,000,000

Potential financial impact figure – maximum (currency)

30,000,000,000

Explanation of financial impact figure

Reputational and financial damage from customer/stakeholder perception of lack of action on climate change. The ICT sector is expected to be an increasing user of electricity and associated emissions. Customer awareness of climate change, and sustainable development more broadly, is increasing, particularly amongst our corporate customers. If we fail to keep pace with the changes in customer expectation, with regard to reducing the environmental impact of our products and services, we may suffer reputational damage, loss of revenue and lose market share.

Case study: Vodacom IoT within Vodacom Business South Africa currently generates R1,553m annual revenue, a proportion of which is generated from 21% of the IoT connections that directly enabled customers to reduce their emissions in the past year. This is up 7.7% year-on-year with an estimated CAGR of 20%. The total addressable market is estimated at R30 billion for FY2025.   We estimate based on our Vodacom Business South Africa revenue that approximately R17,4bn worth of sales activity is dependent on meeting customer requirements on climate change as they arise. Without appropriate management, there is a risk that some of this value would be lost. This cost is based upon a proportion of our customers which state environmental performance is a significant factor in their decisions.

Other reputational impacts will be difficulty in attracting and retaining employee talent and it could also affect the interest of international and local investors that track ESG performance.

Cost of response to risk

0

Description of response and explanation of cost calculation

We ensure stakeholders and customers who want information on our climate change credentials can access information easily via our website. In 2020, Vodafone set SBTi approved 2030 carbon targets to reduce our own emission to net zero and halve our scope 3 emissions, before reaching full value chain net zero emissions by 2040. As a significant subsidiary of Vodafone (shareholding of 65.1%), Vodacom is bound to contribute to these targets. The costs for managing these risks are embedded throughout the company and the decisions we make across all of our operations. By continuing to demonstrate our commitment as a sustainable business and taking initiatives such as working towards our target to adopt 100% renewable electricity by 2025, we are establishing a strong reputation among our customers on climate-related actions and commitments.

We communicate progress of our climate action initiatives to our external stakeholder, including corporate communications (such as our annual ESG reporting, TCFD report, press releases and website news stories) and brand awareness campaigns / consumer communication campaigns. In FY23, we, along with Vodafone and Vodafone Egypt, were a headline sponsor of the COP27 climate change conference in Egypt. Alongside our sponsorship investment, we provided digital connectivity services for the conference delegates as a donation in-kind. This year as part of enhancing our disclosures as

promoting our reputation among consumers and other stakeholders, we have invested approximately R14 million. This excludes customer marketing campaigns whereby environmental messages are incorporated into existing campaigns.

Case study: Failure to meet customers' changing expectations e.g. reduce their climate impact through the use of our products/ services will lead to decrease demand of our product/services hence reduced revenue. We've taken various initiatives and actions to achieve this goal, for example, installation of onsite solar, small scale PPAs and more significantly, we are helping to build a more accessible market for renewables across some of our African markets. This year, we established a new agreement with the Egyptian government and embarked on discussions with the national energy provider in South Africa, Eskom, aiming to help us source more renewable power from the electricity grid. To ensure we retain our market share in the low carbon economy, we are actively engaged in deploying new low carbon solutions.

Comment

nil

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Mobile technologies can reduce carbon emissions 10 times greater than the carbon footprint of the mobile network itself, according to the GSMA (2018). This ratio could double by 2025.

There is an opportunity for Vodacom to expand its products and services, offering products and services that enable customers to reduce their GHG emissions. One such example is IoT.nxt's raptor energy management solution, which can drive energy savings across per mobile network site, office buildings

and many more innovative solutions using AI. Other examples of Vodafone IoT applications include: smart metering, using our connectivity to collect and analyse data on energy use in real time; smart cities, bringing networked intelligence to the civil infrastructure relied upon by the world's growing urban populations through applications such as road traffic management and advanced street lighting; smart logistics, embedding IoT technologies within delivery vehicles to optimise route management, vehicle maintenance and driver behaviour applications which can reduce fuel consumption by up to 30%.

Our platform services through our subsidiary, Mezzanine further enables us to provide unique and innovative offerings for other companies to better manage their operations. Our "virtual wheeling" solution with Eskom was also developed on the Mezzanine platform and will be commercialised following successful implementation by Vodacom South Africa.

In FY23, Vodafone rolled out a carbon enablement toolkit to support product teams to understand how the solutions they develop result in carbon emission reductions. The toolkit helps them to identify solutions in our existing product portfolio that have carbon enablement potential. Primary focus for Vodacom, was Vodacom Business in South Africa; however, this will be expanded to include other countries in due course.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure – minimum (currency)
1,533,000,000

Potential financial impact figure – maximum (currency)
30,000,000,000

Explanation of financial impact figure
Vodacom IoT currently generates R1,553m annual revenue, a proportion of which is generated from 21% of the IoT connections that directly enabled customers to reduce their emissions in the past year. This is up 7.7% year-on-year with an estimated CAGR of 20%. The total addressable market is estimated at R30 billion.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
In 2019, Vodacom's invested approximately R1 billion for a 51% stake in its subsidiary IoT.NxT and leverages existing IoT capabilities within Vodacom Business. Subsequent to this investment, these opportunities are managed by Vodacom Business who are developing and delivering a range of products and services from energy data management to fleet management solutions and selling these services to Vodacom's enterprise clients. Through Vodafone, Vodacom's IoT business strategy is linked to an emissions reduction target and we continue to measure, monitor and report our performance. We estimate that the total emissions avoided as a consequence of our IoT technologies and services was

1.0 million tonnes CO2e in FY2023, which is the equivalent of 50 million trees growing for one year.

Case study: For businesses, the use cases for IoT includes automated monitoring of energy usage across national grids, tracking consumption in smart buildings and detecting traffic and congestion in cities. Smart meter also allows companies visibility on their energy usage which can lead to more efficient use and (or) the identification of savings opportunities to implement. Telematics use our IoT connections to transmit data from vehicles to fleet managers in order to identify opportunities for efficiencies and improvements. Additional opportunities to develop appropriate IoT products and services exist in sectors such as mining, fast-moving consumer goods, logistics, e-learning, agriculture and healthcare. As of 31 March 2023, the number of connected devices has grown to 9.4 million from 6.8 million.

Vodacom is already offering the opportunities, so no additional cost beyond that of ongoing business costs associated with increasing our customer base and improving our service offering are expected.

Case study: Vodacom's head office in South Africa uses the smart building solution which provides real-time visibility of room and space utilisation and comfort in the building including air quality. It integrates building management system, water and electricity metering, diesel level monitoring and integrated workspace management systems. This enables the centralised monitoring of water, electricity and diesel consumption to facilitate the identification of resource savings opportunities by reporting on sustainability, monitoring alarms in the system and automating work order generation to avoid manual human intervention.

Comment

nil

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced direct costs

Company-specific description

As a large owner-operator of distributed infrastructure in the countries in which we operate, a shift towards low carbon renewable electricity can offer an opportunity for reduced operational costs for Vodacom. Vodacom's primary source of GHG emissions emanates from grid electricity consumption, followed by diesel consumption, across our access network and technology centres. Our largest operation is South Africa, is currently the main contributor of GHG emissions for the group, due to their use of electricity from the Eskom grid.

To manage energy consumption, energy security and energy costs, Vodafone committed to RE100 and are required to source 100% renewable electricity by 2025. Vodacom has adopted this target. To achieve the target Vodacom's energy strategy, we prioritize energy-efficient practices, followed by on-site renewable energy generation to power operations, then power purchase agreements (PPAs) and lastly to purchase renewable electricity certificates (RECs).

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure – minimum (currency)

15,000,000

Potential financial impact figure – maximum (currency)

50,000,000

Explanation of financial impact figure

Vodacom spent R3.0 billion on network related electricity and fuel costs during FY2023 and this is likely to increase in the future due to increased network traffic, network expansion and growth. However, financial savings are likely to increase as more renewable energy projects come on stream over time.

CASE STUDY
In FY23, the following is a summary of initiatives that were implemented:
• Installation and upgrading of high efficiency UPS projects at technology centres realising a cost saving of R3 1110 391
• Implementation of cold aisle containment projects realising a cost saving of R680 461
• Cooling upgrade and other energy efficiency projects implemented at technology centres realising a cost saving of R2 371 486
• Connection of off-grid base stations to the grid to reduce diesel usage realising a cost saving of R3 476 540
• Installation of radio saving features and other energy efficiency projects implemented at our technology centres realising a cost savings of R2 266 113
• Installation and use of network software features projects implemented at our network access sites realising a cost savings of R4 911 520

By implementing all these initiatives, we are optimising energy consumption as part of our ongoing technology upgrade and replacement programs, energy savings of 3.4 GWhs and an estimated 3 118 tCO2e reduction in emissions as well as R17 300 000 in cost savings were achieved, together with tax allowances that can be claimed on the equipment.

Solar PV installations in South Africa generated 823 MWhs of electricity avoiding 873 tCO2e of emissions with cost savings of approximately R890 000 on an annual basis.

The PPA for the 6 MWp solar PV installation at the Midrand campus is expected to yield roughly 21% of

the HQ's power consumption, reducing its reliance on coal-generated electricity from the national grid and deliver cost savings but reducing municipality electricity bills by 21%. The PPA in the Nelson Mandela Bay region has the potential to reduce GHG emissions by 15% on an annual basis in the Eastern Cape region.

Cost to realize opportunity

36,000,000

Strategy to realize opportunity and explanation of cost calculation

To save energy costs and reduce carbon emissions, Vodacom, during FY2023 implemented energy efficiency projects at a cost of R33 million resulting in savings of more than 3.4 GWhs. This was achieved through the installation of inverter air-conditioners, the replacement of old, inefficient uninterrupted power supply (UPS) systems and rectifier systems.

With a vast footprint of cellular towers or masts spread across multiple geographies, on-site solar can be challenging due to limited physical space, site accessibility, theft and vandalism. On-site renewable electricity is currently less than 1% of overall renewable energy consumption as a result. However, Vodacom is testing new approaches and technologies to find sustainable solutions, such as renewable hybrid systems that use various renewable energy sources such as wind and hydrogen, and mechanisms like wheeling or power purchase agreements.

Vodacom has an active Purchase Power Agreement (PPA) with an energy trader to facilitate the supply of renewable energy to power Vodacom infrastructure and facilities in Nelson Mandela Bay (South Africa). The PPA covers 36 base station sites and, depending on renewable energy yield, has the potential to reduce GHG emissions by 15% on an annual basis in the Eastern Cape region. The sources used to generate energy through this PPA include a variation of wind and solar energy. The first phase of the 6 MWp solar PV installation with an estimated annual energy yield of 10.8 GWh (11 448 tCO2e savings) at the Midrand campus is near complete. Vodacom will purchase the energy generated from the system through a PPA. During FY2023 Vodacom purchased RECs to the value of 101 602 MWhs to reduce its Scope 2 carbon emissions. This represents 20% of South Africa total energy consumption.

In FY2025, Vodacom South Africa will source renewable electricity from independent power producers through the national grid. This is in partnership with Eskom underpinned by an innovative virtual wheeling programme developed by Mezzanine, a Vodacom subsidiary.

The total cost to realize the opportunity is R36 million relating all these initiatives.

Comment

nil

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

Vodacom hosts its Chairman's roadshow each July before the annual general meeting. This covers local and foreign investors. In these one-on-one engagements, shareholders and management engage on topical issues, including that of energy security, climate change, net zero and climate transition activities.

Vodacom is a majority owned subsidiary of the Vodafone Group and as such, Vodacom's climate transition activities form part of the Vodafone climate transition plan which is due to be published in the 2024 financial year. In the interim, we refer reader to the climate action summary released in July 2023 (link below). In addition, Vodacom will publish it Net Zero plan and transition activities in the same time period. As part of this publication process, Vodacom shareholders will be able to provide feedback via email.

Frequency of feedback collection

Less frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

📎 climate-action-summary.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 2.6	Company-wide		Underlying climate model: CMIP5 mean model from the World Meteorological Organisation – RCP 2.6. Overview: Early, Smooth transition <2°C, Transition to a carbon-neutral economy starts early and increase in global temperatures stays well below 2 degrees, in line with the Paris Agreement. Assumptions: Early and decisive action to reduce global emissions in a gradual way, with clearly signposted government policies implemented relatively smoothly. Parameters: Global and regional temperature trends: Global temperatures increase to between 1.5 – 2 degrees above pre-industrial levels. Frequency & Severity of climate-related physical impacts e.g. extreme weather, humidity etc: Increase in physical climate-related impacts. Time horizons: We analysed the risks across each of the three time horizons: Short-term (2020-2025); Medium-term (2026-2035) and Long-term (2036-2050) to meet the TCFD recommendations to assess business resilience in differing climate scenarios. Impact: Under RCP 2.6, the temperature is expected to increase by between 0.988°C and 1.298°C by 2100 in the countries in which Vodacom operates. Increased number of hot days are also anticipated. Rainfall is expected to decrease by at most 17.40mm in most of the countries in which Vodacom operates, except for DRC and Tanzania where increases of at most 102.57mm are forecasted. Increased temperature and hot days are expected to increase cooling requirements and associated energy consumption for base stations and technology centres. Changes in rainfall patterns could lead to droughts and floods (surface, riverine and coastal inundation) which could result in losses and damages to nature, people, our infrastructure as well as that of customers. Increased occurrence of extreme weather events is also anticipated. These events could also result in business interruptions, losses and damages, for example due to flooding, soil movement / subsidence as a result of flooding, extreme wind, and wildfires.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 4.5	Company-wide		Underlying climate model: CMIP5 mean model from the World Meteorological Organisation – RCP 4.5 Overview: Late, disruptive transition <2°C, Global climate goal of keeping temperatures well below 2 degrees is met but the transition is delayed and must be more severe to compensate for the late start. This means that the risk velocity is greater. Assumptions: To compensate for the delayed start a deeper adjustment is required, as evidenced in a steeper increase in global carbon prices in a late attempt to meet the climate target. Under this scenario, physical risks rise more quickly than in the early policy action scenario and transition risks are severe. Parameters: Global and regional temperature trends: Global temperatures increase to between 1.5 – 2 degrees above pre-industrial levels. Frequency & Severity of climate-related physical impacts e.g. extreme weather, humidity etc: Increase in physical climate-related impacts. Time horizons: We analysed the risks across each of the three time horizons: Short-term (2020-2025); Medium-term (2026-2035) and Long-term (2036-2050) to meet the TCFD recommendations to assess business resilience in differing climate scenarios. Impact: Under RCP 4.5, the temperature is expected to increase by between 2.105°C and 2.388°C by 2100 in the countries in which Vodacom operates. Increased number of hot days are also anticipated. Rainfall is expected to decrease by at most 21.99mm in most of the countries in which Vodacom operates, except for Lesotho, DRC and Tanzania where increases of at most 130.02mm are forecasted. Increased temperature and hot days are expected to increase cooling requirements and associated energy consumption for base stations and technology centres. Changes in rainfall patterns could lead to droughts and floods (surface, riverine and coastal inundation) which could result in losses and damages to nature, people, our infrastructure as well as that of customers. Increased occurrence of extreme weather events** is also anticipated under this scenario and anticipated to be worse than under RCP 2.6. These events could also result in business interruptions, losses and damages, for example due to flooding, soil movement / subsidence as a result of flooding, extreme wind, and wildfires.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Company-wide		Underlying climate model: CMIP5 mean model from the World Meteorological Organisation – RCP 8.5

Overview: Business as usual, no additional action >3°C, Where no policy action beyond that which has already been announced is delivered, resulting in above 3 degrees of warming. Therefore, the transition is insufficient for the world to meet its climate goal.

