Vodacom Lesotho

Environmental, Social and Governance Snapshot

For the year ended 31 March 2025

Further together

Our **ESG framework** and report contents

Vodacom is a leading and purpose-driven African connectivity, digital and fintech operator. Our mobile networks cover more than 574 million people[1]. The Group serves 211.3 million[1] customers across consumer and enterprise segments in Africa with 1.6 million in Lesotho.

Environmental, social and governance disclosures

This environmental, social and governance (ESG) snapshot provides an overview of Vodacom's ESG governance, framework, approach and impact for a wide range of stakeholders.

ESG	Read more about our detailed **ESG approach and performance** in the Vodacom Group ESG report.
IR	Read more about our **strategy, context and capitals performance** in the Vodacom Group integrated report.
GOV	Read more about our **governance principles and practices** in the Vodacom Group corporate governance report.

Customers (million)

1	South Africa	**46.0**
2	Egypt	**48.3**
3	Tanzania	**22.6**
4	DRC	**23.4**
5	Mozambique	**12.5**
7	Kenya	**48.2**
8	Ethiopia	**8.8**

1.6 million Customers in Lesotho

Our ESG Framework

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

At Vodacom, ESG is not a distinct strategy or set of activities, but an integral part of the Group's purpose, business model and daily operations. Our purpose – which focuses on empowering people, protecting the planet and maintaining trust – serves as our ESG framework, directing how we embrace ESG-related opportunities and manage ESG risks. We set ESG goals linked to our purpose ambitions, demonstrating tangible value and building stakeholder trust.

Transparency and measurement

Transparency is essential to our ESG approach. In our disclosures, we consider stakeholder expectations and developing ESG regulations and standards. We track our progress through ESG ratings, reputation measures and stakeholder feedback to ensure accountability and provide comprehensive disclosure to demonstrate meaningful impact.

Connecting for a better future
We enable an inclusive, sustainable and trusted digital society where individuals and businesses can thrive

Empowering people · Protecting the planet · Maintaining trust

Our approach to ESG disclosures, governance, accountability and purpose interlock

FY2025 in review **2** · Our approach to ESG **3** · Leadership reflections on ESG **4** · Committed to Lesotho **5**

Our impact and performance against our ESG framework and purpose

Empowering people

We aim to close the digital divide and help people benefit from digitalisation.

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Empowering our customers	8
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Protecting the planet

We want to help protect the planet and enable our customers to do the same.

Responding to climate change	15
Delivering net zero operations (scope 1 and 2 GHG emissions)	16
Managing scope 3 GHG emissions	18
Driving circularity	19
Supporting biodiversity	20

Maintaining trust

We aim to maintain and enhance trust through responsible business practices.

Doing business ethically	22
Developing our employees	23
Protecting privacy and data	24
Protecting people	25
Promoting responsible and inclusive procurement	25

FY2025 in review

Empowering people

350 4G sites

884 000 smartphones on our network

2 493 devices sold through smartphone finance

54% Just4You usage

855 177 financial inclusion customers

LSL13.6 million invested in communities through Vodacom Foundation and other contributions

Protecting the planet

Marked **World Environment Day** with a radio and social media awareness campaign on limiting plastic and e-waste

Solar power at our head office is fully operational, with annual generation of **123 968kWh**

Matched **100%** of purchased grid electricity with renewable sources

60% of access sites are now equipped with **210 smart meters**

Held a **stakeholder roundtable and farmers' forum** on land sourcing, seedling production and agricultural training that encouraged farmers to partner on the tree planting initiative

Maintaining trust

Certified **Top Employer** by the Top Employer institute for the sixth consecutive year

100% of employees completed Doing What's Right training (data privacy, cyber security, code of conduct, anti-bribery and corruption, and health and safety)

Zero fatalities

Conducted a customer-focused outreach programme called **Market Storms**

Zero privacy fines

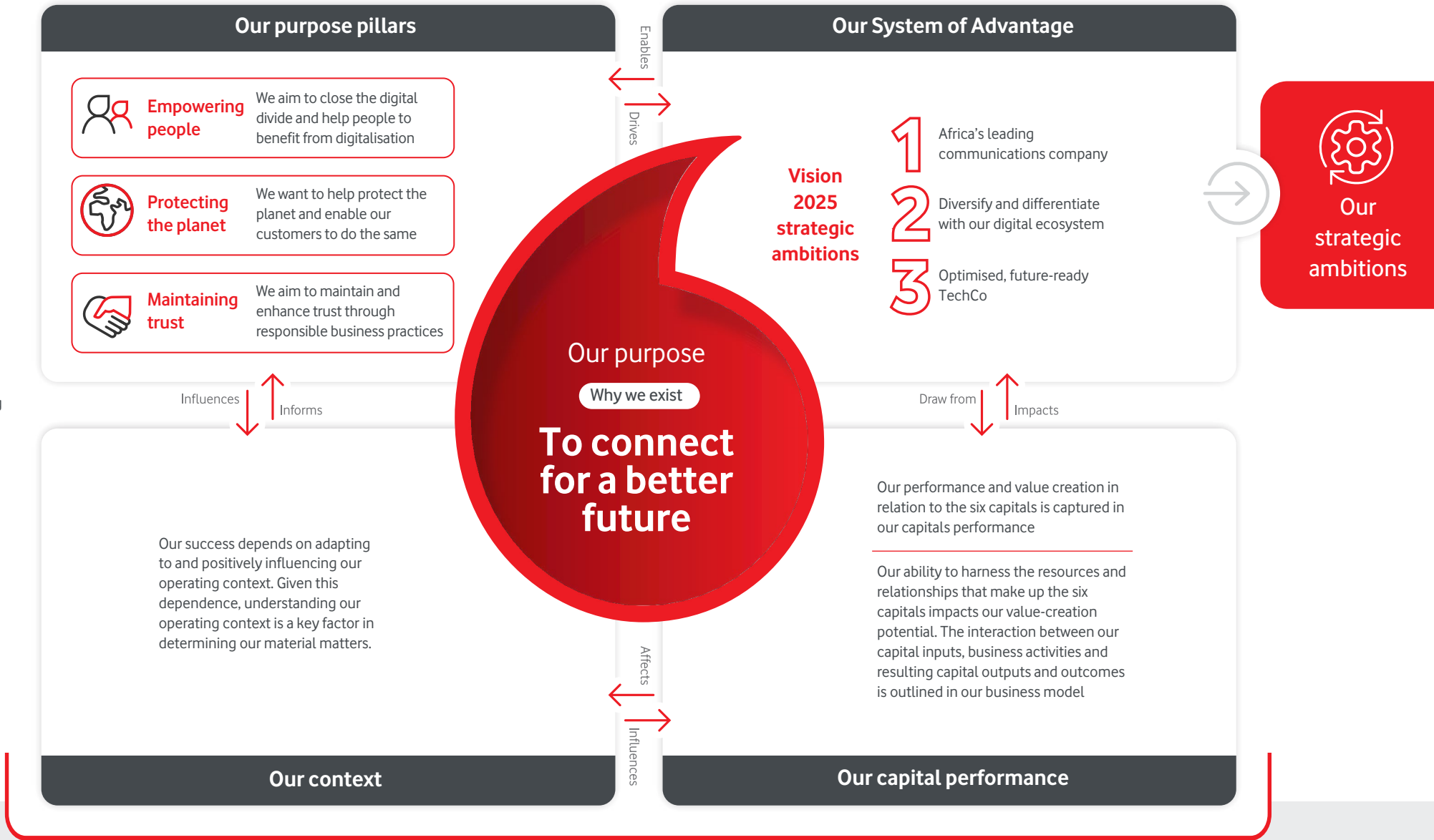**Zero** cyber security critical incidents

2

Our approach to **ESG**

Our purpose – connecting for a better future – means using our products and services to enable individuals and enterprises to thrive. Our powerful, multi-product strategy – the system of advantage – enables us to deliver our targets across two purpose pillars.By delivering against our purpose, we aim to produce profitable solutions to challenges faced by society and the planet, and to identify and avoid those that have negative impacts. We strive to minimise the negative environmental impacts arising from our operations and seek 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.

