Vodacom Mozambique

Environmental, Social and Governance Snapshot

Further together

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Vodacom is a leading and purpose-driven African connectivity, digital and fintech operator. Our mobile networks cover more than 500 million people¹. The Group serves 185.8 million¹ customers across consumer and enterprise segments in Africa with more than 10 million in Mozambigue.



Our approach to ESG

Vodacom's purpose – connecting for a better future – means using our business services to enable individuals and enterprises to thrive. Our powerful, multi-product strategy - the system of advantage - enables us to deliver our targets across three purpose pillars.



By delivering against our purpose, we aim to produce profitable solutions to challenges faced by society and the planet, while not profiting from those that have negative impacts. We strive to minimise the negative environmental impacts arising from our operations and are seeking ways to support our customers in managing their environmental impacts.

Our Social Contract, guided by the principles of trust, fairness, and leadership, serves to activate and accelerate our purpose initiatives.

Operating responsibly is essential to long-term sustainability and cultivating trust with our stakeholders. This means acting honestly, with integrity and maintaining robust ethics, governance and risk management processes.





For full detail on Vodacom's ESG approach and performance, please see the Vodacom Group ESG report.



Read about our strategy, context and capitals performance in our Integrated report.



Read about our governance principles and practices in our Corporate governance report.

Committed to Mozambique

Vodacom Mozambique began operations in December 2003. Our main objective was, and continues to be, to offer high-quality, reliable mobile network. Today, we reach 10.7 million customers and employ over 2 500 people. Our purpose is to support local growth and development through technological solutions.

We are committed to providing solutions that contribute to Mozambique's priority national development ambitions, including financial inclusion, rural communications, employment, education and health.

Fitch Solutions, 2022.
GSMA, 2023.
World Bank, 2022.
Datareportal.com Digital, 2022.



Our ESG framework

Vodacom exists to connect for a better future. We recognise that to deliver on this purpose, ESG must be integrated into what we do.

ESG is not a distinct strategy or set of activities separate from our daily management of the business; it is embedded into Vodacom's purpose-led strategy, business model and activities thr /es.

Ou by our Contract and pu our responsible business practices - all of which form our ESG framework. This enables us to manage ESG risks and deliver positive impact through ESGrelated opportunities.

Our ESG approach reflects our operating context and considers ESG-related regulations, stakeholder expectations and developments in reporting standards.

We have defined targeted ESG goals linked to local and global ambitions, such as local government development plans and the United Nations Sustainable Development Goals. Through our progress on these goals, we demonstrate tangible value to stakeholders and fulfil evolving ESG regulations and standards in the business environment. This deep integration ensures our relevance and impact, cultivates trust with stakeholders and helps us deliver on our purpose.



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urpose pillars, our Social Co

The UN SDGs that Vodacom impacts are unpacked in our ESG report

Purpose pillars

Digital society

Connecting people and things, and digitalising critical sectors Providing products and services to support Digitalising business business, particularly SMEs. Digitalising Supporting the digitalisation of education, critical healthcare and agriculture with specific sectors products and services. Digitalising Using our Internet of Things (IoT) platform government and technology to amplify productivity and efficiencies and enable better connectivity with citizens. Inclusion for all Ensuring everyone has access to the benefits of a digital society Access Finding new ways to extend our network for all and make connectivity more accessible to all. Propositions Providing relevant products and services to for equality address societal challenges such as gender equality and financial inclusion. Workplace Developing a diverse and inclusive workforce that equality reflects the customers and societies we serve. Planet Reducing our environmental impact and helping society decarbonise **Responding to** Committed to a low-carbon future and playing **climate change** our part in addressing the climate crisis. Decreasing Increasing our efficiencies and sourcing scope 1 and 2 renewable energy to reduce energy emissions consumption and carbon emissions. Managing scope Influencing our supply chain to reduce **3** emissions indirect emissions.

Following a circular approach to reuse, resell circularity and recycle resources to reduce waste in our produce and service ecosystem.

Understanding and managing our Supporting biodiversitv biodiversity impact.

Driving

Social Contract

Connecting for a better future

To achieve our purpose, we aim to strengthen our reputation by safeguarding the trust of our stakeholders and ensuring that digital connectivity delivers on its full potential for responsible leadership and innovation. Our Social Contract is a pact to help strengthen trust across all stakeholder groups as we meet their expectations, while maintaining positive relationships. Our Social Contract guides our journey as a purpose-led company, and is built on three core principles.



Trust Building trust with our customers through simplified and transparent pricing, customerorientated solutions and reducing our planetary impact.



Fairness To ensure fairness and promote digital inclusivity through enhanced access to digital products, services and infrastructure.