Assumptions: This scenario tests organisation's resilience to both chronic changes in weather (e.g. rising sea levels), as well as more frequent and extreme weather events (e.g. flash floods). Therefore, under this scenario, there are limited transition risks, but physical risks are significant.

Parameters:
Global and regional temperature trends: Global temperatures increase to over 3 degrees above pre-industrial levels.
Frequency & Severity of climate-related physical impacts e.g. extreme weather, humidity etc: Significant increase in physical climate-related impacts resulting in damages, displacement and economic instability.

Time horizons: We analysed the risks across each of the three time horizons: Short-term (2020-2025); Medium-term (2026-2035) and Long-term (2036-2050) to meet the TCFD recommendations to assess business resilience in differing climate scenarios.

Impact: Under RCP 8.5, the temperature is expected to increase by between 4.106°C and 4.902°C by 2100 in the countries in which Vodacom operates. Increased number of hot days are also anticipated. Rainfall is expected to decrease by at most 83.85mm in most of the countries in which Vodacom operates, except for DRC and Tanzania where increases of at most 111.86mm are forecasted. Increased temperature and hot days are expected to increase cooling requirements and associated energy consumption for base stations and technology centres. Changes in rainfall patterns could lead to droughts and floods (surface, riverine and coastal inundation) which could result in losses and damages to nature, people, our infrastructure as well as that of customers. Increased occurrence of extreme weather events is also anticipated under this scenario and anticipated to be worse than under RCP 2.6 and RCP 4.5. These events could also result in business interruptions, losses and damages, for example due to flooding, soil movement / subsidence as a result of flooding, extreme wind, and wildfires. |

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	1.5ºC	Underlying climate models used: REMIND-MAgPIE 1.7-3.0 – Immediate 1.5°C with CDR (Orderly, Alt) Overview: Early, Smooth transition <2°C, Transition to a carbon-neutral economy starts early and the increase in global temperatures stays well below 2 degrees, in line with the Paris Agreement. Assumptions: Early and decisive action to reduce global emissions in a gradual way, with clearly signposted government policies implemented relatively smoothly. Parameters: • Carbon price pathway: Estimated between $135-$6,050 USD/tCO2e in 2030, $245-$14,300 USD/tCO2e in 2050 (IPCC SR1.5). Carbon-related policy/regulation: Early global policy response increase in carbon price. • Emission pathway: Global emissions decline 45% by 2030, reaching net zero by mid-century. Commodity and energy prices: Significant increase in energy prices. • Energy mix: Significant increase in renewable energy mix by 2050 – nearly all fossil fuels replaced. Technology: Rapid increase in investment in mitigation technologies (e.g. energy efficiency, demand management). Consumer Preferences: Continue to shift towards low-carbon products and services. Time horizons: We analysed the risks across each of the three time horizons: Short-term (2020-2025); Medium-term (2026-2035) and Long-term (2036-2050) to meet the TCFD recommendations to assess business resilience in differing climate scenarios. Impact: High transition risks compared to business-as-usual scenario. As a technology-based business, transition risks pose a significant threat to our organisation and as a result, we need to ensure we maintain pace in the transition to a low-carbon world. Scenario analysis highlighted the increased risk of failure to comply with emerging regulation and higher carbon taxation as well as litigation risk in the event of failing to meet our net zero targets. Our scenario analysis revealed a potential risk of failure to comply with new frameworks or regulations, particularly in the energy sector. In order to reach our renewable ambitions, we are exploring and piloting breakthrough technologies that may necessitate revisions of the energy frameworks in our various

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
			markets or additional regulatory requirements. Misinterpretation of the energy framework or legislation may result in litigation action against Vodacom.
Transition scenarios Customized publicly available transition scenario	Company-wide	1.6ºC – 2ºC	Underlying climate models used: REMIND-MAgPIE 1.7-3.0 - Delayed 2°C with CDR (Disorderly, Alt).

Overview: Late, disruptive transition <2°C, Global climate goal of keeping temperatures well below 2 degrees is met but the transition is delayed and must be more severe to compensate for the late start. This means that the risk velocity is greater.

Assumptions: To compensate for the delayed start a deeper adjustment is required, as evidenced in a steeper increase in global carbon prices in a late attempt to meet the climate target. Under this scenario, physical risks rise more quickly than in the early policy action scenario and transition risks are severe.

Parameters:
• Carbon price pathway: Estimated between $135-$6,050 USD/tCO2e in 2030, $245-$14,300 USD/tCO2e in 2050 (IPCC SR1.5).
• Carbon-related policy/regulation: Delayed and disjointed policy response, lack of certainty for businesses. Significant jump in carbon price beyond 2030.
• Emission pathway: Global emissions continue to increase, before rapidly decreasing in order to reach net zero by 2050.
• Commodity and energy prices: Significant increase in energy prices. Likely that changes will be sudden and disruptive.
• Energy mix: Significant increase in renewable energy mix by 2050 – nearly all fossil fuels replaced.
Technology: Increase in investment in mitigation technologies (e.g. energy efficiency, demand management).
• Consumer Preferences: Consumer preferences continue to shift towards low-carbon product and services.

Time horizons: We analysed the risks across each of the three time horizons: Short-term (2020-2025); Medium-term (2026-2035) and Long-term (2036-2050) to meet the TCFD recommendations to assess business resilience in differing climate scenarios.

Impact: Highest level of transition risks compared to other scenarios as a delayed start means that a deeper adjustment is required later on.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Company-wide	3.1ºC - 4ºC	Underlying climate models used: REMIND-MAgPIE 1.7-3.0 - Nationally determined contributions (NDCs) (Hot house world, Alt). Overview: Business as usual, no additional action >3°C, Where no policy action beyond that which has already been announced is delivered, resulting in above 3 degrees of warming. Therefore, the transition is insufficient for the world to meet its climate goal. Assumptions: This scenario tests organisation's resilience to both chronic changes in weather (e.g. rising sea levels), as well as more frequent and extreme weather events (e.g. flash floods). Therefore, under this scenario, there are limited transition risks, but physical risks are significant. Parameters: • Carbon price pathway: Estimated between $15-$220 USD/tCO2e in 2030, $45-$1,050 USD/tCO2e in 2050 (IPCC SR1.5). • Carbon-related policy/regulation: No further policy action. Current country level commitments are maintained. Emission pathway: Global emissions continue to increase, before rapidly decreasing in order to reach net zero by 2050 • Commodity and energy prices: Energy prices maintained • Energy mix: Share of renewable energy mix increases but fossil fuels remain the largest source of energy. • Technology: Modest investment in mitigation technologies. Greater investment in adaptation technologies. • Consumer Preferences: No change in demand for low-carbon goods and services. Increase in adaptation services required. Time horizons: We analysed the risks across each of the three time horizons: Short-term (2020-2025); Medium-term (2026-2035) and Long-term (2036-2050) to meet the TCFD recommendations to assess business resilience in differing climate scenarios. Impact: Given the nature of transition risks, the materiality of them is low under this scenario (No policy action: Business as usual) as there is projected little or no change to current regulation and litigation pressures. Using the results of our scenario analysis, we are currently working to build treatment plans against each material risk and understand the level of mitigation we need to implement to build further resilience.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

The focal questions we sought to answer through the climate-related scenario analysis were as follows:

• To what risks and opportunities are we exposed to different climate scenarios?
• What would be the implications for our strategy if the different climate scenarios come to pass?

Results of the climate-related scenario analysis with respect to the focal questions

What risks and opportunities are we exposed to in different scenarios?
3 physical scenarios were selected (RCP 2.6, 4.5 & 8.5). Under each, acute and chronic physical risks were identified. Chronic physical risks incl increased temperatures across all countries of operation and decreased rainfall for all except for DRC & Tanzania. The acute physical risk included increased occurrence and severity of extreme weather. All 3 physical scenarios had the same types of risks but became more severe between RCP 2.6 and 8.5. Increased temperatures mean increased cooling requirements and thus energy use, for base stations & technology centres. Changes in rainfall can lead to floods damaging our infrastructure. Extreme weather could also damage infrastructure, limiting our ability to serve our customers and increasing our costs. It also has the potential to impact food security and human health.

The analysis enables us to (i) understand and locate the areas where assets are likely to be most affected and (ii) build on our resilience planning and investment to cover the range of best to worst case scenario outcomes in a targeted manner. This analysis serves as the basis for understanding our current resilience against climate-related risks and focus on enhancing our mitigation strategies.

3 transition scenarios were selected, aligned with different temperature increases. The risks under each are different. Under the 1st , early and decisive action is taken to reduce global emissions in a gradual way, with clearly signposted government policies implemented relatively smoothly. This requires us to transition from fossil fuels to renewables in the same gradual way. Under the 2nd the transition is delayed and must be more severe to compensate for the late start. This requires us to transition quickly from fossil fuels to renewables. This transition is both a risk and opportunity for us. The transition is costly, requiring significant capital. Also, some technologies are not yet suitable for our base stations, given their small size and distributed nature. On the other hand, it could reduce our energy costs and increased our energy security, making us more competitive.

• What would be the implications for our strategy if the different climate scenarios come to pass?
We aim to be a leading African communications company, diversifying and differentiating with our digital ecosystem and an optimised and future-ready TechCo. The climate scenario analysis highlighted the need for effective management of climate-related risks and opportunities. Infrastructure must be protected against climate-related physical risks if we are to be able to service customers, retain their loyalty and grow our customer base. Our transition from fossil fuels to renewables needs to be such that we can become a leading African communications company in any possible climate future, meaning that we need to continue to take marked steps away from fossil fuels towards renewables.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	**Description of influence**
Products and services	Yes	As a result of climate-related risks and opportunities, part of our strategy is focused on developing digital technologies and services that enable our customers (enterprises and governments) to reduce their environmental footprint. We began by using green digital solutions to tackle climate change and help decarbonise society. Our IoT services, including logistics and fleet management, and smart metering, are underpinned by a strong commercial rationale with three main opportunities for customers. • Increased efficiency and reduced wastage IoT enables organisations to monitor operational processes, identify waste and address the source. This improves cost efficiency and carbon savings. • Using IoT to deliver cost efficiency Connectivity allows products and services, such as shared distribution networks and vehicle sharing, to be automated and shared, reducing the cost and carbon impact. • Changing customer behaviour to promote long-term sustainability IoT products connect directly to each customer, allowing trends to be monitored, such as shifting demands for energy. Our biggest climate-related opportunity is the market opportunity for products and services (such as smart IoT solutions) that can help our customers to reduce their own environmental impact (see C2.4a Opp 1). Principally through the use of IoT and connected "smart" solutions. We are integrating consideration of the 'carbon enablement' impact of our products and services into our product strategy. This year through the launch of Vodafone's "carbon enablement toolkit", which supports products teams to identify where a product or service, has potential to help customers reduce their emissions. These use cases can then be assessed and quantified. Vodacom's IoT connections increased from 6.8 million to 9.4 million between FY22 and FY23. This is an increase of 38%. Vodacom IoT within Vodacom Business South Africa currently generates R1,553m annual revenue, a proportion of which is generated from 21% of the IoT connections that directly enabled customers to reduce their emissions in the past year. This is up 7.7% year-on-year with an estimated CAGR of 20%. The total addressable market is estimated at R30 billion for FY2025. The IoT connections have enabled carbon savings for customers of approximately 1 000 000 tCO2e in the 2023 financial year.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	We have identified a number of risks from climate change within our supply chain as part of our scenario-based risk and opportunity assessment. There are some identified risks such as in the short term, potential increased pass-on cost from suppliers due to carbon costs. This will impact Vodacom purchases such as major infrastructure and batteries. In the medium-term suppliers might be unwilling or unable to reduce emissions jeopardising Vodafone's ability to meet carbon targets and reduced energy and or carbon costs through sustainable procurement (long term). These risks could become material over the short, medium and long term, for example cross boarder carbon adjustment taxes on imported goods from high carbon manufacturing regions could directly add procurement costs in the short term, while an increase in acute physical risks such as storm events could increase supply chain disruption over a longer term, As part of our RFQ process suppliers are asked to complete questions on their carbon and climate processes and management, those who perform better have a higher weighted score and are preferentially chosen over other organisations, purpose weighting (including climate) is 20% of RFP weighting. This will lead to strategic steps to support the Vodacom purpose agenda and drive positive change in our supply chain. We also directly engage with suppliers via webinars and events and our Code of Ethical Purchasing sets out our sustainability requirements. CASE STUDY: As a result of climate-related risks and opportunities, Vodafone committed to RE100 and are required to source 100% renewable electricity by 2025. Vodacom has adopted this target. This has influenced our strategy in terms of our supply chain, particularly when it comes to procurement of electricity. Currently, most of South Africa's electricity is sourced from Eskom and is predominantly generating power from coal-based sources. As part of our strategy, we are actively engaged with Eskom, as well as national and municipal governments, to implement power purchase agreements at significant scale. As the mechanism for virtual wheeling was innovated by Vodacom with Eskom, the solution is new and is developed over time. Furthermore, this solution requires capacity of independent power producers (IPPs) to become available and connected to the national grid.
Investment in R&D	Yes	Climate risks have driven strategy development and implementation in innovative climate mitigation solutions. As part of Vodacom's move to reduce our own environmental impact and carbon emissions, and avoid reputation risks, we are investing in R&D projects energy efficiency, renewable electricity and zero carbon energy solutions. In addition, we

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	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
		invest in the development of new products and services, especially around IoT solutions that have potential to help our customers to reduce emissions. CASE STUDY: In renewable electricity, we have been collaborating with Mezzanine (a Vodacom subsidiary), to develop applications for their digital platform to enable virtual energy wheeling for Eskom in South Africa. Eskom's virtual wheeling policy aims to boost the amount of energy generated by private companies by allowing private and public enterprises ("Buyers") to participate in Eskom-enabled wheeling. This could potentially include businesses like food retailers, banks, mobile network operators, petrol station forecourts, restaurants, and hotels that have a large, distributed estate of Eskom- and Municipality-connected off-takers. The Virtual Wheeling Platform (VWP) is the digital tool used to collect, aggregate, process, and report Time of Use (ToU) data for both energy generation and consumption. Vodacom is in the process of finalising the first phase of the Virtual Wheeling programme with Eskom. Vodacom's is corporate buyer or off-taker of renewable electricity. The proposition will also be commercialised. This investment is ongoing and is spread across all our sites and activities, focusing on projects with the most feasible payback periods. For example, with a vast footprint of base stations spread across multiple geographies, on-site solar can be challenging due to limited physical space, site accessibility, theft and vandalism. On-site renewable electricity is currently less than 1% of overall renewable energy consumption due to space constraints on infrastructure. Vodacom is testing new approaches and technologies to find sustainable solutions, such as renewable hybrid systems that use various renewable energy sources such as wind and hydrogen.
Operations	Yes	Our material risks influence many areas of our strategy to build climate resilience into our business. For example, we integrate climate resilience considerations into network planning and network equipment procurement strategies. Climate mitigation concerns are a consideration of our network energy efficiency programmes and strategy. Our business resilience programmes must factor in potential direct operational risks relating to acute and chronic physical risks. We also face transition risks such as emerging regulation and carbon pricing mechanisms which would potentially increase operational costs. There are some impacts from climate change risks such as increase cooling requirements or weather events are expected in the short- and medium term. Strategies and resilience planning are being implemented based off of risk assessments.