Our purpose pillars

Empowering people
We aim to close the digital divide and help people to benefit from digitalisation

Protecting the planet
We want to help protect the planet and enable our customers to do the same

Maintaining trust
We aim to maintain and enhance trust through responsible business practices

Enables

Drives

Our System of Advantage

Vision 2025 strategic ambitions

1 Africa's leading communications company

2 Diversify and differentiate with our digital ecosystem

3 Optimised, future-ready TechCo

Our purpose

Why we exist

To connect for a better future

Influences

Informs

Draw from

Impacts

Affects

Influences

Our success depends on adapting to and positively influencing our operating context. Given this dependence, understanding our operating context is a key factor in determining our material matters.

Our performance and value creation in relation to the six capitals is captured in our capitals performance

Our ability to harness the resources and relationships that make up the six capitals impacts our value-creation potential. The interaction between our capital inputs, business activities and resulting capital outputs and outcomes is outlined in our business model

Our context

Our capital performance

Governance oversight and responsible business practices

Sound governance and acting ethically, lawfully and with integrity form a critical part of sustainable value creation and our long-term success

ESG Read more about our detailed **ESG approach and performance** in the Vodacom Group ESG report

IR Read more about our **strategy, context and capitals performance** in the Vodacom Group integrated report

GOV Read more about our **governance principles and practices** in the Vodacom Group corporate governance report

Our strategic ambitions

A message from the **CEO**

Our achievements thrust us to the centre of our country's economic modernisation plans, which rely on digitisation.

In 2024, Lesotho proudly celebrated 200 years of its founding as a nation. I take this opportunity to remind you that our founding father, King Moshoeshoe, united our diverse people into one nation from splinters of disparate clans re le chabana sa khomo (people of the cow). This sacred unity has been undermined by sparse settlements around the mountains, the hills, gorges, ravines, rivers and rivulets, making communications and social organisation a challenge.

For the next 200 years, we see communication as a key pillar for our nation to connect chief and subject, doctor and patient, parent and child, teacher and learner, shopkeeper and customer, voter and politician, and farmer and harvester.

Compliance is central to our organisation and will stimulate growth. We champion compliance as a building block to King Moshoeshoe's ethical leadership style. In addition to respect, humility and loyalty, we promote a compliance culture among key sectors of society, including the media, law enforcement, legal fraternity, parliament and civil service. We recognise that little can be achieved in managing our affairs if we do not conduct our business the right way and in service of society.

We cannot grow if vandals damage our infrastructure and do not face consequences. Achieving smart cities and other ambitions may be mothballed if our financial systems remain fraught with corruption and mismanagement.

On the social front, we are steadfast in our commitment to keeping women at the top of our agenda, with strides in gender protection. Our partnership with the United Nations to provide shelter to gender based violence (GBV) victims is bearing fruit, with the development of a multi-purpose centre (MPC) to provide skills, rights, competencies and awareness, and other initiatives that seek to promote the well-being of GBV victims. These measures should raise the status of women to Moshoeshoe's era, when our mothers were respected as the matriarchs who solidified family and community bonds. As gender roles evolve, the core construct of equity must be respected and our culture and rules of engagement tested to ensure they do not hinder meritocracy and equal participation in driving societal progress.

We maintain our social contract with the most vulnerable among us and extend it to our planet. We are proactive in fast-tracking modern digitalised agricultural practices to increase land efficiency towards improving yield ratios to address food insecurity. We are determined to achieve this against the backdrop of severe climate change-induced weather, including heavy snowfall, aggressive thunderstorms, heavy floods and intense heatwaves leading to stifling droughts. We expect our efforts to return our country to where it was 200 years ago, when Lesotho was known as the granary of southern Africa.

As we engineer society's resilience against the ravages of global politics, climate change and recession, we are privileged to have become the trusted partner in distributing the government's hunger relief fund and old-age pensions. These achievements thrust us to the centre of our country's economic modernisation plans, which rely on digitisation. Our high mobile penetration and financial inclusion rates through M-Pesa are testimony to this. Our device financing offering through Mohala Ka Mokitlane, will ensure that we continue to deepen digitalisation as more people will enjoy 4G and 5G devices.

We owe our achievements and progress to our dedicated management team and employees, who, with the support of our board and shareholders, have maintained our success in the Top Employer awards. In a climate of extreme pressure on resources, company growth and success will continue to thrive on dedication and commitment. We salute our employees for maintaining our impact and thank our customers for the opportunity to serve and enable their life journeys.

My final hope is that the next 200 years be as inspired as the founding act, eclipse the achievements of the past as Basotho take their inspired place among the people of the world.

Pele le ho feta 'moho (Further Together).

Mohale Ralebitso

Committed to **Lesotho**

Vodacom is Lesotho's leading telecommunications company with the largest market share, providing a wide range of products and services, including data, mobile and fixed voice, messaging, financial services, enterprise IT and converged services to over 1.6 million customers.
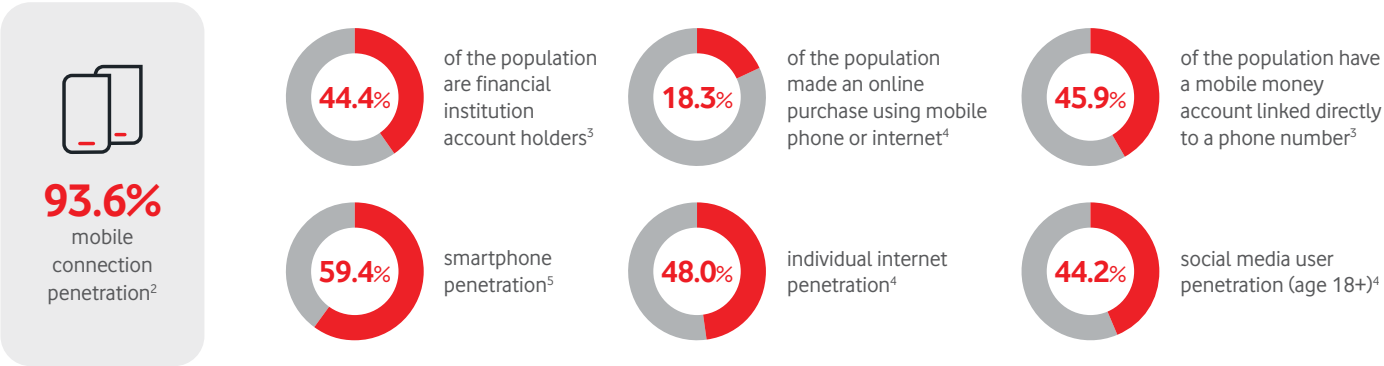
Vodacom Lesotho began operating in 1996 with the Lesotho government as a shareholder through its stake in Lesotho Telecommunications Corporation.