Leadership

To demonstrate responsible leadership through innovation in IoT and mobile financial services, leadership in convergence and solutions that benefit society.

Responsible business practices

Protecting people

Health and safety

Creating a safe working environment for everyone working for and on behalf of Vodacom and the communities we operate in.

Mobiles, masts and health

Operating our networks strictly within national regulations.

Human rights

Contributing to the protection and promotion of human rights and freedoms and supporting socio-economic development.

Responsible supply chain

Managing relationships with our direct suppliers and evaluating their commitments to diversity, inclusion and the environment.

Business integrity

Protecting data

Customers trust us

with their data and

is critical.

Data privacy

maintaining this trust

We want to respect

of our customers

and help improve

responsible use

Cyber security

of data.

society through the

As a provider of critical

national infrastructure

and connectivity that

millions of customers

cyber and information

rely on, we prioritise

security across

everything we do.

the privacy preferences

We are committed to ensuring that our business operates ethically, lawfully and with integrity wherever we operate.

Tax and economic contribution

As a major investor, taxpayer and employer, we make a significant contribution to the economies of all the countries we operate in.

Anti-bribery and corruption

We have a zero-tolerance policy on bribery and corruption. The policy details what constitutes a bribe and prohibits giving or receiving any excessive or improper gifts and hospitality.

Transparency and measurement

Transparency is essential to our ESG approach. We achieve transparency through comprehensive disclosure and measuring our ESG progress using multiple mechanisms such as ESG ratings, reputation tracking and stakeholder feedback.

FY2023 snapshot



12 PUXAP young digital entrepreneur participants





young entrepreneurs trained by Orange Corners

239



Inclusion for all

203 215 Mum & Baby subscribers



women graduated with science, technology, engineering, and mathematics (STEM) scholarships

387 Code Like a Girl trainees

61 307 direct Instant Network Schools beneficiaries

3215846 Vodacom Foundation beneficiaries



677 000 customers took Txuna loans in one month



473 251 Boa Internet visitors





Planet





140 000 households with

MySol solar systems



Responsible business practices







volunteer hours logged by our employees

Partnering for impact

Vodacom actively pursues partnerships to deliver impact at scale. These partnerships, which are aimed at meeting our customers' needs, include developing innovative and smart technology platforms and connectivity solutions, network expansion and facilitating access to affordable smart devices to drive device penetration and advance digital inclusion. Examples of partnerships are illustrated throughout this report. Significant partnerships in FY2023 included the following:

Goodbye Malaria

We supported the fight against malaria by co-funding the Global Fund's Goodbye Malaria programme. Goodbye Malaria comprises of indoor residual spraying in households across 18 districts; malaria tracking and surveillance through digital record keeping in health facilities; and education, social and behaviour change communication to raise awareness in communities and promote adherence to treatment and prevention protocols. In total, Goodbye Malaria has impacted the lives of 4 284 087 people (15% of the MOSASWA population). 663 044 households were reached in the FY2023 campaign, impacting 2 295 802 people. We supported anti-malaria spraying and communication with workers to raise awareness around malaria prevention.

Partnering for solar homes

In March 2020, Fenix Mozambique (now ENGIE Energy Access), Vodacom and M-Pesa partnered to offer a full solar-home system comprising LED bulbs and phone chargers to Mozambican households for the price of a candle per day. The partnership brought renewable energy, on a pay-as-you-go system, as well as connectivity and inclusive financial services, to rural Mozambique, where only 5% of the population has access to energy¹. Vodacom Mozambique provides ENGIE with free data and airtime, while M-Pesa enables payment through its platform for free. When their accounts are paid up, customers own the system and have access to free energy. As well as expanding access to energy and connectivity and reducing the cost of electricity for households, the partnership provides opportunities for job creation to entrepreneurs and ENGIE's selling agents. By the end of FY2023 ENGIE had reached more than 140 000 households and impacted more than 700 000 people.



1. Energypedia, 2019.

Digital society

We believe in the power of connectivity and digital services to strengthen economic resilience.

We connect people, enterprises and communities through our mobile and fixed networks, thus expanding opportunities.

A digital society realises the benefits of communication, facilitates inclusion and enables access to other services through digital technology. We acknowledge the significant digital divide in Africa and believe that for 2wwa digital society to flourish it must be inclusive.

We create digital societies by continuously developing our fixed and mobile network, relevant platforms and services, and supporting innovative, impactful projects and programmes.



239 young entrepreneurs trained by Orange Corners

12 PUXAP young digital entrepreneur participants **500%** average increase in income of Orange Corners Maputo participants

25 SMEs received training



Digitalising business

Digital technologies enhance business by creating efficiencies, reducing costs, improving services and generating data that strengthens decision-making.