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	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
		New investment and technology will be required to cope with increasing temperatures. We already implement various programmes to minimise energy requirements across our networks, for example, network modernisation, changes in cooling and air conditioning. While improved efficiency and low carbon solutions help to reduce our carbon and climate impact as part of our Purpose and Planet strategy. Vodacom is a significant contributor to the achievement of part of Vodafone's Science-Based and net zero targets. To achieve the targets, our operations prioritise energy-efficient practices, followed by on-site renewable energy generation to power operations, then power purchase agreements (PPAs) and lastly to purchase renewable electricity certificates (RECs). In the 2023 financial year, our South African operations pioneered an innovative virtual wheeling solution in collaboration with Eskom, the national electricity provider. This solution seeks to increase energy security, manage costs and allow Vodacom to purchase renewable electricity from independent power producer thus moving away from predominantly coal-based electricity to renewable electricity, reducing emissions.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Capital allocation Access to capital Assets	Climate change is discussed and considered during the principal risk assessment process and this year it was once again placed on our risk watchlist, which includes material risks to Vodafone Group that fall outside of our principal risks list. We consider risks as part of our financial planning. The influence of these risks is integrated into our existing financial and business planning processes, which focus on a 3-year time horizon. Where mitigation strategies are required to address material climate-related risks, the costs of their implementation are integrated into the financial budgeting process. We are implementing a number of climate initiatives that incur capital and operating costs, and resource requirements. We have accountabilities and governance in place to ensure that these cost and resource implications are integrated into our standard business and financial planning process. REVENUES New climate-related opportunities have been identified. For example, Vodacom IoT currently generates R1,553m annual revenue, a proportion of which is generated from 21% of the IoT connections that have directly enabled customers to reduce their

	Financial planning elements that have been influenced	Description of influence
		emissions in the past year. This is up 7.7% year-on-year with an estimated CAGR of 20%. The total addressable market is estimated at R30 billion. These IoT connections have enabled carbon savings for customers of approximately 1 000 000 tCO2e during the 2023 financial year. We are focused on growing our IoT offering and anticipate it to continue to grow our revenue. DIRECT COSTS Operating costs are impacted and will continue to be impacted by climate-related risks and opportunities. Energy costs increase as ambient temperature increases. More energy is needed for cooling of our temperature sensitive equipment. In some instances, we have moved from fossil fuel to renewable energy sources. The different renewable solutions we deploy have different Levelized Cost of Energy values. The context of the application dictates the solutions we can deploy in every instance and factors such as location and available space play a major role. We typically prefer models based on an operational expense approach rather than capital investment due to the high upfront capital cost and lower returns (when compared to our core business). The purchase of Renewable Energy Certificates (RECs) to meet our target to procure 100% of our electricity from renewable sources are also considered an operational expense. ACCESS TO CAPITAL AND CAPITAL ALLOCATION Climate-related risks and opportunities have influenced and continue to influence access to capital and capital allocation. For example, Vodacom secured a long-term sustainability-linked loan worth R2 billion with Standard Bank South Africa (SBSA), making it the first agreement of its kind for a telco in South Africa. The sustainability loan motivates Vodacom to better manage ESG factors by lowering the finance costs in accordance with sustainability performance. As part of the agreement, Vodacom and SBSA agreed on a set of targets for the loan, based on an overall ESG management score, of which the baseline is 55.8 points. The overall ESG management score will be assessed independently by Sustainalytics for the duration of the loan. Based on this assessment, Vodacom's ESG performance is 14,8 – low risk. The ESG score is calculated based on seven key principles: corporate governance, product governance, carbon emissions, data privacy and security, business ethics, human capital, and human rights. While the overall score qualifies Vodacom for the maximum discount in finance costs, the improvements also demonstrate Vodacom's commitment to improving its sustainability performance, which is underpinned by the objective of connecting people for a better future. Vodacom is also implementing projects to move from fossil fuels to renewable energy in line with its climate change targets. This often requires significant capital, meaning that capital needs to be allocated to these projects in the budgeting process. Furthermore, there are also potentially new investment opportunities into new technologies and business practices to take advantage of opportunities to connect more IoT devices and help customers reduce their resource use and/or improve efficiency. This is expected to lead to an increase in number and volume of customer

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Financial planning elements that have been influenced	Description of influence
	IoT connections and corresponding business growth over the medium to long term, following a short term cost the longer-term impact will be positive, business case dependent.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	Yes, we identify alignment with our climate transition plan

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric
CAPEX

Type of alignment being reported for this financial metric
Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)
33,000,000

Percentage share of selected financial metric aligned in the reporting year (%)
100

Percentage share of selected financial metric planned to align in 2025 (%)
100

Percentage share of selected financial metric planned to align in 2030 (%)
100

Describe the methodology used to identify spending/revenue that is aligned
During the 2023 financial year, we invested R33 million in energy efficiency and renewable energy which has led to annual savings of 50 GWh.

Financial Metric
OPEX

Type of alignment being reported for this financial metric
Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)
3,068,010

Percentage share of selected financial metric aligned in the reporting year (%)
100

Percentage share of selected financial metric planned to align in 2025 (%)
100

Percentage share of selected financial metric planned to align in 2030 (%)
100

Describe the methodology used to identify spending/revenue that is aligned
During the 2023 financial year, we spent R3 million on Renewable Energy Certificates.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Year target was set
2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

91,234

Base year Scope 2 emissions covered by target (metric tons CO2e)

582,764

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

673,998

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

95

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

33,699.9

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

131,969

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

467,679

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

599,648

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

11.6117789511

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In 2020, Vodafone set an approved SBT aligned to 1.5°C using the ICT sector pathway. The approved SBT targets a reduction of 95% in Vodafone's Scope 1 and 2 emissions by 2030 from a 2020 baseline. This target covers all of Vodafone's global operations and all of its Scope 1 and 2 emissions. This includes Vodacom (a significant subsidiary with Vodafone shareholding at 65.1% of the Vodacom Group). There are no exclusions.

Note: Abs 1 target only covers the Scope 1 and 2 elements of this target. Scope 3 is covered in Abs 2 below.

Plan for achieving target, and progress made to the end of the reporting year

To achieve this target, we plan on implementing energy efficiency and renewable energy projects.

We have energy efficiency programmes to improve the energy efficiency of our network infrastructure and reduce GHG emissions. For example, through the installation of IoT.nxt's Raptor at some of our older sites with older cooling systems, we have implemented the Raptor to control the air conditioning system, increasing energy efficiency and reducing energy costs. We use software features on our radio equipment to optimise energy use by our network based on data traffic patterns. We have consolidated parts of our core network estate, which has further driven energy efficiency and finally we have upgraded legacy equipment on some of our sites with higher energy efficient equipment as part of our continuous capital refresh and equipment replacement programs.

In 2018, Vodafone joined RE100, and committed to purchasing 100% of the electricity consumed globally from renewable sources by 2025 through on-site renewables, power purchase agreements and renewable electricity certificates (REC). Vodacom has also adopted this target.

We are on track to achieve the 2025 targets. This year our total Scope 1 and Scope 2 (market-based) emissions decreased by 17.3% due to our ongoing focus on energy efficiency, installation of onsite renewable energy and the purchase of (RECs). This is in line with Vodafone's RE100 commitment and Vodacom's adoption thereof.

Target reference number

Abs 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 3 category(ies)

Category 1: Purchased goods and services

Category 2: Capital goods

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 4: Upstream transportation and distribution

Category 5: Waste generated in operations

Category 6: Business travel

Category 7: Employee commuting

Category 8: Upstream leased assets

Category 9: Downstream transportation and distribution

Category 10: Processing of sold products

Category 11: Use of sold products

Category 12: End-of-life treatment of sold products

Category 13: Downstream leased assets

Category 14: Franchises

Category 15: Investments

Other (upstream)

Other (downstream)

Base year

2020

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

240

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

54,367

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

5,708

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

2,927

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

9,634

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

13,209

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

0

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

0

Base year total Scope 3 emissions covered by target (metric tons CO2e)
86,085

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
86,085

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
0

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
100

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
100

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
100

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
0

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
0

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
100

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
0

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
100

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
0

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
0

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
43,042.5

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
397,482

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

270,382

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

252,380

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

22,380

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

124

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

4,924

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

6,998

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

40,110

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

113,626

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

52

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

13,163

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

22,626

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

0

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1,144,247

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1,144,247

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-2,458.412034617

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In 2020, Vodafone set an approved SBT aligned to 1.5°C using the ICT sector pathway. The approved SBT targets a reduction of 50% in Vodafone's Scope 3 emissions by 2030 from a 2020 baseline. This target covers all of Vodafone's global operations and all of its scope 3 emissions. This includes Vodacom, a significant subsidiary with Vodafone shareholding at 65.1% of the Vodacom Group. There are no exclusions.

Note: Abs 2 target only covers the scope 3 element of this target. Scopes 1 & 2 are covered in Target Abs 1 above.

Plan for achieving target, and progress made to the end of the reporting year

In the 2023 financial year, our Scope 3 emissions increased because of improvements in the completeness of our disclosures, with the publication of our full scope 3 disclosure for the first time.

To achieve our target, we have and will continue to engage with the support of Vodafone, our supply chain partners to reduce the GHG emissions of purchased goods and services (including the mobile devices we buy) and capital goods (including the network equipment we buy). These, along with fuel- and energy-related emissions, account for over 80% of our total Scope 3 emissions.

Majority of Vodacom's telecommunications equipment is procured through Vodafone Procurement Company. In collaboration with Vodafone, we ensure that energy efficiency is considered in the procurement of network equipment in line with our ISO 50 001 energy management systems. Key suppliers are benchmarked biannually, with energy efficiency included within the evaluation criteria. Currently, 20% of the scoring in our supplier selection process relates to ESG criteria, including environmental criteria. In addition, Vodafone Procurement Company is engaging and supporting our

suppliers to set emission reduction targets including SBTs.

To reduce our downstream Scope 3 emissions, we continue to improve the energy efficiency of our products (including broadband internet routers). We engage with mobile device manufacturers to discuss sustainability features and how we can work with them to reduce the product carbon footprint of the devices we sell. We are implementing EcoRating across our markets to help consumers understand the environmental impacts of their purchasing choices at point of sale.

In line with our Scope 1 and 2 emission reduction target, we continue to focus on reducing our energy consumption which will, in turn, reduce our fuel- and energy-related emissions.

Target reference number

Abs 3

Is this a science-based target?

No, but we are reporting another target that is science-based

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Base year

2017

Base year Scope 1 emissions covered by target (metric tons CO2e)

44,203

Base year Scope 2 emissions covered by target (metric tons CO2e)

555,010

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

599,213

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

299,606.5

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

131,969

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

467,679

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

599,648

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-0.1451904415

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In 2020, Vodafone set an approved SBT aligned to 1.5°C using the ICT sector pathway. The approved SBT targets a reduction of 50% in Vodafone's Scope 1 and 2 emissions by 2025 from a 2020 baseline. This target covers all of Vodafone's global operations and all of its Scope 1 and 2 emissions. This includes Vodacom (a significant subsidiary with Vodafone shareholding at 65.1% of the Vodacom Group). There are no exclusions.

NOTE:
Vodacom has adopted this target for a 50% reduction in scope 1 & 2 emissions from its 2017 baseline. Abs 1 target only covers the Scope 1 and 2 elements of this target; Scope 3 is covered in Abs 2 below.

Plan for achieving target, and progress made to the end of the reporting year

To achieve this target, we plan on implementing energy efficiency and renewable energy projects.We have energy efficiency programmes to improve the energy efficiency of our network infrastructure and reduce GHG emissions. For example, through the installation of IoT.nxt's Raptor air conditioning control system, we have enhanced control of cooling within critical spaces in our infrastructure to increase energy efficiency and reduce energy costs. We use software to optimise energy use by our network based on data traffic patterns. We have consolidated parts of our core network estate, which has further driven energy efficiency.

64

In 2018, Vodafone joined RE100, and committed to purchasing 100% of the electricity consumed globally from renewable sources by 2025 through on-site renewables, PPAs and renewable electricity certificates (REC). Vodacom has also adopted this target.

We are on track to achieve the 2025 targets. This year our total Scope 1 and Scope 2 (market-based) emissions decreased by 17.3% due to our ongoing focus on energy efficiency and renewable energy and the purchase of Renewable Energy Certificates (RECs) in line with Vodafone's RE100 commitment and Vodacom's adoption thereof.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2017

Consumption or production of selected energy carrier in base year (MWh)

652

% share of low-carbon or renewable energy in base year

0

Target year

2025

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

16

% of target achieved relative to base year [auto-calculated]

16

Target status in reporting year

Underway

Is this target part of an emissions target?

Abs1.

Is this target part of an overarching initiative?

RE100

Science Based Targets initiative

Please explain target coverage and identify any exclusions

The target is to source 100% of our purchased electricity (Scope 2) from renewable sources by 2025 across our footprint, using a combination of energy efficiency, on-site self-generation, Power Purchase Agreements (PPAs), and renewable energy certificates depending on availability in the market. This is part of Vodafone's SBTi approved SBT and RE100 initiative. Vodacom has adopted this target.

Plan for achieving target, and progress made to the end of the reporting year

Following our energy purchasing hierarchy approach, we prioritise energy efficient practices before considering on-site generation of renewable energy, Power Purchase Agreements (PPAs) and the purchase of Renewable Energy Certificates (RECs).

9% of our total energy consumption is from renewable sources. This includes energy generated by our own solar plants and purchased renewable electricity certificates (RECs). This does not include electricity purchased from country power grids using renewable sources such as hydropower. While on-site generation of renewable electricity currently accounts for less than 1% of our electricity consumption, due to challenges such as space constraints, we continue to trial innovative solutions, such as the use of green hydrogen fuel cells.

In South Africa, 20% of our electricity supply was matched with renewable energy certificates during the 2023 financial year.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2017

C2 General

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management

Other, please specify

Percentage of network waste reused, resold or recycled

Target denominator (intensity targets only)

metric ton of waste

Base year

2017

Figure or percentage in base year

97

Target year

2025

Figure or percentage in target year

100

Figure or percentage in reporting year

100

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Abs 2

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

We have a target in place to reuse, resell or recycle 100% of our network waste by 2025. This applies to all our network waste. There are no exclusions.

List the actions which contributed most to achieving this target

Our resource efficiency and waste disposal management programmes minimise environmental impacts from network and IT equipment waste. We reuse network and IT equipment waste, where possible. When reuse (either through resale or redeployment) options are exhausted, we recycle obsolete equipment responsibly using approved recycling agencies.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Target year for achieving net zero

2040

Is this a science-based target?

Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Please explain target coverage and identify any exclusions

Vodafone committed to reach full value chain net zero emissions by 2040 for Scope 1, 2 and 3 emissions from a 2020 baseline. This target covers all of its global operations and all of its Scope 1, 2 and 3 emissions. This includes Vodacom (a significant subsidiary with Vodafone shareholding at 65.1% of the Vodacom Group). There are no exclusions.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

For Vodafone to achieve its 2030 target for net zero scope 1 and 2 emissions, it will need to use high quality carbon removal offsets. In line with SBTi's Corporate Net Zero Standard, Vodafone will not claim to have reached net zero unless we have done so with an absolute reduction in emissions of at least 95% from our baseline year.

Vodafone has developed an internal document on carbon offsets procurement guidance based on best practice guidance such as the Oxford principles for carbon offsetting. We will update the guidance document accordingly as best practice evolves. We have included key considerations such as technology and quality standards in our Group guidance.

We follow the below best practice principles:

• Ensure the environmental integrity of any offsets used (verification, measurement, permanence, additionality, forward-selling, unintended-consequence);
• Shift to carbon removals that neutralise our emissions (rather than emissions avoidance); and
• Shift to long-lived or permanent storage which has low risk of reversal.
Vodacom will follow these principles for any carbon offsets.

Planned actions to mitigate emissions beyond your value chain (optional)

Working with Vodafone, we have the following actions planned to mitigate emissions in our value chain:

• To reduce the impact of our upstream supply chain emissions, working with Vodafone, we engage with our suppliers in the procurement process to improve the sharing of product carbon footprint data and identify opportunities for energy efficiency improvements in hardware and software solutions to reduce embodied carbon.
• We continue to embed ESG into our supplier procurement process, encouraging more suppliers to participate in CDP and set targets for renewable energy and relevant carbon emission reduction targets.
• Our supplier evaluation request for quotation processes includes a 20% weighting for environmental and social criteria. The supplier performance management programme covers environmental factors, and suppliers' GHG performance is one of the factors considered. Vodacom uses Vodafone's key global supplier benchmarks. Suppliers provide details of their GHG emissions and management programmes through the CDP, a global disclosure system that helps companies measure and report their environmental impacts.
• To increase consumer awareness of the climate impact of smartphones, which can influence our downstream emissions, we market the Eco Rating scores of mobile phones

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	8	1.98
To be implemented*	22	6,024.04
Implementation commenced*	6	0.46
Implemented*	22	3,117.09
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes
Machine/equipment replacement

Estimated annual CO2e savings (metric tonnes CO2e)

1,586.11

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,110,391

Investment required (unit currency – as specified in C0.4)

13,993,043

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Installation and upgrading of high efficiency UPS solutions at technology centres.

Initiative category & Initiative type

Energy efficiency in buildings

Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

0.46

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

680,461

Investment required (unit currency – as specified in C0.4)

1,399,431

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Implementation of cold aisle containment.

Initiative category & Initiative type

Energy efficiency in buildings
Heating, Ventilation and Air Conditiong (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

211.44

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,371,486

Investment required (unit currency – as specified in C0.4)

14,238,454

Payback period

4-10 years

Estimated lifetime of the initiative

Ongoing

Comment

Cooling upgrade and other energy efficiency projects implemented at technology centres.

Initiative category & Initiative type

Low-carbon energy consumption
Other, please specify
    Move from diesel to grid electricity

Estimated annual CO2e savings (metric tonnes CO2e)

0.16

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,476,540

Investment required (unit currency – as specified in C0.4)

3,764,706

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

Connection of off-grid base stations to the grid to reduce diesel usage.

Initiative category & Initiative type

Energy efficiency in buildings
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

0.01

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

439,216

Investment required (unit currency – as specified in C0.4)

89,976

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

Installation of energy efficient: LED lighting

Initiative category & Initiative type

Energy efficiency in production processes
Smart control system

Estimated annual CO2e savings (metric tonnes CO2e)

1,319.37

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

2,266,113

Investment required (unit currency – as specified in C0.4)

348,371

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Installation of radio saving features and other energy efficiency projects implemented at our technology centres and base stations.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	We have developed, and continue to develop, business cases for several energy-saving initiatives, looking at whole-life costing and incorporating the cost of carbon in future energy cost predictions. Energy efficiency considerations form part of the procurement of network equipment.
Employee engagement	Employees are empowered to manage environmental issues as an integral part of their job and to investigate more efficient technology interventions to lower operational costs through energy efficiency. We continue to create awareness and drive internal change. Training, delivered by industry specialists, included sessions on energy management, energy efficiency, energy baselining, energy measurement and verification. Supplementary information is made available to all employees through the Vodacom hyperbook platform and ongoing awareness was delivered through newsletters, screensavers, and various other media.
Compliance with regulatory requirements/standards	Vodacom complies with all regulatory requirements in the countries in which it operates, including those related to energy and GHG emissions.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation
Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon
Other, please specify
Evaluating the carbon-reducing impacts of Information and Communications Technologies (ICT)

Type of product(s) or service(s)
Systems integration
Other, please specify
IoT services, such as smart logistics, fleet management and smart metering

Description of product(s) or service(s)
'Internet of Things' (IoT) technologies enabling the avoidance of GHG emissions by customers by giving end users detailed, real-time information that could lead to behaviour changes and enabling them to work differently from the traditional, potentially carbon-intensive methods of doing business.

IoT solutions enable objects or devices such as cars, traffic and buildings to send and receive real-time information through our network. This information enables business customers to gain insight into how their resources are being utilised. This enables customers to reduce costs, energy and fuel consumption, carbon emissions and improve efficiency in their assets and operations. Vodacom provides technology solutions for monitoring water and energy consumption, which prevents wastage from excessive or abnormal usage.

Additionally, solutions such as the diesel tank monitoring solution provides early warning of possible leaks, enabling enterprises to act timeously to limit loss and avoid the environmental impact of diesel leakages.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)
Yes

Methodology used to calculate avoided emissions
Other, please specify
The enabling effect, which represents the impact of ICT systems on GHG emission reductions.

Life cycle stage(s) covered for the low-carbon product(s) or services(s)
Not applicable

Functional unit used
Vodacom has several functional units for the different types of IoT connections measured. For example, for residential smart meters, the % energy savings are calculated and the assumed saving percentages are then applied to the average electricity household energy consumption figures by country, to calculate the energy saving per household. These figures are then converted to CO2e figures using standard emission factors

Reference product/service or baseline scenario used

For each product Vodacom uses a 'Business as Usual' baseline scenario, which represents the 'before' scenario of a specific process.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Not applicable

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

1,002,937

Explain your calculation of avoided emissions, including any assumptions

The avoided emissions are being calculated for Vodacom South Africa. The overall approach to quantifying the carbon abatement enabled by Vodacom's products and services has been to identify propositions within Vodacom's portfolio that have the potential to reduce carbon emissions. For each of these propositions (a product, service, or combination thereof) a quantity (unit of measure) and a carbon factor per unit of quantity are identified and multiplied by each other. The quantity portion of this equation might be the number of Machine-to-Machine (M2M) connections or number of users.

The green digital solutions for which carbon enablement is measured in FY23 (with carbon abatement factor). The full reporting methodology and assumptions are disclosed in our Vodacom FY23 ESG Addendum. The carbon abatement factors for different IoT products/ services are as follows:

• Smart meters – commercial, residential, and mixed metering (62-184 kgCO2e/connection)
• Fleet management. Emissions avoided from optimised routing and dispatching of vehicles, improved driving behaviour and reduced fuel consumption (Range of carbon abatement factors by vehicle type Heavy Goods Vehicle, mixed fleet, and Vodafone Business Fleet Analytics system - disclosed in our FY23 ESG Addendum)
• Smart bins. (5 kgCO2e/smart bin)
• taxi computers (477 kgCO2e/connection)
• usage based car insurance (189.5 kgCO2e/connection)
• Connected car (300 kg CO2e/connection)
• Smart health care – remote patient monitoring. (192 kgCO2e/connection)
Working from home (avoided commuting) (325 kgCO2e/license)

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1.3

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?
No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	Scope 1 & 2 • Transport diesel & petrol: 100% mineral blend emission factor used in African countries as no biofuel blend is available • IEA emission factors: NO2 and CH4 factors now included in the location-based emission factors • Refrigerants: updated emission factors in line with publication by BEIS Scope 3: Included for the first time in FY2023 Cat 2: Capital goods Cat 8: Upstream leased assets Cat 11: Use of sold products Cat 12: End-of-life treatment of sold products Cat 14: Franchises Cat 15: Joint ventures and associates. Changes were: Cat 1: Purchased goods and service - Improved EcoRating PCF data mapping, product categories, EEIO emission factors and completeness of purchasing data; recategorised spend data from Category 1 and 2 to 4 if spend related to upstream or downstream logistics services. Cat 3: Fuel-and-energy related activities - The Carbon Trust provided well-to-tank and transmission and distribution emission factors for non-UK electricity, (BEIS no longer provides this). Cat 4: Upstream transport and distribution - hybrid approach this year. No change for mobile devices (B2C retail). Other goods used a spend-based approach: spend was recategorised from category 1 and 2, using a separate EEIO factor. This accounts for transportation and distribution (upstream and downstream) so category 9 is included. Emissions data for transportation and distribution of purchased services from CDP data used to calculate corresponding category 1 was not disaggregated.

Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
	Cat 5: Waste – Improved and new categorization of waste from the network and office-based operations. Cat 6: Business travel - improved data completeness; used distance-based rail travel instead of spend. Cat 7: Employee community – average of 3 working office days (home-working not accounted for). Calculated with average distance travelled, mode of travel, BEIS emission factor and FTE average headcount. Cat 9: Downstream transportation &distribution – included under Category 4 which covers most of the third-party transportation. The rest is of the travel is predominantly within the country's so was considered comparably insignificant. As such the Cat 4 emission were not disaggregated. Exclusions: Cat 10: Processing of sold products – We do not manufacture products and do not sell intermediate products, therefore there are no emissions from further downstream processing of products. Cat 13: Downstream leased assets – No emissions were identified to be included in this category.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, location-based Scope 2, market-based	No	Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
April 1, 2016

Base year end
March 31, 2017

Base year emissions (metric tons CO2e)
44,203

Comment

Nil

Scope 2 (location-based)

Base year start

April 1, 2016

Base year end

March 31, 2017

Base year emissions (metric tons CO2e)

555,010

Comment

Nil

Scope 2 (market-based)

Base year start

April 1, 2016

Base year end

March 31, 2017

Base year emissions (metric tons CO2e)

555,010

Comment

Nil

Scope 3 category 1: Purchased goods and services

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

240

Comment

Nil

Scope 3 category 2: Capital goods

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

54,367

Comment

Nil

Scope 3 category 4: Upstream transportation and distribution

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

5,708

Comment

Nil

Scope 3 category 5: Waste generated in operations

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

2,927

Comment

Nil

Scope 3 category 6: Business travel

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

9,643

Comment

Nil

Scope 3 category 7: Employee commuting

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

13,209

Comment

Nil

Scope 3 category 8: Upstream leased assets

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 9: Downstream transportation and distribution

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 10: Processing of sold products

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 11: Use of sold products

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 12: End of life treatment of sold products

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 13: Downstream leased assets

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 14: Franchises

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3 category 15: Investments

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not calculated in the base year.

Scope 3: Other (upstream)

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not relevant.

Scope 3: Other (downstream)

Base year start

April 1, 2019

Base year end

March 31, 2020

Base year emissions (metric tons CO2e)

0

Comment

Not relevant.

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
131,969

Start date
April 1, 2022

End date
March 31, 2023

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
120,388

Start date
April 1, 2021

End date
March 31, 2022

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
We report both Scope 2 location-based and market-based figures.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
578,632

Scope 2, market-based (if applicable)
467,679

Start date
April 1, 2022

End date
March 31, 2023

Comment
Nil

Past year 1

Scope 2, location-based
608,690

Scope 2, market-based (if applicable)
604,929

Start date
April 1, 2021

End date
March 31, 2022

Comment
Nil

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)

397,482

Emissions calculation methodology

Supplier-specific method

Spend-based method

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

We use a hybrid approach to calculating Scope 3 category 1 emissions.

For the majority of purchased goods and services, we use a spend-based approach whereby our procurement spend on each product category is multiplied by a corresponding environmentally extended input-output ('EEIO') emission factor (drawn from third-party EEIO datasets).

For a sub-set of purchased goods, namely mobile phone devices that are purchased from original manufacturers for retail to our customers, we use a product-specific approach, whereby the units of product purchased are multiplied by a corresponding cradle-to-gate product carbon footprint ('PCF'). The PCF data is drawn from EcoRating datasets.

For a sub-set of purchased services procured from 10 service-based suppliers, we use a supplier-specific approach whereby our procurement spend on each supplier is multiplied by the supplier's organisational carbon footprint intensity (market-based Scope 1 and 2 plus upstream Scope 3 emissions) in tCO2e/mUSD, as disclosed through publicly available 2022 CDP disclosures.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

270,382

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

We use a spend-based approach to calculating the emissions for capital goods purchased. Capital expenditure on each type of capital good is multiplied by a corresponding EEIO emission factor (drawn from third-party EEIO datasets).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

252,381

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Upstream fuel and energy emissions are calculated by applying BEIS emission factors for upstream well-to-tank ('WTT') and transmission and distribution ('T&D') emissions to Vodacom's fuel and energy consumption data. IEA emissions factors are applied for international electricity consumption.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

22,380

Emissions calculation methodology

Spend-based method

Distance-based method

Other, please specify

weight of products

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This year, we introduced a hybrid approach to calculating Scope 3 category 4 emissions.

For mobile phone devices that are purchased from original manufacturers for retail to our customers, we continued to use our original methodology for calculating these emissions. For these, we estimate the weight of products purchased based on desk-based research and multiply this by the distance between China (representing the origin location for the majority of our products) and Vodafone's top five countries of purchased goods (representing the market destination of the majority of our products). For Vodacom Group, this includes South Africa as the market destination of the majority of the products for Vodacom). A modal split of 5% air freight and 95% shipping has been assumed and average BEIS emission factors for freight have been applied to estimate emissions.

For all other goods purchased and sold, this year we estimated associated transportation and distribution emissions using a spend-based approach.

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
124

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Emissions are estimated by applying BEIS emission factors to tonnage of waste generated by our operations (not including post-consumer waste from our products).

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
4,924

Emissions calculation methodology
Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Air travel emissions are calculated based on the distance travelled multiplied by the air travel emission factor for the corresponding ticket-class and flight length. Emission factors are drawn from the BEIS emission factors. The emissions factors applied were drawn from BEIS, for domestic (UK internal), international (non-UK), and long-haul and short-haul (to/from UK) flights. Data for the distance travelled is extracted the database of Vodacom's third-party travel booking provider. Distance data is included for both outward and return legs of all flights booked with an outward departure date within the reporting period.

Other business travel emissions are calculated based on Vodacom's spend (on road, bus and taxi travel) as measured through our travel expenses system, multiplied by corresponding EEIO conversion factors.

Employee commuting

Evaluation status
Relevant, calculated

87

Emissions in reporting year (metric tons CO2e)

6,998

Emissions calculation methodology

Average data method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Emissions are estimated by multiplying the total number of employees (average FTE) per country by the estimated average distance travelled per day, estimated number of working days per year, estimated 3 days working from the office per week, estimated proportion travelling by a particular mode of travel, and the BEIS emission factor for mode of transport. Our estimates do not currently include working from home emissions.

Upstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

40,110

Emissions calculation methodology

Average data method

Lessor-specific method

Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The most significant upstream leased assets in Vodacom's value chain are radio base station sites leased from third-party tower companies. At the majority of these leased sites, Vodacom owns and operates radio equipment. The electricity consumed by equipment owned and operated by Vodacom falls within our operational control boundary and is therefore accounted for in our Scope 2 emissions. The energy consumption of ancillary equipment (or 'passive' equipment) at these leased sites, which is owned and operated by the third-party landlord, is not within Vodacom's operational control boundary, and therefore contributes to Vodacom's Scope 3 category 8 emissions. These emissions are estimated based on the number of leased radio base station sites multiplied by the estimated average energy consumption of passive equipment, multiplied by the location-based emissions factor corresponding to the location of the site. The estimated average energy consumption of passive equipment is based on energy consumption data (electricity and diesel) of passive equipment at radio base station sites owned and operated by Vodacom.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Where transportation of sold products is paid for by Vodacom (through the procurement of services from third-party logistics suppliers), the corresponding emissions are accounted for within Scope 3 category 4. On the basis that downstream transportation and distribution activities (which generally occur within country) are not significant compared to upstream transportation and distribution activities (which generally involve international freight), the emissions for this category have not been disaggregated to account for downstream transportation and distribution separately from upstream transportation and distribution. Therefore no emissions are reported against this category.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Vodacom does not sell products that require further processing before use. Therefore this category of emissions is not relevant and no emissions are reported against this category.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

113,627

Emissions calculation methodology

Methodology for direct use phase emissions, please specify

For this year's calculation, the above approach has been complemented with the use of ECO-RATING data, to estimate the use phase for handset devices.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

These emissions include the emissions from electricity required to use electronic devices that Vodacom sells, including mobile phone handsets, fixed line equipment (such as broadband routers) and other electronic devices. Emissions are calculated based on the number of devices, multiplied by the estimated average lifetime energy use of each device, multiplied by the location-based emissions factor in the country of product sale. The estimated average lifetime energy use of mobile phone handsets is drawn from EcoRating data sets, if available, or else from desk-based research of publicly available information on the energy use of similar devices. For all other devices, use-phase electricity consumption is estimated based on proxies for the average energy use of similar products (based on publicly available information). These emissions do not include the emissions from the use of SIM cards sold by Vodacom, on the basis that SIM cards can be used in a wide range of equipment with a wide range of electricity consumption and do not themselves create emissions.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

52

Emissions calculation methodology

Average data method

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

These emissions are calculated based on the estimated weight of products sold by end-of-life disposal channel (based on average rate of waste electronic recycling versus landfill), multiplied by the corresponding BEIS emission factor for each end-of-life channel. The average rate of waste electronic recycling versus landfill is calculated using the average recycling rates in four of Vodafone's markets, based on desk research of publicly available information.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

The category of downstream leased assets includes network sharing (roaming). Sharing between networks has a neutral impact on total emissions, since Vodacom's emissions are increased by providing network access to other organisations, while Vodacom's emissions are reduced by other organisations providing network access to Vodacom. Vodacom's emissions associated with operating their network is reported as Scope 1 and 2. Therefore no emissions are reported for roaming in this category.

We have not yet conducted a full inventory of other downstream leased assets or assessed the materiality of these emissions to our total Scope 3 emissions. Examples of our downstream leased assets may include space on towers under Vodacom's operational control that are leased to other operators. Therefore, no emissions have been reported against this category.

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

13,163

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Retail stores where Vodacom has operational control (including ability to specify the equipment installed in the store and how it is operated, irrespective of whether the store is owned or leased by Vodacom) fall within our operational control boundary and are therefore accounted for in our Scope 1 and 2 emissions. We do not yet include South African franchises but will do so in FY2024.

Vodacom operates a franchise model in some of its markets, where retail stores are not under its operational control, and where the energy required to operate the store is primarily determined by the decisions of a third-party franchisee. These franchised retail stores fall outside Vodacom's operational boundary and are therefore accounted for in our Scope 3 emissions. These emissions are calculated by multiplying average energy use per retail store by the corresponding IEA and BEIS emission factors for that country, multiplied by number of franchise retail stores in each market.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

22,626

Emissions calculation methodology

Investment-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Emissions from joint ventures and associates are calculated based on Vodacom's equity ownership and the corresponding proportion of the company's Scope 1 and 2 emissions. The company's carbon emissions are based on the latest available annual carbon footprint data, either provided directly to Vodacom through engagement with the investee company, or from publicly disclosed company carbon reporting for the latest available reporting year. A proportion of the total annual Scope 1 and 2 emissions of the investee company is reported based on our equity share as at the end of the reporting period.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

All upstream emissions are accounted for in the categories above.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

All downstream emissions are accounted for in the categories above.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
April 1, 2021

End date
March 31, 2022

Scope 3: Purchased goods and services (metric tons CO2e)
123

Scope 3: Capital goods (metric tons CO2e)
0

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
224,295

Scope 3: Upstream transportation and distribution (metric tons CO2e)
6,676

Scope 3: Waste generated in operations (metric tons CO2e)
274

Scope 3: Business travel (metric tons CO2e)
2,024

Scope 3: Employee commuting (metric tons CO2e)
6,031

Scope 3: Upstream leased assets (metric tons CO2e)
0

Scope 3: Downstream transportation and distribution (metric tons CO2e)
0

Scope 3: Processing of sold products (metric tons CO2e)
0

Scope 3: Use of sold products (metric tons CO2e)
0

Scope 3: End of life treatment of sold products (metric tons CO2e)
0

Scope 3: Downstream leased assets (metric tons CO2e)
0

Scope 3: Franchises (metric tons CO2e)
0

Scope 3: Investments (metric tons CO2e)

0

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Not restated following the FY2023 update to methodology

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000050306

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

599,648

Metric denominator

unit total revenue

Metric denominator: Unit total

119,200,000,000

Scope 2 figure used

Market-based

% change from previous year

29

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Please explain

The decrease is due to increases in renewable energy generation and the number of Renewable Energy Certificates (RECs) purchased. It is also due to the implementation of emission reduction projects.

Intensity figure

55.46

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

599,648

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

10,813

Scope 2 figure used

Market-based

% change from previous year

14

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption
Other emissions reduction activities

Please explain

The decrease is due to increases in renewable energy generation and the number of Renewable Energy
Certificates (RECs) purchased. It is also due to the implementation of emission reduction projects.

Employee numbers include permanent and contractors.

Intensity figure

24.78

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

599,648

Metric denominator

Other, please specify
Network access site

Metric denominator: Unit total

24,200

Scope 2 figure used

Market-based

% change from previous year

20

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Please explain

The decrease is due to increases in renewable energy generation and the number of Renewable Energy Certificates (RECs) purchased. It is also due to the implementation of emission reduction projects.

Intensity figure

6.36

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

599,648

Metric denominator

Other, please specify

1000 customers

Metric denominator: Unit total

94,300

Scope 2 figure used

Market-based

% change from previous year

24

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Please explain

The decrease is due to increases in renewable energy generation and the number of Renewable Energy Certificates (RECs) purchased. It is also due to the implementation of emission reduction projects.

Intensity figure

0.39

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

599,648

Metric denominator

Other, please specify

Terabyte of traffic (data only)

Metric denominator: Unit total

1,521,669

Scope 2 figure used

Market-based

% change from previous year

39

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Please explain

The decrease is due to increases in renewable energy generation and the number of Renewable Energy Certificates (RECs) purchased. It is also due to the implementation of emission reduction projects.

Intensity figure

0.36

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

599,648

Metric denominator

Other, please specify

Terabyte of traffic (data and voice)

Metric denominator: Unit total

1,660,965

Scope 2 figure used

Market-based

% change from previous year

38

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Please explain

The decrease is due to increases in renewable energy generation and the number of Renewable Energy Certificates (RECs) purchased. It is also due to the implementation of emission reduction projects.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	124,511	IPCC Third Assessment Report (TAR - 100 year)
CH4	15	IPCC Third Assessment Report (TAR - 100 year)
N2O	1,731	IPCC Third Assessment Report (TAR - 100 year)
HFCs	5,712	IPCC Third Assessment Report (TAR - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
South Africa	43,884
Mozambique	10,419
Lesotho	900
United Republic of Tanzania	17,893
Democratic Republic of the Congo	58,873

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.
By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Network	104,175
Technology centres	13,886
Offices	3,570
Retail	382
Transport (fleet)	4,244
Refrigerants and Fire Suppressants	5,712

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
South Africa	536,517	430,851
Mozambique	3,706	3,706
Lesotho	12,634	12,634
United Republic of Tanzania	25,747	20,460
Democratic Republic of the Congo	28	28

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Network	453,224	343,337
Technology centres	102,638	101,698
Offices	22,658	22,548
Retail	112	96

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

Vodacom Tanzania plc

Primary activity

Telecommunications services

Select the unique identifier(s) you are able to provide for this subsidiary

ISIN code - equity

ISIN code – equity
TZ1996102715

Scope 1 emissions (metric tons CO2e)
17,893

Scope 2, location-based emissions (metric tons CO2e)
25,747

Scope 2, market-based emissions (metric tons CO2e)
20,460

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	103,736	Decreased	14.3	There was an increase in renewable energy generated and used by Vodacom. There was also an increase in the number of Renewable Energy Certificates (RECs) purchased by Vodacom. The percentage change in emissions is calculated as follows: Percentage change in emissions = change in emissions from renewable energy usage / (Scope 1 and 2 emissions for the 2022 financial year) Percentage change in emissions = -103,736 tCO2e / (120,388 tCO2e + 604,929 tCO2e)
Other emissions reduction activities	3,118	Decreased	0.43	There was a decrease in emissions due to the implementation of energy-related initiatives. The percentage change in emissions is calculated as follows: Percentage change in emissions = change in emissions from energy efficiency initiatives / (Scope 1 and 2 emissions for the 2022 financial year) Percentage change in emissions = -3,118 tCO2e / (120,388 tCO2e + 604,929 tCO2e)

C2 General

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Divestment	0	No change	0	No divestments
Acquisitions	0	No change	0	No acquisitions
Mergers	0	No change	0	No mergers
Change in output	0	No change	0	See other
Change in methodology	0	No change	0	No change in Scope 1 and 2 emissions in the 2023 financial year as a result of changes in the methodology as the Scope 1 and 2 emissions for the 2022 financial year were already adjusted to take into account any methodological changes.
Change in boundary	0	No change	0	No changes in boundary.
Change in physical operating conditions	14,866	Increased	2.05	There was an increase in loadshedding in South Africa. This led to increased diesel consumption by Vodacom as diesel generators needed to be used to generate the required electricity to operate the facilities. The percentage change in emissions is calculated as follows: Percentage change in emissions = change in emissions from stationary diesel consumption in South Africa / (Scope 1 and 2 emissions for the 2022 financial year) Percentage change in emissions = 14,866 / (120,388 tCO2e + 604,929 tCO2e)
Unidentified	0	No change	0	All changes explained above
Other	33,682	Decreased	4.64	Output (i.e. terabytes of traffic and voice) increased which would have increased Scope 1 and 2 emissions. However, decreases in Scope 1 and 2 emissions were observed between the 2022 and 2023 financial years. These decreases have not been attributed to specific renewable energy nor energy efficiency initiatives. The percentage change in emissions is calculated as follows: Percentage change in emissions = change in emissions from stationary diesel consumption in South Africa / (Scope 1 and 2 emissions for the 2022 financial year) Percentage change in emissions = -33,682 / (120,388 tCO2e + 604,929 tCO2e)

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	498,792	498,792
Consumption of purchased or acquired electricity		0	688,634	688,634
Consumption of self-generated non-fuel renewable energy		6,635		6,635
Total energy consumption		6,635	1,187,426	1,194,061

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Oil

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Gas

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
LHV

Total fuel MWh consumed by the organization
498,792

MWh fuel consumed for self-generation of electricity
481,863

MWh fuel consumed for self-generation of heat
16,928

Comment
Includes diesel and petrol, for electricity generation, and for transportation.

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
498,792

MWh fuel consumed for self-generation of electricity
481,863

MWh fuel consumed for self-generation of heat
16,928

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	175,287	175,287	6,635	6,635
Heat	5,925	5,925	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

South Africa

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

101,602

Tracking instrument used

I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

South Africa

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2014

Comment

Vodacom South Africa

Vintage year 2022; Supplier arrangement start year 2022

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
South Africa

Consumption of purchased electricity (MWh)
515,882

Consumption of self-generated electricity (MWh)
569

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
516,451

Country/area
Mozambique

Consumption of purchased electricity (MWh)
47,268

Consumption of self-generated electricity (MWh)
1,040

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
48,308

Country/area
Lesotho

Consumption of purchased electricity (MWh)
23,242

Consumption of self-generated electricity (MWh)
914

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

24,156

Country/area

United Republic of Tanzania

Consumption of purchased electricity (MWh)

76,627

Consumption of self-generated electricity (MWh)

2,803

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

79,430

Country/area

Democratic Republic of the Congo

Consumption of purchased electricity (MWh)

25,615

Consumption of self-generated electricity (MWh)

1,310

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

26,925

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Waste

Metric value
0.01

Metric numerator
Metric Tonnes

Metric denominator (intensity metric only)
Unit revenue

% change from previous year
78

Direction of change
Increased

Please explain
Our network waste intensity (metric tonnes/ ZAR million) increased due to an increase of over 100% in our network waste as a result of increased activity in the 2023 financial year.

Description
Energy usage

Metric value
10

Metric numerator
MWh

Metric denominator (intensity metric only)
Unit revenue

% change from previous year
11

Direction of change
Decreased

Please explain
Our energy intensity (MWh/ZAR million) decreased due to our energy efficiency initiatives and the Renewable Energy Certificates purchased for our South African operations.