Vodacom Group has an 80% holding in Vodacom Lesotho and its subsidiaries. The remaining 20% is held by local shareholders under the Group Sekhametsi Consortium, made up of Basotho individuals and community groups.

We are committed to providing solutions that contribute towards Lesotho's key national development priorities, which include manufacturing, agriculture, tourism and technological innovation.

Population[1]

2.4 million   2030 2.5 million

Nominal GDP per capital[1]

US$1 065   2030 US$1 565

Lesotho's digital profile

93.6% mobile connection penetration[2]

44.4% of the population are financial institution account holders[3]

18.3% of the population made an online purchase using mobile phone or internet[4]

45.9% of the population have a mobile money account linked directly to a phone number[3]

59.4% smartphone penetration[5]

48.0% individual internet penetration[4]

44.2% social media user penetration (age 18+)[4]

1. UN, BMI.
2. GSMA, 2025.
3. DataReportal, 2023.
4. DataReportal, 2025.
5. GSMA Intelligence.

Empowering people

Vodacom seeks to ensure no one is left behind. We believe in the power of connectivity and digital services to strengthen economic resilience.

Mobile technology provides billions of people with their primary means of communication, access to the internet and many life-enhancing services such as education, healthcare, economic participation and financial services.

Across Africa, digital inclusion is hindered by limited access to reliable digital infrastructure in rural and underserved areas and the high costs of connectivity and devices. The digital divide remains a significant barrier, with unequal access to education, employment and communication. Many communities lack the tools, platforms, and programmes needed to fully participate in the digital economy, while insufficient access to high-quality connectivity limits access to essential services like healthcare, education and modern communication, impacting overall quality of life.

Our focus areas at a glance

Contributing to the Sustainable Development Goals (SDGs)

We contribute to the SDGs by driving financial inclusion, rural connectivity, and advancing gender equality. We also support sustainable agriculture and inclusive care and promote healthcare and education access.

🌐 Read more about our contribution to the SDGs

1 Closing the digital divide

We invest in network infrastructure to deliver high-quality coverage and services for individuals and communities. We expand our network to rural locations and support access through affordable connectivity, devices and platforms.

98%
4G coverage

73%
smartphone penetration

54% Just4You usage
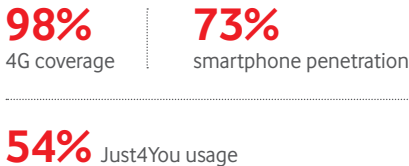
2 Empowering our customers

We provide products and services to address financial inclusion and enhance productivity and efficiency within SMEs, large enterprises and the public sector, considering the broader impact these solutions can have on individuals, communities and the planet.

8 390
emergency calls on m-mama

855 177
M-pesa customers

LSL113.6 million
in Airtime Advance was extended to
1.0 million customers
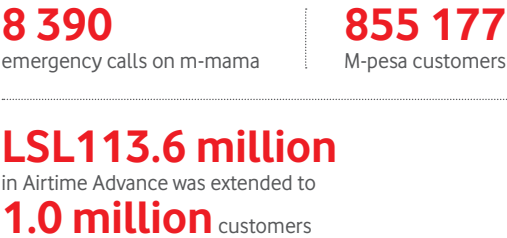
3 Supporting communities

We provide products and services to address specific societal challenges such as access to education, the empowerment of people with disabilities, and gender-based violence.

1 440
people served through the insight centre

276
routers donated to early childhood development centres

LSL 23.1 million
invested in communities through Vodacom Foundation and other contributions

Key developments

- The mobile termination rate came into effect in 2025
- The withdrawal of US-backed funding is expected to significantly impact the health sector, while tariff changes may affect employment in the textile and diamond mining industries. Long-term consequences remain uncertain and are being closely monitored.

Lowlights

- The implementation of a digital health initiative has experienced delays to external funding and Mum & Baby has been suspended due to supplier-related challenges, with efforts underway to resolve and resume progress
- Code Like a Girl was paused due to a change in implementation partners

Looking ahead

- We will strengthen network resilience through ongoing infrastructure upgrades to minimise service disruptions and increase coverage through the Government of Lesotho's Universal Service Fund-funded base stations and fibre-to-the-home expansion
- We will advance digital inclusion through planned school connectivity projects, computer labs and an information and communications (ICT) training hub for teachers aligned with national goals

1 Closing the digital divide

Mobile connectivity is a key driver of transformation and socioeconomic growth in Africa, creating jobs within the mobile industry and across other sectors.

However, despite growing demand, a significant usage gap persists due to network coverage, device affordability and digital skills gaps. Investment in the sector is crucial to reduce Africa's digital divide. We connect people, enterprises and communities, creating digital societies by continuously developing our fixed and mobile network, relevant platforms and services, and supporting innovative, impactful projects and programmes.

We achieve this through

1.1 Pursuing ubiquitous coverage

1.2 Increasing smartphone ownership

1.3 Addressing digital gaps

1.1 Pursuing ubiquitous coverage

In Africa, 57% of urban dwellers used the internet in 2024, compared to 23% in rural areas – significantly below global averages[1]. Expanding rural networks can often be more challenging and offer a lower return on investment due to lower population densities. New approaches, partnerships, targeted investment and a blend of technologies will help us overcome some of these barriers and deliver universal coverage.

A **cell tower,** funded by the Government of Lesotho's Universal Service Fund through the African Development Bank and operated by Vodacom Lesotho, was inaugurated at Ha Tšepe in Leribe. The cell tower will enhance connectivity in several areas, offering upgraded network coverage and signal stability. Equipped with cutting-edge technology and powered by solar energy, it is designed to endure extreme weather conditions, ensuring reliable service for users.

We partnered with Huawei to address network outages and plan for future connectivity scenarios in Lesotho.

1. ITU, 2024. Measuring digital development: Facts and Figures 2024.

Network penetration

2G	**97%**
3G	**98%**
4G	**98%**

We have **262** rural connectivity sites

We expanded our **5G network** to cover much of Maseru's Central Business District and selected shopping centres and residential areas

We have **13** 5G sites
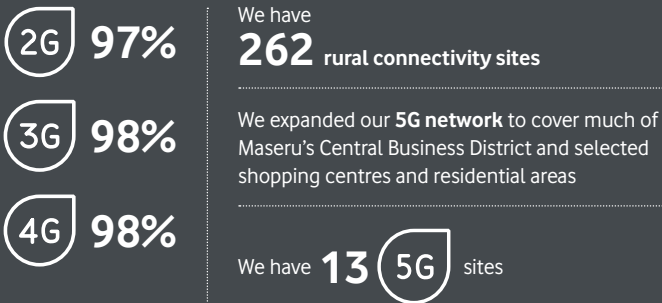
1.2 Increasing smartphone ownership

Affordability remains a stumbling block to internet access and use in Africa, even though most people without mobile internet live in areas covered by broadband. Sub-Saharan Africa continues to have the largest coverage usage gaps[2]. To bridge this gap, we offer affordable entry-level smartphones and considered financial solutions, making device ownership more accessible and fostering greater digital inclusion.

Despite high smartphone penetration in Lesotho, many devices are outdated. To address this, Vodacom launched a device financing programme called **Mohala ka Mokitlane**. In partnership with Air Vantage and Onfon, this initiative aims to provide affordable smartphones and increase digital access. The programme offers devices with a 30% deposit and monthly payments over three to 12 months.