Supporting small enterprises

SMEs are critical in supporting economic growth and employment. We provide business support and innovative technology to foster their development. We support entrepreneurs, start-ups, small enterprises and our SME suppliers by providing connectivity, tailored platforms, solutions, products and services, training, and financial support.

We connect SMEs through guidance on available solutions, advice and best practice information, improving their digital readiness. We use

advancements in cloud technology, IoT and Big Data to develop digital solutions, enabling enterprise customers to build connected supply chain networks.

We achieve this through:

- Providing digital platforms and solutions
- Empowering start-ups and entrepreneurs through connectivity, training and support
- Supporting small businesses in our supply chain through training, resources and platforms

Our **SME Supplier Portal** supports the registration and onboarding of potential suppliers, enhancing speed and transparency and reducing their administrative workload. The digital platform provides a single access point for suppliers to register and participate in local procurement programmes. This allows for the pregualification of candidates, improved tracking and reporting, and enhanced efficiencies. This is part of a more ambitious project to help local businesses – especially SMEs – by addressing challenges such as a lack of access to opportunities and financing; poor management skills and record keeping; and the perception that SMEs are unable to provide quality products and services. In support of SME suppliers, we negotiated partnerships with banks to facilitate access to funding. Suppliers are capacitated through financial and organisational certification and quality training, in partnership with IPEME and Absa. We introduced a local content component into the supplier evaluation criteria of our tenders to support positive impacts on the local economy. 45 suppliers were invited to tender of which 11 vendors were selected and 25 SMFs benefited from training.



Case study

Orange Corners Maputo

We want to create an inclusive digital society where everyone, without exception, finds opportunities to realise their full potential. Intelligent investment in young people and entrepreneurship is a critical foundation for such a society.

Orange Corners Maputo (OCM) is an initiative of the Kingdom of the Netherlands that provides young entrepreneurs across Africa, Asia and the Middle East with training, networks and facilities to grow innovative businesses.

Vodacom Mozambique and M-Pesa are extended partners of the OCM programme, delivered locally by ideiaLab, a women-led social enterprise focused on entrepreneurs and enterprise development.

Our support for OCM is part of our social investment strategy to foster financial education and inclusion. It aligns with our long-term goal of creating a thriving and interconnected entrepreneurship ecosystem by empowering and building capacity through young entrepreneurs.

Participants (college students and recent graduates) can access the knowledge, tools and resources they need to leverage their business ideas. They are connected to a network of entrepreneurs and new opportunities.

Support includes an incubation programme offering recurring six-month training cycles for 25 to 35 entrepreneurs. Vodacom's executives and subject matter experts share their knowledge and experiences through an active Masterclasses programme. Globally, OCM has 1 781 registered alumni (43% women) who have graduated from incubation and acceleration programmes, 19 hubs, and more than 50 private partners supporting the programme. Since its inception in Mozambique, OCM has reached 6 896 young people through pre-incubation activities, incubation training and activation, with 239 young aspiring entrepreneurs trained and mentored.

The OCM brand continues to grow in Mozambique, reaching young aspiring entrepreneurs and participants from all provinces through remotely delivered courses, with a notable increase in female participation.

Findings in the latest impact report, submitted in November 2022, indicate that 92% of the businesses were still active one year after the incubation programme. 58% of participants' businesses are now their primary source of income (from 37% at baseline), with average income increasing by 500%.





PUXAP

Case study

Tens um negócio Tech ou Digital?

Inscreve-te até 3 de Abril em: www.bit.ly/VodacomPuxap

Supporting young tech entrepreneurs

PUXAP was designed to support the development of innovative and tech-based youth-led businesses.

Implemented in partnership with ideiaLab, PUXAP promotes and connects young digital entrepreneurs developing innovative technological solutions focused on the Mozambican context. The programme enhances the founding team's entrepreneurship, innovation, small business management and soft skills. It creates new market opportunities through connections between entrepreneurs and potential customers, suppliers, investors and partners, to accelerate sales and business development. PUXAP is aimed at people aged 18 and 35 with a tech and digital business with a prototype to test.

PUXAP was launched in FY2022 and has entered its acceleration phase with 12 participants who have access to workshops, and peer and legal mentoring. They are guided by prominent entrepreneurs, subject matter experts and ideiaLab practitioners.

2

Digitalising government

Effectively digitalising the public sector contributes to inclusive growth, enhanced education, increased accountability and good governance.

We support a digital society by providing digital solutions to government. Through our expertise in connectivity, smart devices and digital platforms, we strengthen governmental administration and efficiency, enhance communication and service delivery, create smarter cities, and reduce environmental impact.