Description

Energy usage

Metric value

0.78

Metric numerator

MWh

Metric denominator (intensity metric only)

Terabyte of network traffic (data only)

% change from previous year

24

Direction of change

Decreased

Please explain

Our energy intensity (MWh/terabyte of network traffic (data only)) decreased due to our energy efficiency initiatives and the Renewable Energy Certificates purchased for our South African operations.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

📎 Vodacom ESG addendum 2023v2.xlsx

Page/ section reference
Assurance and GHG emissions tabs

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

📎 Vodacom ESG addendum 2023v2.xlsx

Page/ section reference
Assurance and GHG emissions tabs

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

📎 Vodacom ESG addendum 2023v2.xlsx

Page/ section reference
Assurance and GHG emissions tabs

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

📎 Vodacom ESG addendum 2023v2.xlsx

Page/section reference
Assurance and GHG emissions tabs

Relevant standard
ISAE 3410

Proportion of reported emissions verified (%)
22

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Emissions reduction activities	International Standard on Assurance Engagements 3410 - 'Assurance Engagements on Greenhouse Gas Statements' (ISAE 3410)	Total emissions avoided as a consequence of green digital solutions is verified. See assurance tab in attached ESG-addendum-v2.xlsx ◊ 1
C8. Energy	Energy consumption	International Standard on Assurance Engagements 3410 - 'Assurance Engagements on Greenhouse Gas Statements' (ISAE 3410)	The calculation of our emissions is based on our energy consumption. As part of the audit procedures, the underlying energy consumption is verified as the basis for GHG emission calculation. See the energy and assurance tab in attached ESG-addendum-v2.xlsx ◊ 1
C6. Emissions data	Year on year change in emissions (Scope 1 and 2)	International Standard on Assurance Engagements 3410 - 'Assurance Engagements on Greenhouse Gas Statements' (ISAE 3410)	The calculation of our emissions is based on our energy consumption. As part of the audit procedures, the underlying energy consumption is verified as the basis for GHG emission calculation. See GHG emissions and assurance tab in the attached. ◊ 1
C6. Emissions data	Year on year change in emissions (Scope 1)	International Standard on Assurance Engagements 3410 - 'Assurance Engagements on Greenhouse Gas Statements' (ISAE 3410)	The calculation of our emissions is based on our energy consumption. As part of the audit procedures, the underlying energy consumption is verified as the basis for GHG emission calculation. See GHG emissions and assurance tab in the attached. ◊ 1
C6. Emissions data	Year on year change in emissions (Scope 2)	International Standard on Assurance Engagements 3410 - 'Assurance	The calculation of our emissions is based on our energy consumption. As part of the audit procedures, the underlying energy consumption is verified as the basis for GHG emission

Disclosure module verification relates to	Data verified	Verification standard	Please explain
		Engagements on Greenhouse Gas Statements' (ISAE 3410)	calculation. See GHG emissions and assurance tab in the attached. 📎 1
C6. Emissions data	Year on year change in emissions (Scope 3)	International Standard on Assurance Engagements 3410 - 'Assurance Engagements on Greenhouse Gas Statements' (ISAE 3410)	The calculation of our emissions is based on our energy consumption. As part of the audit procedures, the underlying energy consumption is verified as the basis for GHG emission calculation. See GHG emissions and assurance tab in the attached. 📎 1

📎 1Vodacom ESG addendum 2023v2.xlsx

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

South Africa carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

South Africa carbon tax

Period start date

January 1, 2022

Period end date

December 31, 2022

% of total Scope 1 emissions covered by tax

33

Total cost of tax paid

0

Comment

Vodacom South Africa is a carbon taxpayer under the South African carbon tax as it exceeds the threshold for stationary combustion activities due to the generators it has in place to supply power when electricity from the grid is unavailable. Although Vodacom South Africa is a carbon taxpayer, it submits a zero carbon tax account each year as the carbon tax for diesel is built into the fuel levy which is paid when the diesel is purchased. The carbon tax account for the period January to December 2022 is due for filing in July 2023.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Vodacom's makes use of specialists to ensure that it properly understands the legislation and that internal processes needed to comply with the legislation are established. We ensure ongoing s compliance by re-engaging specialists when there are regulatory changes that may require changes to internal processes . For example, when the South African carbon tax was first introduced in 2019, Vodacom South Africa engaged with an external carbon tax specialist to assess whether it was considered a carbon taxpayer. The assessment concluded that Vodacom is a carbon taxpayer in terms of the regulations. The carbon tax specialist assisted Vodacom South Africa to register with the South African Department of Forestry, Fisheries and Environment (DFFE) for reporting on its taxable GHG emissions and to license with the South African Revenue Service (SARS) for submission of its carbon tax accounts. The carbon tax specialist also assisted Vodacom South Africa with its first submissions to both DFFE and SARS in 2020. Subsequently, the submissions are done internally by Vodacom Tax Team. These included the submissions in 2021 and 2022. Vodacom South Africa continues to engage with the carbon tax specialist to ensure that it is aware of any changes made to the South African carbon tax by government.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of a carbon tax

Objective(s) for implementing this internal carbon price

Drive energy efficiency

Drive low-carbon investment

Identify and seize low-carbon opportunities

Navigate GHG regulations

Stress test investments

Scope(s) covered

Scope 1

Scope 2

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

Evolutionary The price will increase to R462/tCO2e by 2030 and R1,848/tCO2e by 2050

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

144

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

144

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Operations

Procurement

Risk management

Opportunity management

Public policy engagement

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Vodacom South Africa, which currently contributes 79% towards our total Scope 1 and 2 emissions, is exposed to a carbon tax. We adopt the South African carbon tax rate as our internal carbon price for South Africa. The contribution of the carbon price to the implementation of our climate-related commitments is best illustrated in project evaluation and procurement.

The carbon price is considered when evaluating projects, contributing towards making the business case for renewable energy and emission reduction projects needed to realise our GHG emission reduction as well as Vodafone's RE100 and net zero targets to which Vodacom, a significantly owned subsidiary is bound. The carbon price is considered when evaluating responses from suppliers when procuring energy-consuming equipment.

Type of internal carbon price

Implicit price

How the price is determined

Cost of required measures to achieve emissions reduction targets

Objective(s) for implementing this internal carbon price

Drive energy efficiency

Drive low-carbon investment

Identify and seize low-carbon opportunities

Navigate GHG regulations

Stress test investments

Scope(s) covered

Scope 1

Scope 2

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

The price is expected to increase in line with the global carbon price required to achieve the Paris Agreement which is expected to be around 263 US$/tCO2e by 2050.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

193

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

193

Business decision-making processes this internal carbon price is applied to

Capital expenditure

Operations

Procurement

Risk management

Public policy engagement

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for some decision-making processes, please specify

The implicit carbon price is enforced in the budgeting and capital expenditure processes where consideration is given to projects required to achieve GHG emission reduction, as well as Vodafone's RE100 and net zero targets.

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Along with the shadow carbon price, Vodacom also aligns with Vodafone's implicit carbon price which considers the investment required to achieve its GHG emission reduction, as well as Vodafone's RE100 and net zero targets to which Vodacom, a significantly owned subsidiary is bound.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

Climate change performance is featured in supplier awards scheme

Other, please specify

Engage with top suppliers on their carbon and energy usage to promote reduction and target setting. Incentivisation of new suppliers through our RFQ process

% of suppliers by number

0.02

% total procurement spend (direct and indirect)

46

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Selection of suppliers of network equipment is done by Vodafone via the Vodafone Procurement Company (VPC). We spent R90.6 billion with 25 661 suppliers (including property owners) to meet our business and customers' needs (FY2022: R86.2 billion; 24 502). Our most significant areas of spend are network infrastructure, IT and services related to fixed lines, mobile phone masts and data centres that run our networks. The next largest area of spend is the products we sell, including mobile phones, tablets, SIM cards, routers, and Internet of Things devices and then site rentals. The majority of our external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management across Vodafone. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements.

Our supplier engagement programme is done in conjunction with VPC for large global suppliers.

In FY2023, Vodafone engaged with its top 165 suppliers o report their carbon and energy data, renewable electricity use and any targets via the Carbon Disclosure Supply Chain programme and others. Suppliers are directly engaged on why it is important to respond and the value of responding and acting to both them and us. There are also a number of awards and recognition of those suppliers responding and taking significant action.

Impact of engagement, including measures of success

This year, 89% of requested Vodafone global suppliers responded to information requests, much higher than industry average. Of these 97% report scope 1 and scope 2 emissions. Furthermore 85% have emission reduction targets. Overall success is measured on the level of response and the number of suppliers taking action to reduce their carbon emissions. Sustainability also carriers a weighted percentage on all local tender evaluations.

Through Vodafone, we aim for 100% of our strategic suppliers to report Scope 1 & 2 emissions, have targets in place and disclose to CDP. VPC has a number of initiatives to engage strategic suppliers to increase our performance against this threshold. For example, in FY23 Vodafone engaged the Top 4 suppliers of network equipment (all of whom are Vodacom suppliers) in a series of workshops with carbon consultancies to determine specific opportunities to reduce emissions and raise ambition in climate target setting and carbon data sharing with us, including through disclosure to CDP. 100% of our suppliers through the RFQ process are encouraged to participate in climate disclosure and target setting in order for them to score more positively in our Purpose RFQ.

Comment

46% of total FY23 Vodafone procurement spend (which includes Vodacom Group) was on the 165 suppliers who were invited to participate in our CDP Supply Chain module initiative.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change
Climate change performance is featured in supplier awards scheme
Other, please specify
    Embedded in supplier and procurement policies

% of suppliers by number

50

% total procurement spend (direct and indirect)

60

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements.

Climate change and environmental performance is a weighted category in all supplier evaluation RFQ processes with higher scores given to better performance. 100% of our suppliers are subject to the Purpose criteria in the RFQ as part of the standard supplier evaluation process. For example, the assessment awards positive scoring for suppliers that have set (or are willing to set) a Science-Based Target. In addition, suppliers which offer product-specific CO_2 data and pathways for reduction over the contract period are positively scored. Furthermore, CDP supply chain data and other data gathered from suppliers is used to work with suppliers on carbon reduction from major sources within our supply chain. This year, 89% of the suppliers asked to respond did so.

Vodafone also has an annual supplier award scheme which includes a Planet/ Sustainability award which includes Vodacom suppliers. The award assessment is based on the suppliers' sustainability performance, which features the climate-related metrics that we collected through the supplier scorecard.

Vodafone's Code of Ethical Purchasing Policy, which all suppliers including those of Vodacom Group, must adhere as stated in the contract, also sets out Supplier's obligations in relation to social, environmental and ethical compliance. Regarding environmental issues, this covers responsible sourcing of minerals, the environment (compliance with legislation and standards, maintaining permits, hazardous chemicals and pollutants) and climate change reporting (GHG emissions).

Vodafone also chairs the Joint Alliance for CSR (JAC) working group established to improve ethical, labour and environmental standards in the technology supply chain. We are engaged in work streams to make progress on key risks in our supply chain, namely human rights, reducing Scope 3 emissions and driving a circular economy to reduce e-waste.

Impact of engagement, including measures of success

Majority of Vodacom's spend is managed by Vodafone. This centralised approach helps ensure a consistent approach to supplier management which includes Vodacom leveraging Vodafone supplier climate engagements. These emphasises the importance of climate change to our suppliers and opens discussions with suppliers who do not meet minimum requirements about what we expect from them. It drives change through pressure to meet requirements. This success is shown in the number and quality of CDP supply chain responses through Vodafone engagement: 88% reported that they had set a structured target for GHG emissions, while 92% reported their scope 1 and scope 2 emissions. Furthermore, 40% of Vodafone suppliers reported to use renewable energy.

Success will be measured by the number of suppliers who are reporting to CDP and showing carbon reduction year on year, and the increase of % of suppliers that use renewable energy, as well as the number who commit to their own carbon targets (aligned to 1.5C science-based targets) and the proportion of total spend with suppliers with carbon reduction commitments and targets.

Suppliers who meet 75% or more of the climate-related RFQ criteria are considered 'green suppliers'. 50-75% are considered medium risk. Suppliers scoring below 50% are higher risk from an environment perspective and we actively encourage these suppliers to improve environmental performance,

ambitions and target setting during our engagement with them as part of our supplier performance management process. This includes annual engagement with the supplier during which environmental agendas are discussed. Suppliers who make improvements and perform well against the climate-related criteria will be considered to perform better.

For our supplier awards, this year Nokia and Fairphone were awarded our Planet supplier award in recognition of their demonstrated commitment and achievement across 5 areas of climate action defined in our Purpose RFQ, in addition to their high level of engagement with to go above and beyond minimum requirements. Nokia continued their work on breaking down emissions data to line card level, which enables them to focus emission reduction actions on product components with the highest footprint e.g. chipsets. Fairphone's award encourages and applauds design innovation for mobile handsets to improve modularity and device longevity.

Comment
nil

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Other, please specify
Engagement with smartphone device suppliers through EcoRating consortium

% of suppliers by number
0.25

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements. This includes the work on Eco Rating which is actively promoted in our largest operation in South Africa with investigations to expand this underway.

Vodafone continued engagement in the Eco Rating labelling scheme jointly with other major European operators. Eco Rating is a pan-industry initiative to help consumers identify and compare the sustainability of mobile phones on the market, whilst also encouraging suppliers to reduce the environmental impact of devices. The environmental assessment criteria include product lifecycle assessment and carbon footprint of the devices. As a founding member of Eco Rating, Vodafone is able to engage with device manufacturers together with other mobile operators.

In November 2022, Eco Rating expanded to reach 35 countries, supported by 22 manufacturers and a total of eight operators.

Impact of engagement, including measures of success

Since its introduction, the rating has contributed to improving the environmental performance of mobile phones on the market, illustrated by the increase of the average Eco Rating score from 74 to 76 out of a maximum 100 since it was launched 18 months ago. Vodafone operates this initiative in 12 markets, including South Africa of the Vodacom Group, with over 200 handsets assessed and available to our customers.

Comment

nil

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Offer financial incentives for suppliers who reduce your downstream emissions (Scopes 3)
Offer financial incentives for suppliers who develop/adopt a climate transition plan
Facilitate adoption of a unified climate transition approach with suppliers

% of suppliers by number

5

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Majority of Vodacom's spend is managed by Vodafone. This centralised approach helps ensure a consistent approach to supplier management which includes Vodacom leveraging Vodafone supplier climate engagements.

Over the course of FY23, Vodafone developed a new supply chain finance mechanism to offer preferential supply chain financing (SCF) rates to suppliers that score highly against environmental performance criteria. CDP and Vodafone have jointly developed a framework consisting of 12 criteria from that survey – relating specifically to greenhouse gas emissions in the supply chain – as the basis for a new environmentally-linked supply chain finance programme. Vodafone suppliers will be invited to share their environmental performance score with their supply chain financing provider, and in doing so will have the opportunity to receive preferential financing rates based on their ranking.

The framework will initially be offered to around 430 suppliers, taking advantage of Vodafone's supply chain finance programme through Citi, and Vodafone will open the framework to a wider variety of suppliers and their supply chain financing providers later this year.

The mechanism was launched in early FY24, so % of suppliers that are eligible to adopt this new mechanism is to be determined, but we will review adoption in future reporting.

Impact of engagement, including measures of success

As a result of this innovation, some of the world's largest telecoms suppliers are now able to access preferential supply chain financing rates for disclosing emissions data and operating their businesses more sustainably. Vodafone believes the preferential supply chain financing rates will encourage suppliers to submit data on their environmental performance, reduce their carbon emissions overall, and ultimately contribute towards the Group's Scope 3 emissions targets. In future, CDP plans to make a template of the framework available to other players in the telecoms sector, with a view to driving industry-wide adoption of the model.

Comment

Around 430 suppliers who use Citi for supply chain finance are currently eligible to participate in this initiative Vodafone of 8900 supplier base, representing approximately 5% of our supplier base.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect GHG emissions data at least annually from suppliers

% of suppliers by number

0

% total procurement spend (direct and indirect)

38

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements.

Via Vodafone, work has been done with our top four network suppliers (representing 38% of spend, but less than 1% of our supplier base by number) to obtain more product-specific carbon footprint data applicable to the network equipment that purchased from them. Measure of success is to obtain data that can be used in our Scope 3 emissions modelling (to replace spend-based emissions estimates for these suppliers). Aside from data collection, the engagement project has enabled building of relationships with suppliers to discuss sustainability topics including climate action and circularity.