2 794 devices financed

We introduced several 4G models to accelerate smartphone penetration.

Model	Number sold
Kicka 5+ and 6+	18 033
Sechocha Ultra	13 236
Azumi	2 602

1.3 Addressing digital gaps

Access to mobile connectivity is persistently unequal. Women, people with disabilities and those within low-income, rural and underserved communities are less likely to own mobile phones and access financial and other services. Adults in rural areas of low and middle-income countries are 28% less likely to use mobile internet compared to those in urban areas[3].

Reducing the cost of data

We have initiatives to reduce the cost of data, make our pricing affordable and increase bundle validity to support users, including youth and low-income households.

Just4You provides personalised voice, SMS and data-based offers based on a customer's usage patterns.
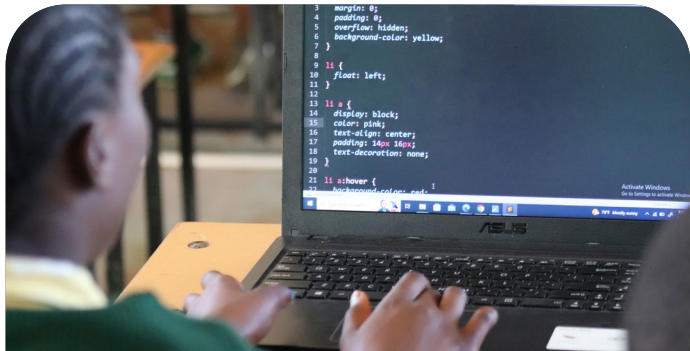
Just4You usage
54%

Bringing digital to and empowering more women

We use mobile technologies to enhance women's quality of life through programmes that enable financial inclusion, improve health and well-being, provide education, and skills development.

Through our partnership with the Association of Women Farmers Lesotho and Caritas Lesotho, we teach **sound financial practices to unbanked communities** across the country and help community stokvels in rural areas manage their money effectively.

We conducted a workshop on **digital skills** for women with visual impairments.

2. GSMA, 2024. The Mobile Economy Sub-Saharan Africa 2024.
3. GSMA, 2024. The State of Mobile Internet Connectivity Report.

2 Empowering our customers

Access to financial services, digital tools and efficient systems remains a critical challenge for many individuals, businesses and governments, particularly in underserved regions. These gaps hinder economic participation, SME growth and organisational efficiency – limiting societies' progress[1]. Recognising this, we deliver innovative digital solutions and provide connectivity and platforms to drive impact at scale. Through proactive partnerships and a commitment to overcoming barriers, we empower our customers to thrive in an increasingly connected and digitised world.

We achieve this through

2.1 Delivering platforms for financial inclusion

2.2 Supporting SMEs to thrive in a digital world

2.3 Digitalising larger organisations and critical sectors

1. World Bank, 2023. Highlighting how financial inclusion reduces poverty and inequality while enabling economic growth.

2.1 Delivering platforms for financial inclusion

Mobile money is a key driver of financial inclusion, transforming access into essential financial services for millions in underserved regions[2]. Africa accounts for 49% (856 million) of the 1.75 billion registered global mobile money accounts, and processed US$919 billion worth of transactions in 2023[3]. Despite this progress, challenges remain. Without the ability to transfer money, people struggle to save, access loans, start a business, pay their bills or receive payment. 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.

M-Pesa empowers millions to participate in the formal economy by providing accessible, reliable and innovative digital financial platforms. M-Pesa reflects our commitment to financial inclusion, offering a comprehensive range of financial services tailored to meet the needs of key business and consumer sectors. This contributes to unlocking growth and economic empowerment opportunities.

We deepened financial inclusion by helping the unbanked population through our M-Pesa ecosystem. Customers used our advanced financial services, including lending, savings and insurance, benefiting from various options of short-term financing and short-term loans. These financial services are key to empowering consumers, strengthening community resilience and enhancing business success.

Below is our suite of products and services that add value to our customers' daily lives.

- Deposit and withdrawal
- Transfer
- Payment
- Bill payment
- Service delivery
- Airtime Advance
- Interoperability
- Cross-border payments
- Savings
- Insurance
- Lending
- Child registration

2. OECD, 2023. Financing SMEs for sustainability.
3. GSMA, 2024. The State of the Industry Report on Mobile Money 2024.

M-Pesa
855 000 customers

M-Pesa payment solutions

- We expanded our savings and loans services and international money transfers to facilitate remittances for Basotho in the diaspora
- Our platform allowing for payments of traffic fines in Lesotho was relaunched in 2024 to include unstructured supplementary service data
- We are working with the National Housing Enterprise, which resettles communities for infrastructure development, to ensure that payouts reach beneficiaries and are well managed
- Pay merchant enables merchants to receive payments for goods and services sold, using M-Pesa and Thoki allows informal business owners to separate business and personal funds
- Child registration allows parents or guardians to register children aged 10 to 17 on the M-Pesa platform with parental control

M-Pesa savings and investment solutions

- Mokhatlo is a group saving solution that empowers community saving. This platform offers transparency on the use of funds and transactions made. 25 541 people saved through Mokhatlo, with savings amounting to LSL4.8 million

M-Pesa insurance solutions

- Mpate Sheleng funeral cover provides affordable and accessible insurance

M-Pesa lending

- Ntlatse is an overdraft facility that provides customers with an instant top-up when making a transaction without sufficient funds. Almost 7.7 million overdraft facilities were accessed through Ntlatse and the total sum borrowed was LSL18.8 million
- Nkalime provides microloans to qualifying customers through M-Pesa in partnership with Airvantage Lesotho. 2.6 million people borrowed money through Nkalime and loans totalled LSL17.5 million

Customers used Nkalime overdraft
711 652 times

Financial literacy and mobile money

Case study

In Lesotho, many communities, especially those in rural and underserved areas, face limited access to formal financial services. This gap results in low financial literacy, vulnerability to fraud and limited use of secure digital transaction methods. Through its subsidiary VCL Financial Services, Vodacom addresses these challenges, as a member of the Central Bank of Lesotho's Financial Education Steering Committee, represents mobile money and advocates for safer transaction methods.

We collaborate with the Lesotho Highlands Development Authority and the Ministry of Social Development to educate beneficiaries on:

- Mobile money benefits
- Secure transactions
- Lending and saving options
- Fraud protection

We participated in the launch of Money Month in Mohale's Hoek. This annual campaign is led by the Central Bank of Lesotho. With the theme "Protect your money, secure your future", it promotes financial literacy and smart money management.

2.2 Supporting SMEs to thrive in a digital world

Despite their critical role in driving economic growth and employment, African SMEs often struggle with challenges such as limited access to financing, inadequate infrastructure and insufficient digital skills. These barriers hinder SMEs' ability to scale, compete and fully participate in an increasingly digital market. Recognising the importance of overcoming these challenges, Vodacom is committed to supporting entrepreneurs, startups, small enterprises and our SME suppliers by offering tailored connectivity solutions, digital platforms, financial services and training. By equipping them with the necessary tools, we enhance their digital capabilities and ensure they are well positioned to thrive in the modern economy.

Digital enablement through connectivity

Reliable and affordable connectivity is essential for SMEs to operate, access markets and scale in a digital economy. Vodacom provides tailored connectivity solutions that support SMEs.