Creating smarter cities

We can leverage digitalisation to address the challenges of people living in cities, who make up 55% of the world's population¹. Vodacom partners with municipal governments to transform local government utility management through smart asset management solutions. Our data platform and IoT solutions make cities smarter by, for example, intelligently managing energy use and community safety.

1. World Bank, 2019.

Chimoio city will be the first Mozambican smart city using IoT solutions that include, among others, alert systems for security, digital parking systems, and panic buttons in establishments and homes

Inclusion for all

Vodacom seeks to ensure no one is left behind. Our inclusion for all pillar focuses on access to connectivity, digital skills and creating necessary products and services, such as access to education, healthcare and finance. We are committed to developing a diverse and inclusive workforce that reflects the customers and societies we serve.

In Africa, 60% of the population is not online. The UN designated Tanzania, the DRC, Mozambique and Lesotho as least developed countries, with just 27%¹ of people online. Closing this gap is threatened by high inflation and the cost-of-living crisis, which has eroded real incomes and pushed millions more into poverty in Africa.

The internet has become a vital part of our lives. It enables communication and access to vital services such as educational resources, government services, health information, financial services and entertainment. There are strong economic gains from increased usage of mobile broadband. Research from the World Bank shows that mobile broadband can reduce the number of households in extreme poverty by 4%, mainly due to increases in labour force participation among women². Furthermore, expanding broadband penetration across Africa by 10% could boost GDP per capita by 2.5%³.



1

1. World Bank. 2020.

universal coverage.

Access for all

Internet access is transformational and empowers people to contribute and connect meaningfully.

Barriers to using 4G include lack of awareness, digital skills, and the price of smartphones. We aim to address these barriers and support an inclusive society by upgrading and expanding our networks.

Increased 4G connectivity is a driver of economic participation. World Bank research suggests that improved connectivity has macro and microeconomic benefits as it reduces poverty and increases welfare for underserved populations, mainly due to increased labour force participation, particularly among women¹. Expanding mobile broadband penetration across Africa by 10% could boost GDP per capita by 2.5%².

2 International Telecommunications Union 2019

Connecting everyone to digital services,

population densities. New approaches,

particularly in Africa, is a significant challenge

networks can often be more challenging and

for many Africans in rural areas. Expanding rural

offer a lower return on investment due to lower

us overcome some of these barriers and deliver

partnerships and a blend of technologies will help

Enabling connectivity

which use renewable energy. The system, implemented in antennas for rural coverage of voice (2G) and broadband (4G), uses lithium batteries and solar panels to minimise Greenhouse gas emissions. By using this system, we aim to respond to the challenges (such as lack of electrical power) for network expansion in rural areas.

We expanded our network and coverage

for rural areas by deploying 173 **rural**

connectivity sites in FY2023, most of



Watch Mozambique rural coverage

With the accelerated expansion of sustainable energy, we expect to contribute to the following governmental strategic objectives:

- Achieve 100% population coverage of the network by 2025;
- Overcome the low rate of network availability (35%) in the country and especially in rural areas; and
- Boost socio-economic development and local content through the internet.

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Inclusion for all/Access for all continued



Selling affordable smart devices

Lowering the cost of devices is key to addressing the digital divide. We do this by:

- Applying subsidies, discounts and offers tailored to low-income communities; and
- Offering financing to customers to shift from 2G to 4G handsets.

Our smart feature phones and smartphones are subsidised and distributed across all channels, in line with our goal to offer affordable, entry-level 4G devices. The cheapest **4G device** with WhatsApp launched costs MZN1 100 to MZN1 299. We sold 200 000 4G devices, comprising 66% of our smartphone penetration base. In FY2023 we sold 33 160 smart feature phones and extended MZN219 million in subsidies for low-cost devices.

We provided street vendors with 657 Samsung A03s.

Providing free access to online platforms

Free access to beneficial online platforms and resources drives digital access and inclusion. We drive this through zero-rated platform partnerships.

We partnered with United Nations International Children's Emergency Fund (UNICEF) to offer subscribers zero-rated access to youth-focused educational and advice sites. The **Internet of Good Things**, localised in Mozambique under the name **Boa Internet**, provides emergency, life-saving and general health and citizenship information targeting youth is available for free on the site. Since the partnership's launch, Boa Internet has had 473 251 visitors and 1.6 million page views.

SMS Biz is UNICEF's longstanding SMS youth information sharing and engagement platform with users referred to as U-Reporters. There are over 24 million U-Reporters in 90 countries and 775 000 U-Reporters in Mozambique, ranking it first in the East and Southern Africa region and fourth on the continent. SMS Biz has 775 413 subscribers, of whom 14% are aged 15 to 19 and 40% are aged 20 to 24, with a gender ratio of 60% male to 40% female. We partner with SMS Biz to make the platform free to join and use, and subscribers can send gueries and respond to polls free of charge. Following a social media campaign by UNICEF, the number of SMS Biz users increased by 56.1%.

