

Vodacom Group Limited

(Incorporated in the Republic of South Africa)
(Registration number 1993/005461/06)
(ISIN: ZAE000132577 Share code: VOD)
(ISIN: US92858D2009 ADR code: VDMCY)
("Vodacom" or "the Company")

Notice is hereby given that the twenty-third annual general meeting of the Company will be held on Tuesday 17 July 2018, at Vodacom World, 082 Vodacom Boulevard, Midrand, Johannesburg, South Africa at 10:00 to conduct the following business:

1. Adoption of the audited consolidated annual financial statements

To receive and consider the audited consolidated annual financial statements for the year ended 31 March 2018.

Ordinary resolution number 1

"RESOLVED THAT the audited consolidated annual financial statements of the Company and its subsidiaries, together with the auditors', Audit, Risk and Compliance Committee and directors' reports for the year ended 31 March 2018, be and are hereby received and adopted."

Copies of the full audited consolidated annual financial statements for the year ended 31 March 2018 are obtainable from the Company's website www.vodacom.com.

2. Election of directors

To elect by way of separate resolutions:

- 2.1 Mr SJ Macozoma as a director, having been appointed since the last annual general meeting of the Company is in accordance with the provisions of the Company's memorandum of incorporation, obliged to retire at this annual general meeting.

Ordinary resolution number 2

"RESOLVED THAT Mr SJ Macozoma be and is hereby elected as a director of the Company."

- 2.2 Ms BP Mabelane and Messrs DH Brown and M Joseph are obliged to retire by rotation at this annual general meeting in accordance with the provisions of the Company's memorandum of incorporation. Having so retired, Ms Mabelane and Messrs Brown and Joseph are eligible for re-election as directors. .

Ordinary resolution number 3

"RESOLVED THAT Ms BP Mabelane be and is hereby re-elected as a director of the Company."

Ordinary resolution number 4

"RESOLVED THAT Mr DH Brown be and is hereby re-elected as a director of the Company."

Ordinary resolution number 5

"RESOLVED THAT Mr M Joseph be and is hereby re-elected as a director of the Company."

The profiles of the directors up for re-election appear in this notice of annual general meeting:

Sakumzi (Saki) Justice Macozoma (60)

Lead independent non-executive director

Chairman of the Social and Ethics Committee

Member of the Audit, Risk and Compliance Committee

(BA from the University of South Africa (Unisa))

Mr Sakumzi (Saki) Macozoma is a prominent businessman in South Africa. He is the chairman of Safika Holdings and Tshipi é Ntle and Ntsimbintle Mining and a director at Volkswagen South Africa. Saki was a former chairman of Liberty Life Holdings and deputy chairman of the Standard Bank Group. He is the past president of Business Leadership South Africa. Saki was a former managing director of Transnet, former chairman of the MTN Group and the Parliamentary Portfolio Committee for Communications. In 2012, he was recognised for his work in civil society where Unisa bestowed on him the Calabash award for his fight against oppression during the apartheid regime. The Calabash award is one of the highest honours that could be bestowed on an individual by Unisa. Saki was appointed to the Vodacom Group Board in July 2017.

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Bafelelang Priscillah Mabelane (45)**Independent non-executive director****Member of the Audit, Risk and Compliance Committee and considered as a financial expert for purposes of this committee***(BCom (Hons), CA(SA), Dip in Tax)*

Priscillah Mabelane is currently the CEO of BP Southern Africa (BPSA) a position she has held since September 2017. She most recently served as UK retail operations director for BP. Prior to this she was the chief financial officer of BPSA. Prior to joining BPSA, Priscillah was the executive director of finance at the Airports Company of South Africa (ACSA). She has held senior management roles in a number of large companies. These include Ernst & Young where she was a tax director, Eskom Holdings Limited where she held various roles in finance, tax and general management. She also served as a non-executive director at ACSA. Priscillah was appointed to the Vodacom Group Board in December 2014.