Vodacom **One Connect** Lesotho is a cost-effective, robust and secure cloud-based business communication product that facilitates work from anywhere in the world. 73 businesses currently use One Connect.

Digital commerce ecosystem

SMEs need financial and digital tools as well as business ecosystems to trade, scale and compete. Vodacom enables this through our financial inclusion platforms and digital commerce solutions, which help SMEs transact seamlessly, access funding, and grow in a cashless, digital-first economy.

PG See page 8

Digital skills and business growth platforms

To successfully transition into the digital economy, SMEs need digital skills, advisory support and access to business growth platforms. Vodacom provides tools and training to help SMEs adopt digital solutions, scale efficiently, and remain competitive.

M-Pesa Xchange was a cashless market in Lesotho where attendees can use mobile money to pay for goods and services from numerous vendors, with the safety and convenience of cashless payments. We partnered with local small businesses to support them in showcasing the compatibility of their products with digital payments, connecting with a diverse pool of customers, networking with other service providers and increasing their brand awareness and visibility.

Watch more on the M-Pesa Xchange

We launched the **Software Factory Hub**, a four-month incubation programme for innovative tech start-ups. This initiative highlights Vodacom's commitment to supporting digital transformation by providing mentorship, training and access to business tools, fostering innovation among entrepreneurs in Lesotho. Five companies were shortlisted from 37 applicants. Participants will gain access to Vodacom Lesotho's technological infrastructure and support, and the top start-up will receive a significant cash prize to aid its growth.

2.3 Digitalising larger organisations and critical sectors

Digital technologies drive efficiencies, reduce costs, enhance services and enable data-driven decision-making. Digitalisation is a catalyst of business growth – it boosts business performance and enhances public sector service delivery. We work with organisations to provide carefully selected digital products and services to improve efficiency and productivity.

> We collaborated with the Ministry of Social Development to digitalise its **Old Age Pensions** project, integrating M-Pesa to support government grants and enhance the social safety net. We support the ministry through the activation of new registrations, the provision of free SIM cards, the reactivation of dormant accounts and PIN resets. Pensioners are advised to use money within the M-Pesa ecosystem to avoid the security risk of carrying cash.
>
> **226 713** beneficiaries registered (with a target of 80 000)
>
> **LSL 294 million** disbursed

We launched the **Connected Car**, a smart car tracker with Wi-Fi, to support vehicle security and fleet management. Developed in partnership with Mafube ICT Solutions, this initiative is part of Vodacom's efforts to empower local businesses and drive digital transformation in Lesotho.

Digitalising healthcare

Many African healthcare systems still rely on paper-based processes, leading to inefficiencies in diagnosis, treatment and resource allocation. With a growing population and a shortage of healthcare workers, digital transformation is crucial to improving service delivery. Vodacom is driving this shift by deploying Internet of Things-powered stock monitoring, mobile diagnostic platforms, and cloud-based hospital management systems to enhance efficiency and patient outcomes.

Emergency and maternal health services

Lack of information is one of the leading causes of infant and mother mortality in many African countries. Our technology-based emergency transport and maternal care services improve accessibility and response times, saving lives in underserved communities.

Case study

Empowering emergency care: m-mama

In partnership with the Vodafone and Vodacom Foundations, we support the m-mama affordable emergency transport system in Lesotho. This programme aims to reduce maternal and newborn mortality rates in Africa, with usage steadily increasing.

M-mama's innovative approach uses various forms of transportation. This approach has addressed geographical and logistical challenges, making emergency care more accessible. The programme's success serves as a model for improving healthcare access in remote areas, with the government committed to sustaining and expanding its reach and mandate.

The Lesotho government took over the m-mama emergency referral service, ensuring continued support for expectant and new mothers, and newborns. This handover marks a significant milestone in Lesotho's healthcare journey. The initiative has been praised for its impact on reducing maternal and newborn mortality rates. The Vodafone Foundation and Vodacom Lesotho played crucial roles in the programme's success, investing US$4.5 million and ensuring a smooth transition to government management. M-mama's innovative approach has addressed geographical and logistical challenges, making emergency care more accessible. The programme's success serves as a model for improving healthcare access in remote areas, and the government is committed to sustaining and expanding its reach.

Emergency calls
8 390

Estimated lives saved
203

3 Supporting communities

We aim to positively impact communities in the areas in which we operate, focusing on youth, the underserved, and marginalised people.

We leverage the transformative power of connectivity to expand access to high-quality education, support jobseekers to enter the future-focused world of work, and assist people with disabilities or experiencing abuse.

We achieve this through

3.1 Enabling education

3.2 Empowering people with disabilities

3.3 Helping people experiencing abuse

1. The World Bank, 2022.   2. World Economic Forum, 2020.

3.1 Enabling education

Nearly nine in 10 children in sub-Saharan Africa cannot read and understand a simple text by age 10[1]. Over 230 million jobs will require digital skills in Africa by 2030, meaning many African children will likely be excluded from these opportunities[2].

Techstart aims to upskill 1 million African youth by 2027. Techstart includes a digital skills hub that leverages our e-learning platforms and other programmes we offer as well as a combination of classroom-based training and self-paced online learning, including courses like the AWS Educate programme. Techstart provides individuals opportunities to gain in-demand digital and tech skills, enhance career prospects and join a community dedicated to transforming Africa's tech landscape.

Physical infrastructure

Supporting learning environments by investing in school infrastructure, connectivity, and financial assistance to improve students' and educators' access

Digital Labs and school connectivity programme provide connectivity, ICT equipment and infrastructure to schools

Vodacom donated fully equipped **computer laboratories** to the St. Paul School of the Deaf in Leribe, including 30 computers, 100 chairs, and 40GB of monthly data for each laboratory

The Vodacom Foundation has established a **global partnership** for education, collaborating with the United Nations Children's Fund (UNICEF), the government and the private sector to support the ecosystem from early childhood development to post-primary education

We donated
276 routers
to the network of early childhood development of Lesotho

Classroom-based learning

Schools and educators gain access to a curriculum that equips students with foundational technology skills and guides them in designing app ideas to address challenges in their communities

Code Like a Girl introduces underprivileged girls to coding basics and career paths related to current and future skills gaps

Bursary programmes by Vodacom support full-time undergraduate students, with priority given to learners who complete all classroom-based learning pathways

In partnership with the Vodacom Foundation and Lesotho College of Education, Vodacom embarked on a six-month project to provide practical training on digital teaching tools and technologies and to help teachers to design and implement effective technology-based teaching strategies that promote active learning, critical thinking and problem-solving

213 delegates trained

Integrated digital skills hub

An online platform offering a wide range of educational resources and programmes in collaboration with partner organisations

AWS Educate provides self-paced digital skills training in areas such as cloud computing, AI, network and infrastructure and machine learning

Supporting jobseekers and empowering youth

We support those seeking employment and opportunities through affordable connectivity, job platforms and work experience activities.

Vodacom Lesotho is the proud lead sponsor of the **Lesotho Defence Force's Youth Development Programme**, which was developed in response to a rise in youth gang activity. Through a three-week bootcamp, the programme aims to instil qualities such as patriotism, leadership, and a strong sense of personal responsibility and community commitment. The bootcamps entail physical training, workshops on leadership, team building activities and developing problem solving skills.

Seven Basotho youth were successfully onboarded to our **youth programmes.**

3.2 Empowering people with disabilities

Technology has been vital to delivering new levels of accessibility to people with disabilities. While the tools have been impactful, work can be done to further level the playing field to ensure equal access to opportunities. We enable people with disabilities to stay connected, live a better life today and build a better tomorrow.