Transforming pricing

Our initiatives to reduce the cost of data, make our pricing affordable, and increase bundle validity support users, including youth and low-income households. We use Big Data analytics to deliver affordable personalised bundles for low-spend prepaid customers. Our innovative pricing and products include cheaper short validity, smaller data amounts and URL bundles.

Just4You provides affordable price packages, with over 100 offers varying daily from customer to customer. We create deals based on customer data usage, SMS or calls by analysing usage patterns.

Tudo provides subscribers with 20% additional benefits when transacting with M-Pesa, and bonuses based on voice minutes used the day before.





2

Propositions for equality

We face increasing societal challenges such as access to education, gender equality, financial inclusion and poverty – many of which were exacerbated by the COVID-19 pandemic.

Individuals, schools and communities increasingly use and depend on digital technology, providing opportunities for digital innovation to address societal needs.

We develop innovative solutions to support an equal and inclusive society, supported by the Vodacom Foundations, most notably in education, skills development, and gender and disability empowerment programmes.

Providing platforms for financial inclusion

Globally, 2 billion people remain unbanked¹. Many people, especially women, still lack access to financial services. Digital services are key to helping people access safe, secure financial services. Without the ability to transfer money, people battle to save, access loans, start a business and get paid. Financial inclusion is necessary to reduce poverty. We work with various licensed banking and financial services providers to enable people in remote areas to access payments, loans and savings on their mobile devices without needing to travel.

1. GSMA, 2021.



Mozambique joined the **Alliance for Affordable Internet**, aiming to provide broadband at less than 5% of average monthly income, and received a US\$300 million grant from the World Bank for energy and broadband services. The three Mobile Money platforms (M-Pesa, mKesh and e-Mola) were unified, an important milestone that will promote the development of financial services and reduce transfer costs.

Collective savings plan **Xitique** allows community members to collectively save for a common goal through controlled access to a shared account that pays for goods and services.

Txuna M-Pesa is a nano-loan marketplace pilot with Moza Banco. 28% of the existing M-Pesa base is eligible for nano-loans, and 677 000 customers took loans in a single month of the pilot.

Enabling education and digital skills

Globally, children living in learning poverty make up 50% of low and middle-income countries' population. UNICEF¹ deems education inequality a global crisis, with challenges of providing formal schooling, trained teachers, education materials, school infrastructure, and internet access impacting children. Vodacom provides devices and connectivity to students. We are growing our educational platforms and contributing directly through our digital skills and education initiatives. There are more opportunities to innovate and transform traditional education approaches by using technology to deliver remote and hybrid education, to close the divide.

1. https://www.unicef.org/education.

The **Faz Crescer** initiative was implemented in partnership with the Ministry of Education and Human Development. It aims to strengthen education quality through digital inclusion, improved digital literacy and supply of technologies in public secondary schools. It increases youth employment and self-employment opportunities. The initiative aligns with our objective of increasing female participation in STEM areas. In FY2023, Faz Crescer launched a scholarship programme for young Mozambican women interested in careers in information and communication technologies. This year 11 new Faz Crescer schools were equipped with computer labs and free connectivity. Its reach includes:

- Almost 70 000 learners and teachers since 2018;
- 50 schools, of which 64% are in rural areas; and
- 1 000 computers and 27 000GB of free internet.

Case study

Instant Network Schools

Instant Network Schools (INS) was set up in 2013 by Vodafone Foundation and United Nations High Commission for Refugees (UNHCR), the UN Refugee Agency, to give young refugees, host communities and their teachers access to digital learning content and the internet, improving the quality of education in some of the most marginalised communities in Africa.

In 2021, Vodafone Foundation and UNHCR expanded the INS programme to Mozambique to give young refugees and their teachers access to education. At its heart it is a "school in a box" that includes tablets for students, a laptop for teachers, internet connectivity, a projector, speaker, solar charging system and library of digital educational resources. With these resources, alongside teacher training, existing classrooms are transformed into multimedia hubs for learning.

Today we have 15 INS centres across 13 schools in Mozambique, connected over mobile networks, with 61 307 beneficiary students and 185 297 indirect beneficiaries (including teachers and community members).

Meet Deise

Deise, a Vodacom employee, volunteers for Vodafone Foundation's INS programme in Mozambique, which helps teachers learn how to use the technology.

"In 2013 I was struck by lightning. That led me to study electronic engineering: I wanted to understand what had happened, what electromagnetic waves were. Along the way I gained a passion for challenging myself."