Impact of engagement, including measures of success

This year Vodafone have begun gathering product-specific carbon footprint data through direct engagement with our top 4 network equipment suppliers, representing 38% of total network category spend (excluding leased lines & energy), through a project completed in late 2022. This product carbon footprint data will support Vodafone to calculate more accurate Scope 3 emissions from purchased goods and capital goods procured from these top suppliers. Although the Top 4 suppliers are less than 1% of our supplier base by number, they represent 38% of our procurement spend. This data is used for the calculation of Vodacom's scope 3 reported data.

Comment

nil

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

47

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

In South Africa, we engage with all customers through our RedLovesGreen campaign. The percentage above is linked to the South African customers as a percentage of total Vodacom Group customers as per the scope in the CDP. Our RedLovesGreen journey aims to unite Vodacom, our customers and our partners to create environmental awareness and encourage action towards a more sustainable future. Through this, we communicate and educate for a positive impact on climate change. In addition, we engage with our customers to create awareness on products that we have developed that enable them to reduce their own emissions. These are the IoT services and solutions.

Impact of engagement, including measures of success

Our RedLovesGreen campaign encourages customers to return their devices to any of our 37 repair centres in South Africa. We measure the success of this campaign by how many devices are returned. Depending on the make, model and condition of a returned device, it may be repaired, refurbished, resold or sent for recycling. We also encourage customers to consider buying second-life devices. Refurbished devices are either repackaged, certified Good as New and sold with a six-month warranty, or donated to a Vodacom supported school. If the device is not in suitable condition it is sent to a Vodacom-approved recycling agency. In the reporting year, 369 739 consumer devices repaired, refurbished or recycled. We measure success by the revenue realised from these products and the GHG emissions avoided by our customers as a result of our solutions. Our IoT services, including logistics and fleet management, and smart metering supported customers in avoiding 1 million tCO2e GHG emissions in the reporting year.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

External engagement is done through External Affairs to ensure consistent messaging and alignment with the organisation's strategy. In addition to engaging with suppliers, Vodacom engages with other stakeholders such as government and not-for-profit companies. We work with global and local partners to deliver on planet strategy initiatives.

Engagements with government are to ensure regulatory compliance, but also to collaborate on strategic projects. In South Africa, for example, we codeveloped a solution with the national energy provider, Eskom, which will allow us to procure and virtually wheel renewable power from utility-scale independent power producers.

When Cyclone Freddy hit Mozambique, we worked with local authorities, the National Institute for Disaster Management and two civil society organisations to provide 50 tonnes of humanitarian assistance reaching over 20 000 people. Through M-Pesa, one of our financial service platforms, we enabled a zero-transaction fee fundraising mechanism to collect cash donations and zero-rated select products and services for the duration of the cyclone to enable communities to be able to communicate and perform certain transactions.

Together with Vodafone Egypt and Vodafone, we re-affirmed our commitment to climate leadership through our headline sponsorship of the COP27 UN Climate Change Conference in Sharm El-Sheikh in November 2022. Our presence demonstrated our resolve for businesses to take an active role in bringing about the green digital transition. In addition to providing essential digital connectivity services for the conference and its delegates, we showcased examples of innovative green digital solutions that can help reduce global carbon emissions and optimise resource efficiency – including our agricultural platforms such as MyFarmWeb and Connected Farmer solutions, which are supporting over five million farmers across Africa to minimise agricultural inputs.

We are also signatory of the UN Global Compact African Business Leaders Coalition's climate statement. We partner with organisations such as the World Wide Fund for Nature (WWF), the US Agency for International Development (USAID).

An element of our value chain and scope 3 emissions is that of our investments, Joint Ventures and partner markets. We do not have operational control of these organisations but through continual engagement we aim to influence and encourage carbon reduction and sustainable action. Case study: one of our Joint Ventures, Safaricom has committed to setting a science-based target and we support their efforts through regular engagement, input into strategy and supporting functions. Similarly a number of our Joint Ventures sent sustainability representatives to multi-day sustainability workshops and bi-weekly sustainability discussions.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

Given the importance of legal compliance, we require that all our suppliers meet all regulatory requirements. This includes compliance with climate-related legislation.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

First-party verification

On-site third-party verification

Response to supplier non-compliance with this climate-related requirement

Exclude

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

Vodacom expects its suppliers to adhere to its health, safety, environment and quality policies and requirements. This includes requirements with regards to climate change.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

First-party verification

On-site third-party verification

Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Exclude

Climate-related requirement

Measuring product-level emissions

Description of this climate related requirement

When new suppliers tender for work, they are asked to provide information on policies and procedures that address ESG-related issues such as climate change. This accounts for up to 20% of the overall evaluation criteria when evaluating responses to requests for proposals.

For the procurement on energy efficiency improvements in hardware and software solutions a 20% weighting for environmental and social criteria are included in the supplier evaluation process.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
On-site third-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Climate-related disclosure through a public platform

Description of this climate related requirement

Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements.

Clause in our supplier contracts:
1.3.4 Should Vodafone, acting reasonably, so require the Supplier shall:
(a) provide relevant GHG Emissions report and respond to requested submission when requested by Carbon Disclosure Project Supply Chain acting on behalf of Vodafone; and (b) make a copy of such assessment and verification available to Vodafone as soon as reasonably practicable after receipt.

During FY23, we asked our top 165 suppliers (which represent around 46% of our total procurement spend) to report their carbon and energy data, renewable electricity use and any targets via the CDP supply chain programme. In FY23, 147 of 165 (89%) suppliers submitted a response to CDP (representing around 44% of our total procurement spend).

% suppliers by procurement spend that have to comply with this climate-related requirement

46

% suppliers by procurement spend in compliance with this climate-related requirement

44

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
On-site third-party verification
Supplier scorecard or rating
Other, please specify
CDP Supply Chain

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements.

Vodafone has a clause its supplier contracts that the supplier must set or have already established a target and publish a plan to reduce its GHG emissions starting from the Effective Date of the Agreement.

We also have introduced a 20% weighting for environment and social criteria in our supplier evaluation Request For Quotation (RFQ) process. The assessment awards positive scoring for suppliers that have set (or are willing to set) a Science-Based Target.

Any supplier wishing to negotiate out the standard clauses in our contracts must undergo an internal review and approval process. This does not occur in the vast majority of cases. Based on a sample of suppliers who were assessed against the Vodafone RFQ (as shown on our supplier analytics dashboards), 85% (947 out of 1115 suppliers) met the criteria for having set a science-based target.

Data reported below is drawn from Vodafone.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

85

Mechanisms for monitoring compliance with this climate-related requirement

Certification
Supplier self-assessment
First-party verification
On-site third-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Measuring product-level emissions

Description of this climate related requirement

Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that

we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone on climate engagements.

Vodafone has also have introduced a 20% weighting for environment and social criteria in our supplier evaluation Request For Quotation process. The assessment awards positive scoring for suppliers that have set (or are willing to set) a Science-Based Target. It also continues to assess risk during our onboarding process by using a Supplier Assurance Risk Management, which identifies suppliers with risks that are material to the business, including environment.

Data reported below is drawn from Vodafone.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

47

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
On-site third-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

https://www.vodacom.com/planet.php
https://www.vodacom.com/governance.php
https://vodacom-reports.co.za/integrated-reports/ir-2023/documents/Environmental-social-and-governance-report.pdf

As a significant subsidiary of Vodafone, we are a significant contributor to Vodafone's Net Zero https://www.vodafone.co.uk/newscentre/news/group-net-zero-carbon-emissions-by-2040/

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Vodacom's policy engagements are governed and coordinated by Group External Affairs. Any policy engagement regarding energy and climate change must follow our environmental policy requirements which set out our position on energy and climate change. External affairs professionals within Vodacom are provided with training to ensure they are aware of the requirements of the policy. Annually, as part of our environmental data collection process, we ask all countries to describe the engagements they have taken place in. In this way, we ensure that engagements are consistent with our overall climate change strategy.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

The Electricity Regulation Act (ERA) and associated regulations

Category of policy, law, or regulation that may impact the climate

Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate

Electricity grid access for renewables

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

South Africa

Your organization's position on the policy, law, or regulation

Neutral

Description of engagement with policy makers

Management actively engages with government, through Eskom, and local municipalities to speedily unlock the supply of renewable energy in South Africa.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Yes, it is central to achieving our climate transition plan. More specifically, the development of the innovative virtual wheeling platform that we are working on in collaboration with Eskom is an important part of ensuring we are able to wheel renewable electricity to some of our 15,297 base stations distributed throughout South Africa.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

National Business Initiative (NBI)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The NBI is a South African organisation that is focused on catalysing business action to achieve sustainable growth and development. It acknowledges the need to decarbonise the South African economy to maintain its global competitiveness. At the same time, it understands that South Africa faces other challenges such as extreme poverty. For this reason, much of its climate-related research is focused on a Just Transition. A Just Transition for South Africa is about ensuring that the transition to a low carbon economy is conducted in a way that serves to address present and historical inequality, creates jobs, relieves poverty, restores our natural systems to build resilience, and, critically, leaves no one behind. Vodacom is supportive of and it's doing its part to bring about the Just Transition.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Business Unity South Africa (BUSA)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Vodacom is a member of BUSA. BUSA was created as a unified organisation for business in South Africa. Today, through its extensive membership base, BUSA represents the private sector being the largest federation of business organisations in terms of GDP and employment contribution. BUSA regularly engages with government on climate-related issues through its environmental committee. Through this engagement, it helps to shape climate policy in South Africa. Vodacom aligns with BUSA's views on position on climate change which supports the Just Transition in South Africa.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Association of Communications and Technology (ACT)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

ACT is a not-for-profit company that focuses on ecosystem matters of importance to the broader Information, Communication and Technology (ICT) sector and provides a unified voice for this important sector in the South African economy. Its focus areas include green economies, meeting the ESG demands and practical, impactful, and cost-effective energy solutions for the sector and country. ACT engages with government and other stakeholders on these focus areas. Vodacom is aligned with ACT's position on climate change and energy. We are also continuously looking for practical, impactful, and cost-effective energy solutions for our operations and country as a whole. A good example of this is the project we are working on in collaboration with Eskom, South Africa's national electricity provider, to create a virtual wheeling platform to increase energy security and reduce GHG emissions.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

GSMA

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Vodacom is a member of GSMA. GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation foundational to positive business environments and societal change. GMSA engages with its members on climate action issues through its Climate Action Taskforce. The Taskforce has more than 60 operator groups as members from all regions of the world. Vodafone is an active member of the Climate Action Taskforce with Vodacom leveraging this work, and has contributed to projects on all areas of the taskforce's activities in the past year. The GSMA and the Taskforce are working together to move the mobile industry towards Net Zero carbon emissions by 2050 at the latest.

The Taskforce:

• Promotes and encourages leadership on climate action to move the industry towards Net Zero carbon emissions by 2050.
• Agrees on climate policy frameworks and advocacy engagement to gain support from governments and other stakeholders for a fair and equitable Net Zero transition.
• Shares best practices on climate action so operators support each other to raise their ambition.
• Creates thought leadership and research on how mobile technologies support climate mitigation and adaptation.

The climate action topics focused on are:

• Improving energy efficiency in networks and buildings
• Increasing access to, and use of, renewable electricity
• Engaging with mobile industry suppliers on climate action
• Improving the environmental sustainability of mobile devices and equipment
• Adapting infrastructure and managing extreme weather events in a rapidly changing climate
• Using mobile connectivity to reduce carbon emissions through smart technologies

Our position aligns well with GSMA's, which is to accelerate actions being implemented by mobile network operators towards net zero, and to increase collaboration and best practice sharing to support this goal.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Joint Audit Cooperation initiative (JAC)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Vodafone is a member of JAC. JAC is an industry initiative made up of 17 telecom operators with the common objective of raising social, environmental, and ethical standards within the ICT supply chain. Majority of Vodacom's external spend is managed by Vodafone Procurement Company, based in Luxembourg, and shared services, in Ahmedabad, India. This centralised approach helps to ensure that we maintain a consistent approach to supplier management. This includes Vodacom's ability to leverage the work done by Vodafone through JAC.

JAC aims to verify, assess, and develop the corporate social responsibility implementation across the manufacturing centres of important multinational suppliers of the ICT industry. Through the JAC process, each supplier undergoes a single audit. The results of these audits are shared between JAC members, and one member leads any required follow-up with the supplier. Since its foundation JAC has significantly increased the number of audits worldwide, and by doing so ensuring and driving higher CSR standards across the ICT supply chain. This year, there were 71 JAC audits conducted (either by Vodafone or through JAC).

Vodafone's and Vodacom's objectives align with JAC's - which are to improve social, environmental, and ethical standards in the telecommunications sector supply chain.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
World Wildlife Fund

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)
75,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
We support various WWF programmes which have the potential to influence policy.

Case study: We support sustainable fishing through our partnership with the WWF in the South African Sustainable Seafood Initiative (WWF-SASSI). WWF-SASSI is invested in sustainable and resilient oceans through promoting ocean conservation, sustainable seafood consumption and ocean literacy. In FY2022 Vodacom helped establish the WWF-SASSI project office, field work, the development of the Fish ID app and provided devices, airtime and data. WWF-SASSI aims to help chefs and people in the seafood industry to make informed choices about sustainably sourced seafood to help safeguard our oceans. In FY2023, the programme focused on creating youth awareness – our next generation of eco-conscious consumers.

Case study: Tanzania's Dodoma region is particularly susceptible to extreme weather, deforestation, desertification, loss of biodiversity and crop failure, putting most people who live off the land at risk. Since 2015, the Vodacom Tanzania Foundation has partnered with the WWF, the Tanzania Forest Service and the Tanzania government to plant trees. The Kijanisha Dodoma and Kijani Zaidi programmes have planted 112 000 trees in Dooma and Pwani. The programme aims to raise awareness by sending climate change messages to the public using Vodacom's corporate SMS platform and supporting the creation of employment opportunities among youth and women through environmentally friendly initiatives. To date, the programme has trained more than 50 women and youth entrepreneurs on eco-friendly economic activities.

In addition, in November 2022, Vodafone launched a three-year global partnership with WWF. Vodacom forms part of this partnership, with funds being directed to programmes within Africa from FY24.

The first programme was launched at the same time, 'one million phones for the planet', to help accelerate a circular economy strategy by increasing the volume of phones which are traded-in, refurbished and recycled. Purchasing a refurbished smartphone saves around 50kg of CO2e. Every phone collected will see £1 donated by Vodafone to WWF conservation projects around the world. Over the next three years, Vodafone and WWF are planning to launch further strategic initiatives in Europe and Africa. Investment is GBP 1million over three years, around 450, 000 of which is directly invested in projects in four of Vodafone markets.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

🔗 vodacom-group-limited-integrated-report-2023-singles.pdf

Page/Section reference

22
41
43
94-99

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

We publish limited climate-related information in our integrated report on an annual basis and refer readers to detailed disclosure which form part of the broader integrated reporting suite published and other stakeholders.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

📎 Environmental-social-and-governance-report.pdf

📎 Vodacom ESG addendum 2023v2.xlsx

Page/Section reference

4

7-8

11

13

42-52

Excel file: Environment tabs

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Other, please specify

Emissions figures, Intensity metrics

Comment

We publish climate-related information in our ESG report, ESG addendum and TCFD report on an annual basis. These reports form part of the broader integrated reporting suite published for shareholders and other stakeholders.