Support for visually impaired individuals

Enabling digital accessibility for individuals who are blind or visually impaired through digital tools, training and connectivity solutions

To support digital inclusion for the blind and visually impaired, we launched the insight centre in 2021. The insight centre is a 4G-supported library at the Lesotho State Library that provides accessible reading and information. The library serves 120 people weekly. Vodacom's scholarships, mentorship programmes and accessible learning materials play a crucial role at the centre, facilitating the academic journeys of visually impaired students.

See more about the insight centre
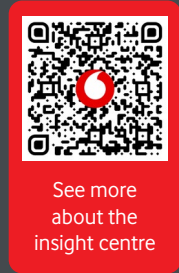
We invested in providing **assistive technologies** to empower persons with disabilities from primary school to university level, and we collaborate with experts to improve and customise these technologies. The Vodacom Lesotho Foundation provided over 50 C-pens (assistive digital learning devices) and 16 recorders to St Catherine's High School, which is the only school in the country offering secondary and high school education to visually impaired learners. C-pens can read printed text aloud, store information and translate written text, which gives the learners a substantial educational advantage.

Vodacom and UNICEF each donated LSL300 000 to the **St Bernadette Resource Centre** for the Blind in Maseru, which was used to support the institution's operations and purchase assistive devices, books and utilities in Lesotho. The centre is the only institution in the country to provide training for primary school students with visual disabilities.

3.3 Helping people experiencing abuse

Domestic abuse is an epidemic affecting millions of people around the world, and one that takes many forms – from physical and sexual abuse to controlling and coercive behaviour that isolates victims from their families. Victims are often unaware they are being abused or scared of seeking help. Vodacom works with various partners to leverage digital technology to help fight the scourge of GBV.

Prevention

We support efforts to prevent GBV through digital tools, awareness campaigns, and funding initiatives that drive education and intervention.

Awareness events and activism

Provides GBV education, advocacy and prevention support for local GBV awareness campaigns.

Survivor empowerment

We provide direct assistance to survivors of GBV through digital literacy, psychosocial support, shelter initiatives and rehabilitation programmes.

GBV safe centres

We support female GBV survivors through two safe houses that provide a holistic, one-stop service for reporting abuse, receiving medical care and accessing counselling. One of these, a multi-sectoral centre handed over in February 2024, includes a crèche, clinic and the Police Service's Child and Gender Protection Unit. The centre will offer counselling services and create job opportunities.

Protecting
the planet

We strive to minimise the climate and other environmental impacts of our direct operations, while encouraging others to reduce their GHG emissions, improve resource efficiency and protect nature.

As the world's least climate-resilient continent, Africa is profoundly affected by climate change. Along with negative economic, social and health impacts, climate change has led to ecological crises brought on by environmental degradation. While government action is required, businesses need to collaborate with the public sector, drive down GHG emissions and contribute to climate and nature solutions.

Our protecting the planet strategy outlines our aspirations to become an environmental sustainability leader. This strategy includes our commitment to a low-carbon future and considers nature and biodiversity in our direct operations and increasingly in our value chain activities.

We actively assist our customers, and encourage our suppliers and other stakeholders to adopt approaches that serve our planet better. We also believe that as a society, we must become more efficient, and adopt a circular economy approach with a focus on eliminating waste. Our waste and circularity strategy focuses on network waste from our fixed and mobile access networks and electronic devices we provide and sell to customers.

Contributing to the SDGs

The mobile industry can influence environmental SDGs by addressing challenges related to energy, sustainable consumption and production (including mobile infrastructure and devices). The industry can harness technological innovations to minimise adverse environmental impacts and bolster environmental sustainability efforts.

🌐 Read more about our contribution to the SDGs

Our focus areas at a glance

1 Responding to climate change

We are committed to a low-carbon future through reducing our GHG emissions and advocating for climate action.

Collaborated with the Lesotho Meteorological Service to
share weather alerts
with the community

2 Delivering net zero operations

We are implementing energy efficiency measures and technologies to reduce GHG emissions.

Maintained
ISO 50001
energy management certification

3 Managing scope 3 GHG emissions

We reduce our value chain GHG emissions by engaging with our suppliers and customers.

91% of our scope 3 emissions
come from purchased goods and services, capital goods and fuel and energy-related activities

4 Driving circularity

We adopt a circular approach to resource consumption and guide customers to make more sustainable choices.

Reducing plastic use
following government's plastic levy implementation

5 Supporting biodiversity

We aim to understand and mitigate our biodiversity impacts while deploying technologies to protect nature.

Partnering with a World Bank-funded initiative and the Maseru City Council to
promote urban greening

Key developments

Recent progress in the renewable energy policy environment, such as the approval to issue international renewable energy certificates (I-RECs), signals growing international support and renewed efforts to strengthen clean energy investment and planning

Lowlights

- The cost and capital expenditure required to roll out sustainability initiatives, requiring investigation into different funding models
- Delays in securing a compliant supplier to treat decommissioned network equipment resulted in network equipment being kept in storage for longer than anticipated, and thus no recycling/reuse data reported in FY2025

Looking ahead

- The potential use of hybrid, self-charging vehicles are being explored to reduce emissions while accounting for infrastructure and terrain challenges
- Launching an enhanced World Environment Day programme for FY2026, focusing on interactive and sustainable initiatives
- To further integrate planet into our business and fast-track future actions, we strengthened our governance, data and systems, risk management and stakeholder engagement

1 Responding to climate change

According to the World Meteorological Organization, 2024 was the hottest year on record, due to a decade of unprecedented global warming driven by human activities. GHG levels continue to grow to new highs, contributing further to higher global temperatures. In FY2025, Lesotho experienced record rainfall and flooding, snowfall, extreme winds, droughts and heatwaves. Today's climate change events are our new reality and a forewarning of the future.

At the core of our climate action, we:

> Embed climate change into our governance process

> Build climate resilience by understanding the actual and potential impacts of climate-related risks and opportunities on our business strategy, including modelling their financial implications

> Leverage the Group's enterprise-wide risk management framework, which includes identifying, assessing and responding to climate-related risks

Lesotho experienced unusually **late snowfall** in September and October 2024, prompting a proactive health and safety response. In collaboration with the Lesotho Meteorological Service, we shared public weather alerts on social media to keep communities informed. Employees received advance notifications, with flexible work arrangements introduced to minimise accident risks. Executives authorised remote work and restricted travel to mountainous regions. Network disruptions were minimal, supported by solar-powered sites in remote areas. Contingency measures included staff training for extreme weather and ensuring operational resilience during the snowfall.

We marked **World Environment Day** with a radio and social media awareness campaign on limiting plastic and e-waste.

2 Delivering net zero operations (scope 1 and 2)

The ICT sector is responsible for an estimated 1.5% to 4% of global GHG emissions[1]. This is roughly equivalent to the footprints of the commercial aviation or maritime transport sectors. Unless the industry transitions to renewable energy sources, emissions will continue to rise as data traffic volumes increase due to higher internet and AI use.