"One of the things that impacted me was when we gave the tablets to the children, the first thing they did was search for their homework. It made all the In November 2022, a short INS survey was conducted to collect feedback from students and teachers on their experience with the programme. The feedback from both groups was highly positive. Of 4 000 students surveyed, 94% indicated their digital skills improved, 94% indicated their learning experience improved, and 93% indicated that their exam results improved since the programme's introduction.

Of the 851 teachers surveyed, 95% indicated that their digital skills improved, 95% indicated their lesson preparation and delivery improved, and 87% indicated they were confident in using technology in the classroom after the implementation of INS programme.



difference, because most of the time when you give a laptop or tablet to a child, they want to search for cartoons! But these kids want to learn, and helping them do that is the goal of the INS."



Watch Deise's story





Code Like a Girl is a social enterprise providing girls and women with the confidence, tools, knowledge, and support to enter and flourish in the world of coding. Code Like a Girl inspires more girls to explore careers that require coding skills to help them enter the STEM fields and industries. 387 girls were trained in FY2023, with a total of 2 364 reached since inception.



Supporting jobseekers and empowering youth

We support those seeking employment and opportunity through affordable connectivity, job platforms and workexperience activities. Our scholarships for women in STEM subjects aim to reduce the gender gap and build a balanced workforce. 38 women graduated from our scholarship programmes and participants provided encouraging feedback.

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UDACITY



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Se procuras uma carreira tech ou digital, tens até dia 20 de Julho para te candidatares. www.bit.ly/3xDb0Jk Termos e condicões aplicáveis





Bringing mobile to, and empowering, more women

Mobile technology enables access to essential services such as maternal healthcare, financial services and education. However, the gender gap for internet usage is substantial, with over 300 million fewer women than men accessing the internet on a mobile phone¹. We use mobile technologies to enhance women's quality of life through programmes that enable financial inclusion, improve health and well-being, and build education, skills and entrepreneurship.

1. GSMA, 2020.

Mum & Baby, offered in partnership with the Vodafone Foundation, is a zero-rated mobile health service that provides information on maternal, neonatal and child health and well-being. The service has 203 215 subscribers.

3

Workplace equality

As part of our purpose, we are committed to making the world more connected, inclusive and sustainable, where everyone can truly be themselves and belong.

We bring the human touch to our technology to create a better digital future for all, starting with our people. Our diversity and inclusion focus aims to remove barriers to workplace equality by accelerating momentum on gender equality and ensuring our physical and digital workplace is fully accessible.

Driving diversity and inclusion

Vodacom strives for an inclusive, diverse and gender-balanced culture that celebrates differences, maintains an ethnically diverse environment, and ensures accessibility for employees with disabilities. Enabling diversity is critical to achieving these goals sustainably. Doing What's Right training is mandatory for all employees, including executives and senior managers, and covers diversity and inclusion, harassment, and bullying. A hiring freeze within the Group limits our demographic representation and pace of transformation.

VodABILITY is an inclusion network focusing on #UnlimitingPeople through its job shadowing programme. Participants include nine contractors and we aim to employ some permanently. We were recognised for the VodABILITY programme at the Disabilities and Human Rights conference by the Forum of Mozambican Association for Disabled People.



Planet

We are committed to reducing our environmental impact and helping decarbonise society as part of our purpose. Digital technology is key to saving energy, using natural resources more efficiently, and creating a circular economy. Our digital networks and technologies can contribute to mitigating climate change.



1

Responding to climate change

We address the global climate crisis through our efforts to mitigate and address our climaterelated impact and risks.

Vodacom is committed to a low-carbon future and sustainable environmental practices. This requires global, regional and local cooperation, individual actions, and collective responsibility to adapt to the changing climate and to mitigate greenhouse gas emissions to avoid further drastic climate change. Addressing climate change is imperative should we wish to protect the environment, safeguard human health, promote economic stability, achieve social justice, and secure a sustainable future.

The ICT sector is responsible for an estimated 1.8% to 2.8% of global GHG emissions¹. As we move towards a more digital society, with increasing volumes of internet use and mobile data traffic, we are committed to reducing our emissions in absolute terms, in line with what science requires to avoid catastrophic climate change.

1. The real climate and transformative impact of ICT

Cyclone Freddy in Mozambique

In addition to the restoration of our network, working with local authorities, the National Institute for Disaster Management and two civil society organisations, we provided 50 tonnes of humanitarian assistance reaching over 20 000 people. Through M-Pesa, we enabled a zerotransaction 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.

2 Decreasing scope 1 and 2 emissions

Our activities to reduce scope 1 and 2 emissions focus on driving energy efficiency across our mobile and fixed-line networks and phasing out and replacing fossil-fuel based energy sources with renewable energy sources.