David Hugh Brown (55)**Independent non-executive director****Chairman of the Audit, Risk and Compliance Committee and considered as a financial expert for purposes of this committee and a member of the Remuneration Committee***BCom, CTA (UCT), CA(SA)*

David was appointed as CEO of MC Mining Limited (previously Coal of Africa) effective from February 2014. He was previously the non-executive chairman from August 2012 and then the executive chairman. He is also currently a non-executive director of the Northam Platinum Limited board, as well as chairman of the Investment Committee and member of the Audit and Risk Committee. David has served as a member of the Accenture South Africa advisory board since 2012. He is a former non-executive director of Edcon Holdings Limited, as well as the former chairman of the Edcon Audit and Risk Committee. He is the former CEO of Impala Platinum Holdings Limited (Implats) and was chairman of Impala Platinum Limited and Zimplats Holdings Limited, the two major operating subsidiaries within the Implats Group. David was CEO from 2006 to 2012 and before that, he served as chief financial officer from 1999. Prior to that, David worked in the Information Technology sector for four years and for the Exxon Mobil Corporation in Europe for five years. He served his articles with EY. David was appointed to the Vodacom Group Board in January 2012.

Michael Joseph (72)**Non-executive director***BSc (UCT), Member of the Institute of Electrical Engineering and Electronic Engineers, Honorary Doctorate Letters from Africa Nazarene University*

Michael Joseph is currently chairman of Kenya Airways, a position he has held since October 2016. He is also a non-executive director on the boards of Vodacom Mozambique, MFS Africa and Safaricom Public Limited Company. Michael was most recently (October 2017) employed by Vodafone Group Services Limited as the director of mobile money and was responsible for leading the strategic growth and development of the successful M-Pesa proposition across the Vodafone footprint. Michael was one of the first World Bank Fellows, appointed in March 2011 to advise governments, regulators and other institutions on mobile money and other ICT initiatives. Michael's most recent appointment in April 2017 is non-executive director of MFS Africa, a leading Pan-African Fintech company. Previously, Michael was the founding CEO of Safaricom Public Limited Company, steering the company from a subscriber base of less than 18 000 in 2000 to over 17 million subscribers at his retirement in November 2010, making it the most successful company in East Africa. This phenomenal growth straddling nearly a decade was notable for the launch of many innovative products and services and he was behind the launch of the highly successful launch and phenomenal growth of M-Pesa and its related services. He has extensive international experience in company start-ups, the implementation and operation of large wireless and wire-line networks. He is also a keen conservationist and serves as chairman of Lewa Wildlife Conservancy, a leading conservancy in Northern Kenya. He was appointed to the Vodacom Group Board in May 2009.

3. Appointment of PricewaterhouseCoopers Inc. as auditors of the Company

To appoint PricewaterhouseCoopers Inc., as nominated by the Company's Audit, Risk and Compliance Committee, as independent auditors of the Company, to hold office until the conclusion of the next annual general meeting of the Company. It is noted that the individual registered auditor who will undertake the audit during the financial year ending 31 March 2019 is Mr D von Hoesslin.

Ordinary resolution number 6

"RESOLVED THAT PricewaterhouseCoopers Inc. be and are hereby appointed as the auditors of the Company to hold office until the conclusion of the next annual general meeting."

4. Approval of the remuneration policy

To consider and approve the remuneration policy as contained in the Remuneration report for the year ended 31 March 2018 as set on pages 66 to 77 of the Integrated report.

Ordinary resolution number 7

"RESOLVED THAT the remuneration policy for the year ended 31 March 2018 be and is hereby approved."

Shareholders are reminded that in terms of King IV, the passing of this ordinary resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this ordinary resolution, Vodacom undertakes to engage with shareholders as to the reasons therefor.

5. Implementation of the remuneration policy

To consider and approve the implementation of the remuneration policy, details of which are set out in the Remuneration report for the year ended 31 March 2018, set out on pages 66 to 77 of the Integrated report.

Ordinary resolution number 8

"RESOLVED THAT the implementation of the remuneration policy for the year ended 31 March 2018 be and is hereby approved."

Shareholders are reminded that in terms of King IV, the passing of this ordinary resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this ordinary resolution, Vodacom undertakes to engage with shareholders as to the reasons therefor.

6. Appointment of the members of the Audit, Risk and Compliance Committee

To elect, by way of separate resolutions, the following independent non-executive directors, as members of the Company's Audit, Risk and Compliance Committee:

Ordinary resolution number 9

"RESOLVED THAT Mr DH Brown be and is hereby re-elected as a member of the Company's Audit and Risk and Compliance Committee."

Ordinary resolution number 10

"RESOLVED THAT Mr SJ Macozoma be and is hereby elected as a member of the Company's Audit, Risk and Compliance Committee."