We achieve this through

2.1 Energy efficiency

2.2 On-site renewables

2.3 Renewable electricity purchasing

2.4 Alternative fuels

2.5 Electric vehicle fleet

We seek to achieve net zero GHG emissions from our operations (scope 1 and 2) no later than 2035, aligned with a science-based pathway to limit global warming to 1.5°C by 2100. Our energy management approach, led by our Group technology energy performance centre of excellence, considers energy efficiency, deploying on-site renewables, taking advantage of off-site renewable opportunities such as power purchasing agreements (PPAs) and using various market mechanisms such as RECs.

Powering our network requires around 23.8GWh of energy per year, sourced from electricity and diesel. Converting our energy to renewable sources is not straightforward, due to the highly distributed nature of our infrastructure which comprises more than 400 sites.

Scope 1 and 2 GHG emissions overview

We calculate our GHG emissions using the GHG Protocol Corporate Accounting and Reporting Standard.

In FY2025, our total scope 1 and 2 GHG market-based emissions decreased by

92% to **935tCO$_2$e**

FY2024: 11 487tCO$_2$e

We achieved our goal of matching 100% of grid electricity purchased with electricity from renewable sources which has reduced our scope 2 market-based emissions to zero. This was accomplished through an investment in renewable energy purchases and the installation of renewable energy systems on our premises.

Scope 1 and 2 market-based GHG emissions (tCO$_2$e)

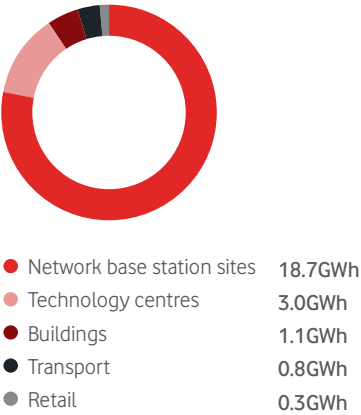|	
FY2025	935
FY2024	11 487
FY2023	13 365
FY2022	14 285
FY2021	7 366

2.1 Energy efficiency

Our energy consumption is split between our base station network **78.5%**, technology centres **12.5%**, office and warehouse buildings **4.4%**, retail stores **1.2%** and transport **3.4%**, where we primarily focus our energy efficiency activities.

Our primary energy source is grid-supplied electricity; however, due to the limited grid availability in some areas where we operate, we require diesel generators and batteries as the primary power source for base stations. These are also used for backup power across our footprint.

FY2025 energy consumption by use

●	Network base station sites	18.7GWh
●	Technology centres	3.0GWh
●	Buildings	1.1GWh
●	Transport	0.8GWh
●	Retail	0.3GWh

Reducing network consumption

We manage network consumption by implementing more efficient network equipment and lowering energy demand by introducing advanced site control, energy-saving features, modernising our network, optimising equipment (such as cooling) and designing and selecting energy-efficient equipment for new sites and refurbishment. We are implementing energy meters and an energy management system to better understand our network's energy consumption and identify opportunities for energy reduction.

We successfully renewed our

ISO 50001 certification,

confirming compliance with energy management system requirements and reaffirming our commitment to energy efficiency and sustainable resource management across operations.

The audit raised no non-conformances, with only minor observations noted.

During FY2024, we began deploying electricity **smart meters** across our operations.

To date, 60% of access sites are now equipped with

210 smart meters, with completion planned for the end of FY2026

These meters provide live, accurate monitoring of electricity consumption, enhancing agility in implementing timely efficiency interventions. We continue to increase **battery capacity** across all sites to reduce diesel generator run times.

Managing building and technology centre consumption

We maintain leading energy management practices in our technology centres and properties. Ongoing energy efficiency initiatives include hot and cold aisle containment, heating and air conditioning upgrades and improved controls and configurations, including the use of building management systems, to reduce unnecessary use of equipment, lighting, heating and cooling.

We are replacing **indoor cabinets** to improve cooling efficiency and aim to measure energy savings as the initiative progresses.

An airflow management and cold-aisle containment initiative was implemented in one of our data centres as part of an energy efficiency project. This initiative has already reduced electricity usage by 5%, with further optimisation efforts underway to enable us to get to the targeted 10% savings.

2.2 On-site renewables

Africa needs integrated, modern energy solutions that take advantage of the continent's massive renewable energy potential. At the same time, African governments need to increase access to reliable, affordable energy while considering the need to phase fossil fuel production and reduce GHG emissions. The private sector can support the just transition by investing in and purchasing renewable energy and collaborating with governments to share the benefits of the transition.

We seek to transition to renewable energy, including replacing diesel generators with alternative technologies using renewable fuel sources and potentially green hydrogen.

86% of our total energy consumption is from renewable sources, including solar energy generated, matched with purchased RECs

We seek to replace diesel generators with renewable energy sources. On-site solar can be suitable, but may present challenges due to its space requirements, site accessibility, theft, vandalism, maintenance and other country-specific challenges. As part of our transition to renewable energy, we launched a **solar-powered cell tower at Ha Tšepe, Leribe**. This initiative supports our commitment to sustainable infrastructure while enhancing connectivity in underserved areas. The tower, designed for resilience in severe weather conditions, strengthens network reliability using state-of-the-art technology.

Ongoing investment in **network upgrades** ensures seamless connectivity, with hydropower, renewable energy and battery backups reducing reliance on diesel and mitigating the impact of loadshedding.

Solar power at our head office is fully operational following the resolution of inverter issues. Currently, 33% of electricity needs are met by solar, with annual generation of 123 968kWh; the remaining 66% is grid supplied. Plans are underway to expand solar capacity using available roof space.

We have
105 solar-powered access network sites,
and upgraded to higher-efficiency solar panels

In FY2026, we will commence a trial of fully modernised solar sites with AI integration to enable end-to-end visibility of power usage and other key metrics, further strengthening sustainability efforts

2.3 Renewable electricity purchasing

PPAs allow us to purchase renewable electricity from independent power producers providing cost certainty, shielding against electricity price volatility and significant cost increases. We engage governments to facilitate the development of renewable energy infrastructure and a more accessible market for renewables.

Purchasing RECs is part of our net zero strategy. We use RECs as a mechanism to match the grid electricity we use with electricity added to the same or an interconnected grid from renewable sources. This enables us to reduce our scope 2 emissions in places where on-site renewables cannot yet be deployed and therefore rely on grid electricity.

2.4 Alternative fuels

Our transition requires technological advancement and the availability of renewable fuels and alternative technology to diesel generators. In the short term, we prioritise batteries over diesel generators. In the long term, we seek diesel alternatives, including connecting offgrid sites to the grid, deploying wind and solar where applicable and exploring newer technologies, including microturbines and hydrogen fuel cells.

Increased diesel consumption increases our scope 1 GHG emissions and impedes our pace of decarbonisation.
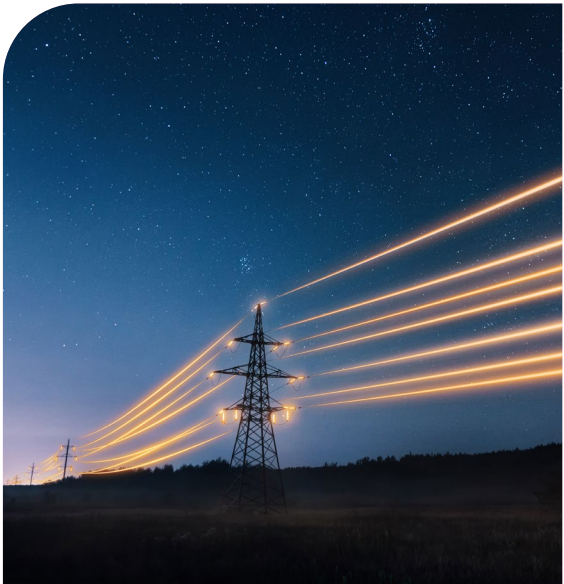
In FY2025, we consumed

238 978 litres
of diesel

FY2024: 220 377 litres

mainly in stationary generators at our offgrid sites, or sites with unreliable grid-supplied electricity.