Our energy leads coordinate localised energy and decarbonisation strategies in accordance with the Group's energy strategy. We measure our carbon footprint using the GHG Protocol Corporate Accounting and Reporting Standard.



Driving energy efficiencies

Our energy efficiency measures aim to reduce our dependence on fossil-fuel based energy sources, to reduce our GHG emissions which supports global efforts to address climate change, and to reduce costs.

Our primary energy source is grid supplied electricity supplemented with diesel generators, to power our access network of base stations, data centres, buildings (offices and warehouses), and retail stores. Our key energy efficiency focus areas are managing network and building and data centre consumption.

We aim to be ISO 50001 certified in FY2024. Guided by our energy policy, we invest in energy management and energy efficiency projects, which aid our data capture, decision-making and efficiencies.

We launched a tender for power meter installations to calculate power usage effectiveness, detect energy waste and identify energy-saving opportunities. We improved our monthly information-gathering process for refrigerant gases and fire suppression.

We implemented a power usage effectiveness programme at our two primary data centres, installed cold aisle containment, upgraded fluorescent lighting to LED and installed lighting control. We installed lithium batteries at 186 sites and implemented radio energy-saving features at sites, resulting in a saving of 460 980kWh, equivalent to 36.66tCO₂e since April 2022.



Switching to renewables

We aim to achieve a 50% reduction in our scope 1 and 2 carbon emissions by 2025 and aspire to a 100% reduction by 2030. Achieving this sustainably requires switching to renewable sources of grid-supplied electricity, and replacing diesel generators with technology that can operate on alternative, renewable fuel sources.

160 sites are solar powered, of which 95 are rural sites.

We continue testing new approaches and technologies to find sustainable solutions, including developing proof-of-concept mini-grid solutions.

Managing diesel use

The increased necessitated use of diesel impacts our ability to meet our net-zero targets and introduces reputational risk due to the noise and air pollution caused by diesel generators near communities.

Long term, we are seeking alternatives to diesel, including connecting off-grid sites to the grid where possible, fuel cell technology trials and small-scale on-site renewables.

Making solar power accessible and affordable

To reduce the impact of our upstream supply chain emissions, we engage with suppliers in the procurement process on energy efficiency improvements in hardware and software solutions.

Vodacom and M-Pesa partner 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.

PG Read more on **ENGIE** on page 05





Managing scope 3 emissions

Scope 3 emissions are indirect GHG emissions that we cannot control but could influence.

The main sources of our scope 3 emissions are fuel and energy-related activities.

Working with partners to reduce scope 3 emissions

To reduce the impact of our upstream supply chain emissions, we engage with suppliers in the procurement process on energy efficiency improvements in hardware and software solutions.

Enabling customers to reduce their emissions

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.





Driving circularity

Circularity is a key enabler of Vodacom's planet strategy. A circular systems approach considers the full life cycle of a resource and aims to eliminate waste – reducing environmental impact.

We aim to use resources for as long as possible to maximise the return on capital employed and recover and reuse materials responsibly. We seek to manage our impact responsibly and support our customers' efforts.

We reduce e-waste by implementing practices for the reuse, resale or recycling of our network waste, and driving action to reduce device and water waste.



Circularity of network waste

Our resource efficiency and waste disposal management programmes minimise environmental impacts from network and IT equipment waste. When reuse (either through resale or redeployment) options are exhausted, we recycle obsolete equipment responsibly using approved recycling agencies. Network waste is never sent to landfill sites.

We use certified local service providers to dispose of our telecommunication equipment when the useful life is exhausted. Obsolete batteries, classified as hazardous waste, go to a licensed facility for incineration.

Responsible business

Acting ethically, lawfully and with integrity is critical to our long-term success. Responsible business practices support our purpose and enable value creation.

We comply with legal and regulatory standards, and ensure employees, business partners and suppliers conduct themselves appropriately. Training and awareness initiatives ensure adherence to and understanding of the internal codes, policies and programmes that govern behaviour.





1

Doing business ethically

Our commitment to operate responsibly underpins our purpose.

We expect our employees, business partners and suppliers to conduct themselves with integrity. Our ethics programme is led by an independent ethics office. Training and awareness support the programme's related internal and external policies to ensure compliance with best practice, laws and regulations.

We achieve this through:

- Promoting ethical conduct
- Managing disciplinary and grievance processes
- Complying with policies and controls

We released translated versions of our **code** of **conduct** module in Portuguese to ensure everyone in the Group understands our ethics culture.

Speak Up

Click here to report an incident

Speak Up hotline: 980 500 7465

2

Protecting data

Millions of people trust us with their data and maintaining this trust is critical.