Ordinary resolution number 11

"RESOLVED THAT Ms BP Mabelane be and is hereby re-elected as a member of the Company's Audit, Risk and Compliance Committee."

The profiles of the directors up for membership appear in this notice of annual general meeting:

7. Special business

7.1 General authority to repurchase shares in the Company

Special resolution number 1

"RESOLVED THAT the Company, or any of its subsidiaries, be and they are hereby authorised, by way of a general authority, to acquire ordinary shares in the Company, subject to the provisions of the Companies Act, No 71 of 2008, as amended (the Act), and the Listings Requirements of the JSE Limited ('the JSE'), provided that:

- (a) the general authority in issue shall be valid only until the Company's next annual general meeting and shall not extend beyond 15 (fifteen) months from the date of this resolution;
- (b) any general repurchase by the Company and/or any of its subsidiaries of the Company's ordinary shares in issue shall not in aggregate in one financial year exceed 5% (five percent) of the Company's issued ordinary share capital at the time that the authority is granted;
- (c) no acquisition may be made at a price more than 10% (ten percent) above the weighted average of the market price of the ordinary shares for 5 (five) business days immediately preceding the date of such acquisition;
- (d) the repurchase of the ordinary shares are effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);

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- (e) the Company may only appoint one agent at any point in time to effect any repurchase(s) on the Company's behalf;
- (f) the authorisation thereto is given by the Company's memorandum of incorporation;
- (g) the Company or its subsidiary may not repurchase ordinary shares during a prohibited period unless it has in place a repurchase programme where the dates and quantities of securities traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently and uninfluenced by the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE ;
- (h) the general authority may be varied or revoked by special resolution of the members prior to the next annual general meeting of the Company; and
- (i) should the Company or any subsidiary cumulatively repurchase, redeem or cancel 3% (three percent) of the initial number of the Company's ordinary shares in terms of this general authority and for each 3% (three percent) in aggregate of the initial number of that class thereafter in terms of this general authority, an announcement shall be made in terms of the Listings Requirements of the JSE."

Having considered the effect on the Company of the maximum repurchase under this annual general authority, the directors are of the opinion that:

- ▶ the Company shall meet a solvency and liquidity test as contemplated in the Act;
- ▶ the Company and the Group will be able to pay its debts for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- ▶ the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 (twelve) months after the date of this notice of annual general meeting which assets and liabilities have been valued in accordance with the accounting policies used in the audited consolidated annual financial statements of the Group for the year ended 31 March 2018;
- ▶ the share capital and reserves of the Company and the Group will be adequate for the ordinary course of business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting; and
- ▶ the working capital of the Company and Group are considered adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting.

Reason for and effect of special resolution number 1

The reason for the special resolution is to grant the Company a general authority or permit a subsidiary Company to acquire ordinary shares in the Company. The effect of this special resolution is to confer a general authority on the Company or a subsidiary to repurchase ordinary shares in the Company which are in issue from time to time.

The Board has considered the impact of a repurchase of up to 5% (five percent) of the Company's shares, being within the maximum permissible under a general authority in terms of the JSE Listings Requirements. Should the opportunity arise and should the directors deem it in all respects to be advantageous to the Company to repurchase such shares, it is deemed appropriate that the Company or a subsidiary be authorised to repurchase the Company's shares. Any shares that may be repurchased for the time being shall be in connection with awards made in the normal course in respect of the Company's Forfeitable Share Plan. During the 2018 financial year, the Company acquired 2 108 969 shares in the market for purposes of awards of the Forfeitable Share Plan.

Disclosure in terms of section 11.26 of the JSE Listings Requirements

The JSE Listings Requirements require the following disclosures, which are disclosed in the audited consolidated annual financial statements and this Integrated report as set out below:

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Major shareholders	78

Share capital

Authorised

4 000 000 000 ordinary shares of no par value

Issued

1 721 413 781 ordinary shares of no par value

Directors' responsibility statement

The directors, whose names appear on page 54 collectively and individually accept full responsibility for the accuracy of the information pertained to this special resolution and certify to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and this special resolution contains all the information required by the JSE Listings Requirements.

Material change

There has been no material change in the affairs of or financial position of the Company and its subsidiaries since year end.