Publication

In voluntary communications

Status

Complete

Attach the document

📎 TCFD-report.pdf

Page/Section reference

PLEASE NOTE: TCFD is FY2022. FY2023 to be released end July and can be found at https://vodacom-reports.co.za/integrated-reports/ir-2023/documents/TCFD-report.pdf

all pages

Content elements

> Governance
>
> Strategy
>
> Risks & opportunities
>
> Emissions figures
>
> Emission targets

Comment

> We publish climate-related information in our TCFD report on an annual basis. These reports form part of the broader integrated reporting suite published for shareholders and other stakeholders.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Business Ambition for 1.5C RE100 UN Global Compact Other, please specify • UNGC African Business Leaders Coalition	In 2018, Vodafone joined RE100, and committed to purchasing 100% of the electricity consumed globally from renewable sources by 2025. Vodacom have adopted this commitment and seeks to achieve the same. Vodafone is a signatory of the Business Ambition for 1.5C and have set science-based targets to reduce emissions in line with the Paris Agreement. As a significant subsidiary of Vodafone (owning 65.1% of Vodacom), Vodacom has an important Vodacom (and Vodafone) are members of the UNGC and continue to communicate on our progress in terms of its 10 universal principles on human rights, labour, environment and anti-corruption. In November 2022, Vodacom signed the UNGC African Business Leaders Coalition's Climate Statement.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, both board-level oversight and executive management-level responsibility	At Board-level, the board is supported by the board-appointed Social and Ethics Committee (SEC). The SEC oversees the overall environmental programme in which biodiversity in considered. It is supported by the Audit, Risk and Compliance Committee (ARCC), who are responsible for monitoring

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
		the Group's compliance programme, which encompasses oversight of management's compliance with relevant biodiversity-related regulation within the broader regulatory environment.

At management-level, the CEO has ultimate responsibility and delegates this responsibility to his direct reports as relevant to their responsibilities. The CEO and his direct reports are responsible for day-to-day management of biodiversity-related issues which includes minimising the environmental and visual impact of our infrastructure (Chief Technology officer responsible for mobile masts and technology centres; the HR director responsible for corporate properties and Chief Legal Officer for compliance with regulations). In addition, executive management work with conservation agencies to explore how technology can minimise biodiversity loss (Chief Officer: Regulatory & External Affairs, OpCo CEOs and Vodacom Business heads). |

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to respect legally designated protected areas
Commitment to avoidance of negative impacts on threatened and protected species | SDG

Other, please specify

Tanzania Forest Service, Tanzania government & WWF - plant 150000 trees at Kisarawe, Mkuranga and Dodoma Limomonane Trust (Lesotho) - sustainable urban greening and forest restoration project South African Sustainable Seafood Initiative (WWF-SASSI) |

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
Yes

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Tools and methods to assess impacts and/or dependencies on biodiversity

Biological Diversity Protocol

CBD – Global Biodiversity Framework

Other, please specify

Biodiversity mainstreaming readiness assessment conducted by the Endangered Wildlife Trust

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

We have used www.protectedplanet.net to identify which of our sites are located in Key Biodiversity Areas (KBAs). When establishing new sites, we try to locate them outside of KBAs so far as possible and to minimise their footprint and environmental impacts. For all new sites, we comply with regulation, carrying out environmental impact studies that look to ensure the impact on biodiversity is minimised. We have policies and procedures in place that need to be followed when establishing new sites. Again, these look at best practice, ensuring environmental impacts are minimised as far as possible.

In some of the countries in which we operate, we appoint specialist contractors to undertake biodiversity assessments. These contractors use a variety of tools such as the Global Biodiversity Framework. In addition, we commissioned a biodiversity mainstreaming readiness assessment which was conducted by the Endangered Wildlife Trust. The outcomes have pointed out areas for improved biodiversity management and actions to be taken. This assessment used the biodiversity mainstreaming guidelines, the annual biodiversity performance rating of listed companies and the Biological Diversity Protocol (BD Protocol).

When establishing a site, we conduct environmental impact assessments. The outcomes of these assessments include information on the impacts of the sites on biodiversity and the ways to minimise these impacts. We also use various tools like environmental impact studies to identify the impact of our operations on biodiversity. This includes both our own direct operations and also those of our value chain. The outcomes indicate that Vodacom's direct operations have a relatively low impact on biodiversity due to the small footprint and the nature of the sites. The biodiversity impacts in our value chain are more significant. In addition, Vodacom has a role to play in guiding and facilitating the use of technology in biodiversity protection and conservation type initiatives.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

South Africa

Name of the biodiversity-sensitive area

We have base stations located across the country, some of which are located in KBAs. To identify which sites are located in KBAs, we use www.protectedplanet.net

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Mobile base stations

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

It is at the time of establishing these base stations that biodiversity can be negatively impacted. To establish the sites, trees and natural vegetation may need to be removed in the construction area and, in some cases, access roads to the site need to be constructed. The physical footprint of our base stations is relatively small.

However, it must be noted that:

• We try to avoid establishing sites in KBAs when selecting the site. Before constructing new sites in KBAs, we explore co-sharing opportunities with other TelCos.
• We obtain all necessary environmental permits.
• We conduct environmental impact assessments.
• By their nature, the sites already have a very small footprint. We minimise the footprint as much as possible during project design.
• We incorporate natural habitats into our infrastructure, including wetlands, nesting for birdlife and planting indigenous vegetation at our office buildings.
• Where possible, we build towers and masts to look like trees that blend into the natural environment.

We match the tower paint with surrounding environments especially in national parks and game reserves.

Following construction, the operation of the mobile radio stations has minimal impact on biodiversity since there are limited operations performed at the site (aside from the transmission of radio signals and occasional maintenance of equipment).

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

Mozambique

Name of the biodiversity-sensitive area

We have base stations located across the country, some of which are located in KBAs. To identify which sites are located in KBAs, we use www.protectedplanet.net

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Mobile base stations

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

It is at the time of establishing these base stations that biodiversity can be negatively impacted. To establish the sites, trees and natural vegetation may need to be removed in the construction area. The physical footprint of our base stations is relatively small.

However, it must be noted that:
• No site is selected if no access is present so the construction of an access road is not required.
• We try to avoid establishing sites in KBAs when selecting the site. Before constructing new sites in KBAs, we explore co-sharing opportunities with other TelCos.
• We obtain all necessary environmental permits.
• We conduct environmental impact assessments.
• By their nature, the sites already have a very small footprint. We minimise the footprint as much as possible during project design.
• We incorporate natural habitats into our infrastructure, including wetlands, nesting for birdlife and planting indigenous vegetation at our office buildings.

• Where possible, we build towers and masts to look like trees that blend into the natural environment. We match the tower paint with surrounding environments especially in national parks and game reserves.

Following construction, the operation of the mobile radio stations has minimal impact on biodiversity since there are limited operations performed at the site (aside from the transmission of radio signals and occasional maintenance of equipment).

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

Lesotho

Name of the biodiversity-sensitive area

We have base stations located across the country, some of which are located in KBAs. To identify which sites are located in KBAs, we use www.protectedplanet.net

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Mobile base stations

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

It is at the time of establishing these base stations that biodiversity can be negatively impacted. To establish the sites, trees and natural vegetation may need to be removed in the construction area and, in some cases, access roads to the site need to be constructed. The physical footprint of our base stations is relatively small.

However, it must be noted that:
• We try to avoid establishing sites in KBAs when selecting the site. Before constructing new sites in KBAs, we explore co-sharing opportunities with other TelCos.
• We obtain all necessary environmental permits.
• We conduct environmental impact assessments.
• By their nature, the sites already have a very small footprint. We minimise the footprint as much as possible during project design.
• We incorporate natural habitats into our infrastructure, including wetlands, nesting for birdlife and

planting indigenous vegetation at our office buildings.
• Where possible, we build towers and masts to look like trees that blend into the natural environment. We match the tower paint with surrounding environments especially in national parks and game reserves.

Following construction, the operation of the mobile radio stations has minimal impact on biodiversity since there are limited operations performed at the site (aside from the transmission of radio signals and occasional maintenance of equipment).

Classification of biodiversity -sensitive area

Key Biodiversity Area (KBAs)

Country/area

United Republic of Tanzania

Name of the biodiversity-sensitive area

We have base stations located across the country, some of which are located in KBAs. To identify which sites are located in KBAs, we use www.protectedplanet.net

Proximity

Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area

Mobile base stations

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Site selection
Project design
Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

It is at the time of establishing these base stations that biodiversity can be negatively impacted. To establish the sites, trees and natural vegetation may need to be removed in the construction area and, in some cases, access roads to the site need to be constructed. The physical footprint of our base stations is relatively small.

However, it must be noted that:
• We try to avoid establishing sites in KBAs when selecting the site. Before constructing new sites in KBAs, we explore co-sharing opportunities with other TelCos.
• We obtain all necessary environmental permits.
• We conduct environmental impact assessments.
• By their nature, the sites already have a very small footprint. We minimise the footprint as much as possible during project design.

• We incorporate natural habitats into our infrastructure, including wetlands, nesting for birdlife and planting indigenous vegetation at our office buildings.
• Where possible, we build towers and masts to look like trees that blend into the natural environment. We match the tower paint with surrounding environments especially in national parks and game reserves.

Following construction, the operation of the mobile radio stations has minimal impact on biodiversity since there are limited operations performed at the site (aside from the transmission of radio signals and occasional maintenance of equipment).

Classification of biodiversity -sensitive area
Key Biodiversity Area (KBAs)

Country/area
Democratic Republic of the Congo

Name of the biodiversity-sensitive area
We have base stations located across the country, some of which are located in KBAs. To identify which sites are located in KBAs, we use www.protectedplanet.net

Proximity
Overlap

Briefly describe your organization's activities in the reporting year located in or near to the selected area
Yes, but mitigation measures have been implemented

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity
Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area
Site selection
Project design
Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented
It is at the time of establishing these base stations that biodiversity can be negatively impacted. To establish the sites, trees and natural vegetation may need to be removed in the construction area and, in some cases, access roads to the site need to be constructed. The physical footprint of our base stations is relatively small.

However, it must be noted that:
• We try to avoid establishing sites in KBAs when selecting the site. Before constructing new sites in KBAs, we explore co-sharing opportunities with other TelCos.
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possible during project design.
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Following construction, the operation of the mobile radio stations has minimal impact on biodiversity since there are limited operations performed at the site (aside from the transmission of radio signals and occasional maintenance of equipment).

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Education & awareness Other, please specify Collaboration with organisations on biodiversity-related initiatives, E.g. working with WWF on reforestation efforts in Tanzania and tracking protected animals in the DRC with the United States Agency for International Development

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Pressure indicators Response indicators

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments	Vodacom_Group_Limited_Integrated_Report_2023 (vodacom-reports.co.za)

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
	Governance Impacts on biodiversity Details on biodiversity indicators	
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Details on biodiversity indicators	Environmental-social-and-governance-report.pdf (vodacom-reports.co.za) https://vodacom-reports.co.za/integrated-reports/ir-2023/documents/TCFD-report.pdf
Other, please specify Other platforms and news	Impacts on biodiversity	https://m.facebook.com/VodafoneFdn/videos/vodacom-tanzania-foundation-wwf-launch-reforestation-programme/635616121082600/

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

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C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Officer: Regulatory & External Affairs, member of the Vodacom Group Executive Committee. Reporting directly to the CEO and responsible for reporting to the Board Social and Ethics Committee	Other C-Suite Officer

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

Thank you for requesting information from Vodacom as part of the CDP Supply Chain module. Reducing our environmental impact and helping to decarbonise society is a part of Vodacom's purpose. We recognise the urgent need to address the global climate crisis. As we move towards an ever more digital society, with increasing volumes of internet use and mobile data traffic, we are committed to driving down our emissions in absolute terms as well as shifting our energy mix to renewable sources, in line with what is required by science to avoid negative impacts of climate change. In 2020 Vodafone, Vodacom's parent company, set a SBTi approved 2030 Science-Based Target in line with reductions required to keep warming to 1.5°C, becoming the first major telecoms operator to follow the emission reduction pathway developed by SBTi for the ICT sector (setting out specific emissions reduction trajectories for mobile, fixed and data centres).

This year, Vodacom progressed on our journey to contribute towards Vodafone's net zero and we are in the process of developing Vodacom-specific business plans to implement the actions required to reduce our carbon emissions in line with this pathway. We hope that you will see from our CDP 2023 climate change disclosures, together with our ESG Report, ESG Addendum and TCFD Report (available online: https://vodacom.com/integrated-reports.php) that are progressing our climate programme.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	119,200,000,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member
Sage Group

Scope of emissions

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Allocation level detail

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified

Allocation method

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

**Please explain how you have identified the GHG source, including major limitations to this process and
assumptions made**

Please contact your Vodacom relationship manager confirming your total spend (in ZAR) with Vodacom
between 01 April 2022 and 31 March 2023 if you would like us to estimate the proportion of our
organisational emissions associated with the provision of our services to your business.

Requesting member

GSMA

Scope of emissions

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Allocation level detail

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified

Allocation method

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

**Please explain how you have identified the GHG source, including major limitations to this process and
assumptions made**

Please contact your Vodacom relationship manager confirming your total spend (in ZAR) with Vodacom
between 01 April 2022 and 31 March 2023 if you would like us to estimate the proportion of our
organisational emissions associated with the provision of our services to your business.

Requesting member

Pinsent Masons LLP

Scope of emissions

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Allocation level detail

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified

Allocation method

Market value or quantity of goods/services supplied to the requesting member

Unit for market value or quantity of goods/services supplied

Please explain how you have identified the GHG source, including major limitations to this process and
assumptions made

> Please contact your Vodacom relationship manager confirming your total spend (in ZAR) with Vodacom between 01 April 2022 and 31 March 2023 if you would like us to estimate the proportion of our organisational emissions associated with the provision of our services to your business.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

> N/A

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	To improve accuracy in allocating emissions, a detailed analysis would be required of how much traffic the customer generates from voice, data, etc., and whether the customer is using fixed or mobile networks, since different forms of communication have a different carbon intensity. It would also be useful to understand how the customer uses the product or service they receive from Vodacom day-to-day. As such, we invite our customers who wish to understand better the emissions associated with Vodacom's services and what is being done to reduce these to contact our Group ESG & Sustainable Business team via their account manager.
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	We use an average emissions intensity (per unit revenue) to estimate customers per customer. We would like to offer our customers more product or service-specific emissions data, based on the product carbon footprint of the product or services that we sell to them. We have a diverse set of products and services for which to conduct a product carbon footprint assessment, so this is not currently available for all products and services.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

> No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

> We do not as yet have the capability in house to execute this work. This requires specialist expertise and investment. Where possible we do leverage off the expertise within Vodafone. Further, it requires a willingness on the part of the customer to work with us and provide some detailed information on how they are using our products and services. We will endeavour to support if a customer would like to contact us directly.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

> No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

> No, I am not providing data

Submit your response

In which language are you submitting your response?

> English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

> I have read and accept the applicable Terms