We believe that everyone has a right to privacy wherever they live in the world, and our commitment to our customers' privacy goes beyond legal compliance.

We achieve this through:

- Managing data privacy
- Managing cyber security

Our **data privacy programme** ensures that we meet the requirements of various privacy regulations in Mozambique.

We have a dedicated privacy officer, privacy legal counsel and other privacy specialists. We maintain privacy steering committees, combining privacy and security teams and senior management from relevant business functions.

We have implemented Vodafone's **global cyber security baseline.** The baseline is based on ISO 27001/2 standard and includes 48 key security controls, of which 11 super controls are prioritised.



3

Protecting people

We have an overarching opportunity to contribute to advancing the fundamental rights of our customers, employees and communities where we operate.

We are conscious of the risks associated with our operations and we endeavour to mitigate negative impacts, while ensuring we keep people safe.

We achieve this through:

- Managing health and safety
- Masts, mobile phones and towers
- Respecting human rights

We remain focused on physical and mental well-being, with training and services being available including the provision of **employee assistance** and psychological support services.

We have **health and safety consultative committees,** comprised of management and employee representations as well as onsite suppliers.

Our health and safety teams conduct internal inspections. Suppliers are also **audited** by the internal audit team upon our request and independent assessors.

4

Responsible and inclusive procurement

Vodacom encourages suppliers and business partners to adopt sustainable business practices.

We want to ensure safe and fair working conditions, and responsibly manage environmental and social issues across our supply chains.

Our suppliers share our values and strive to meet our mandatory ethical, labour and environmental standards.

Vodacom procurement is executed in accordance with Vodafone's approach and policies:

- Code of ethical purchasing
- Slavery and human trafficking statement

We aim to ensure integrity in our supply chain processes by identifying and managing related risks. Our suppliers share our values and strive to meet our mandatory ethical, labour and environmental standards.

We achieve this through:

- Managing our supply chain
- Supporting local economic development

When new suppliers tender for work, they need to demonstrate policies and procedures that support safe working conditions, diversity in the workplace and which address carbon reduction, renewable energy, plastic reduction, circular economy and product life cycle.



Our people

We are becoming a new generation connectivity and digital services provider for Africa. Our people strategy accelerates this transformation by creating an inclusive environment for growth, where everyone has the opportunity to thrive.

Our people strategy is based on an appropriately skilled and motivated workforce. We aim to provide our employees with the environment and tools they need to succeed in their roles, and to actively engage with them to gain insights to inform our employee experience. We aim to ensure our employees have a positive and motivating working environment. This encompasses our collaborative hybrid working model, benefits, well-being and engagement. Digital tools and systems support these elements.







Living the Spirit of Vodacom

The Spirit of Vodacom (the Spirit) galvanises our culture. It outlines the beliefs we stand for.

The Spirit of Vodacom, centres around four key behaviours, seeks to create a better future for customers, encourage collaboration and enable innovation.

We achieve this through:

- Powering the Spirit journey
- Delivering a digital and personal experience

We participated in the first Africa-wide **employee forum** and had the opportunity to meet Vodafone Group Plc Board's workforce engagement lead, Valerie Gooding.

We were certified as a Top Employer by the Top Employer Institute.



Diversifying talent and developing future ready skills

We focus on developing diverse talent for the future and building future skills.

Our transformation into a new generation connectivity and digital services provider requires new skills and capabilities, such as software engineering, automation and data analysis.

We achieve this through:

- Developing future ready skills
- Managing talent and succession planning
- Developing leaders
- Developing tomorrow's talent

We **support employees** to learn on the job by taking part in work shadowing or taking on extra projects, with time allocated for these agreed with the employee's manager. Projects can be based outside of Mozambique, providing it is in accordance with the International Mobility Policy. The #1MoreSkill programme accelerated and expanded across Vodacom through an increased focus on aligning budget spend, vendor optimisation and skills training for all.

Post-training feedback is evaluated by our learning and development leads and associated corrective actions are implemented where necessary.

Our people continued





Our employee value proposition

As part of our employee experience, we ensure pay and benefits are competitive and fair, and attract, retain and develop future talent.

Our reward approach demonstrates the Spirit behaviours to encourage collective performance, strategy execution and increase focus on recognition.

We achieve this through:

- Our employee value proposition
- Delivering fair and responsible pay
- Providing an enabling workplace
- Supporting well-being
- Promoting skills development opportunities

We conduct an annual fair pay analysis to identify and address any pay discrepancies, to implement remedial action.

We offer risk benefits to employees, including life and disability cover.

Employees participate in the government-run social security fund as required by legislation.