7.2 Increase in non-executive directors' fees

Special resolution number 2

"RESOLVED THAT the level of non-executive directors' fees be increased by 5.5% with effect from 1 August 2018 on the basis set out as follows:

	Current fee R	Proposed fee R	Increase %
Chairman of the Board ¹	2 600 000	2 743 000	5.5
Lead independent directors	585 000	617 175	5.5
Member of the Board	450 000	474 750	5.5
Chairman of the Audit, Risk and Compliance Committee	322 000	339 710	5.5
Member of the Audit, Risk and Compliance Committee	184 000	194 120	5.5
Chairman of the Remuneration Committee	245 000	258 475	5.5
Member of the Remuneration Committee	140 000	147 700	5.5
Chairman of the Nomination Committee	210 000	221 550	5.5
Member of the Nomination Committee	120 000	126 600	5.5

Annual fees for all other committees such as the Social and Ethics Committee and any ad hoc committee shall be as follows:

Chairman	221 550
Member	126 600

1. This is an all in fee. The Chairman does not earn any other fees other than this despite being the Chairman of the Nomination Committee and member of the Social and Ethics Committee.

Ad hoc committees may be set up from time to time to deal with special items requiring attention by the Board. Instead of convening a full Board meeting, these ad hoc committees then meet to review the matter concerned.

Reason for and effect of special resolution number 2

The reason for proposing special resolution number 2 is to ensure that the level of fees paid to non-executive directors remain competitive to enable the Company to attract and retain persons of the calibre required in order to make a meaningful contribution to the Company, having regard to the appropriate capability, skills and experience required.

The effect of special resolution number 2 is the level of fees as set out above is increased with effect from 1 August 2018.

Record date

The record date for shareholders to be registered in the books of the Company for purposes of being entitled to attend, speak and vote at the twenty-third annual general meeting is Friday 6 July 2018.

In accordance with the Act, shareholders attending the annual general meeting will need to present reasonable satisfactory identification such as an identity book, passport or drivers' licence.

Participation by way of electronic means

Shareholders or their proxies may participate in the annual general meeting by way of electronic means. Such shareholder (or proxy) will need to contact Mr Lebogang Ngcobo at Vodacom on +27 11 653 5922 by no later than 09:00 on Friday 13 July 2018 so that the Company can provide for a teleconference dial-in-facility. Shareholders must ensure that, when such shareholder intends to participate via teleconference that the voting proxies are sent through to the transfer secretaries Computershare Investor Services (Proprietary) Limited by no later than 10:00 on Monday 16 July 2018. Participants must dial the following number, five (5) minutes prior to start of the annual general meeting +27 11 535 3600.

Notice of annual general meeting | continued**Voting and proxies**

Ordinary shareholders are entitled to attend, speak and vote at the annual general meeting.

Ordinary shareholders may appoint a proxy to attend, speak and vote in their stead. A proxy need not be a shareholder of the Company.

In accordance with the Company's memorandum of incorporation, voting shall be by ballot only.

Special resolutions to be adopted at this annual general meeting require approval from 75% of the shares represented in person or by proxy at this meeting. Ordinary resolutions to be adopted only require approval of a simple majority.

Shareholders holding dematerialised shares, but not in their own name must furnish their Central Securities Depository Participant ("CSDP") or broker with their instructions for voting at the annual general meeting. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in accordance with your mandate furnished to it, or if the mandate is silent in this regard, complete the form of proxy enclosed.

Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker by the cut off time stipulated therein, that you wish to attend the annual general meeting or send a proxy to represent you at this annual general meeting, your CSDP or broker will assume that you do not wish to attend the annual general meeting or send a proxy.

If you wish to attend the annual general meeting or send a proxy, you must request your CSDP or broker to issue the necessary letter of authority to you. Shareholders holding dematerialised shares, and who are unable to attend the annual general meeting and wish to be represented thereat, must complete the form of proxy enclosed in accordance with the instructions therein and lodge it with or mail to the transfer secretaries.

It is recommended that forms of proxy (which form may be found enclosed) should be forwarded to reach the transfer secretaries, Computershare Investor Services (Proprietary) Limited by no later than 10:00 on Monday 16 July 2018.

The completion of a form of proxy does not preclude any shareholder attending the annual general meeting.

By order of the Board



Sandi Linford

Group Company Secretary

15 June 2018