This is 8% more than the prior year largely due to deteriorating grid conditions and improved reporting quality.

2.5 Electric vehicle fleet

Although we introduced electric and hybrid vehicles, some limitations still exist, which include capital expenditure required, low availability of charging stations, in-country maintenance capacity and difficult terrain.

Vodacom Lesotho's fleet is equipped with tracking units, enabling emissions calculations to monitor and reduce environmental impact. The adoption of **hybrid, self-charging vehicles** is under evaluation to reduce emissions, with feasibility and selection dependent on charging infrastructure and terrain constraints.

3 Managing scope 3 GHG emissions

Scope 3 refers to indirect GHG emissions that we can influence but not control. Scope 3 GHG emissions constitute a significant portion of our Group's overall carbon footprint, encompassing indirect emissions across the entire value chain. While the most difficult to quantify and manage, understanding our scope 3 emissions supports us in meeting our net zero goals as well as in identifying and mitigating risks related to climate change, supply chain disruptions and reputational damage.

Reliable and standardised data from across our value chain is essential to reducing scope 3 emissions.

Our scope 3 reporting is aligned with the GHG protocol. We are committed to improving our data quality and estimation approach to reflect portfolio changes and the latest developments in industry standards and emission factors.

9 679tCO$_2$e
in scope 3 GHG emissions

FY2024: 11 191tCO$_2$e

91% of these emissions were from purchased goods and services, capital goods, and fuel and energy-related activities

FY2025 scope 3 GHG emissions by category (tCO$_2$e)

Category	tCO$_2$e
Purchased goods and services	3 698
Capital goods	2 586
Fuel and energy-related activities	2 539
Business travel	249
Employee commuting	265
Upstream leased assets	136
Use of sold products	192
Other	14

4 Driving circularity

An estimated 62 million tonnes of e-waste is produced globally, with only 22.3% documented as formally collected and recycled[1]. As technology becomes more pervasive, we can contribute to resolving the growing e-waste problem.

E-waste is our second largest environmental issue and so promoting circularity is part of our protecting the planet strategy. Circularity considers a resource's entire life cycle to eliminate waste and reduce its environmental impact. We prolong the life of our resources to maximise our investment, and we recover and reuse materials responsibly. We aim to reduce our e-waste while encouraging and supporting responsible customer behaviour.

Our waste management policy enforces safe and responsible reuse and recycling, and our waste hierarchy embeds sustainable practices throughout our operations and supply chain activities.

We have circularity initiatives for our network equipment (radio equipment for fixed and mobile access networks) and electronic devices, including smartphones and other retail devices like routers. These initiatives focus on choosing greener, using longer and responsible recycling.

We achieve this through

4.1 Circularity of network waste

4.2 Reducing virgin plastic use

4.3 Water stewardship

4.1 Circularity of network waste

Our resource efficiency and waste disposal management programmes reduce the environmental impacts of network and IT equipment waste. When reuse options (either redeployment or resale) are exhausted, we use certified local service providers to dispose of end-of-life telecommunication equipment.

> Vodacom Group achieved its goal, which was to reuse, resell and send for recycling **100%** of decommissioned network equipment by 2025[2]

In FY2025, we launched an initiative for responsible treatment of decommissioned network equipment. Our engineers return unused and outdated routers and outdoor units from the head office to the warehouse for safe storage while the appropriate treatment method is being investigated. We identified a supplier in December 2024 to manage our network waste; however, by year end of FY2025 no network waste was sent for recycling as we were still working on the necessary procurement activities ensuring that the supplier complies with our obligations related to circularity and safe treatment of materials.

The journey to achieving the goal at Group level has provided us with further insight into the complexities of circular economy. This waste requires specialist waste management processes. Although we send non-hazardous, end-of-life equipment to be recycled by our third-party waste management partners, not all materials within our network equipment are recovered during the recycling process.

While the Group has reached an important milestone, we recognise that more work is needed to build a fully circular system for network equipment and improve circularity for hazardous waste. Our next step is to consider our role in this transition, working with others across the e-waste management system, which will inform how we set our future targets.

4.2 Reducing virgin plastic use

We are phasing out single-use plastics with lower-impact alternatives across all our stores, offices and logistics operations in collaboration with logistics providers. Where plastic is necessary, we select recycled plastic.

Case study

Cutting plastic use and waste in Lesotho

In December 2024, the Lesotho government implemented a plastic levy, with a six-month grace period for businesses to clear barred plastics from their stock. The initiative addresses the country's escalating waste management crisis, with the government instructing businesses to charge 90 cents per plastic shopping bag with a thickness of less than 25 microns.

Vodacom Lesotho reduced its canteen's use of plastic for takeaways and our head office has a recycling programme. We separate e-waste from metals at the warehouse and dispose of e-waste through appropriate channels. We are considering an initiative to incentivise employees to stop using non-recyclable packaging and eat at the canteen.

Vodacom's retail stores in Lesotho use only recycled plastic materials. We have communicated with suppliers to ensure that their suppliers recycle materials.

4.3 Water stewardship

While we are not a water-intensive business, we aim to reduce our consumption where possible and support a sustainable earth. Our digital solutions and Internet of Things capabilities assist governments and businesses in reducing their water consumption. We also work to engage and collaborate on water management and awareness initiatives. At Vodacom Park head office, 90% of taps are now sensor-operated, reducing water consumption by an estimated 24%. We are planning to engage the landlord on additional water-saving measures, including toilet flushing systems.

1. The Global E-waste monitor (2024).

2. Excludes hazardous network waste (e.g. batteries).

5 Supporting biodiversity

Biodiversity is broad and complex, encompassing all life forms on our planet and the finely tuned ecosystems they inhabit. Global biodiversity loss is occurring at an alarming rate, with profound implications for people and businesses. In December 2022, 188 governments adopted the Kunming-Montreal Biodiversity Framework with the aim of reversing the loss of nature by 2050. We recognise the need for a sustainable nature approach and we continue to review our impacts, including those within our value chain.

CNR Read more about our nature impacts and opportunities on page 25 of our **Climate and nature report**

We achieve this through

5.1 Understanding and reducing our impact

5.2 Enabling biodiversity protection

5.1 Understanding and reducing our impact

Although our operations' direct effect on the environment and biodiversity is limited, in FY2025, led by Vodacom Group, a **nature and water assessment** was conducted to understand our nature-related dependencies, impacts, risks and opportunities.

The outcome of this assessment will see Vodacom integrating nature risks and opportunities into our enterprise risk management framework; developing Group-level nature-related standards (including nature considerations into reviews for priority sites); building nature considerations into our procurement activities; and importantly, delivering programmes in partnership with our customers where digital technology will support nature and biodiversity.

5.2 Enabling biodiversity protection

Digital technology can be harnessed to protect, manage and restore nature. The nature technology market is expected to be worth US$6 billion within 10 years[1]. These technologies are varied and include camera traps, GPS tracking, acoustics and environmental sensors, radio frequency identification, eDNA analysis, AI-powered image recognition, satellite tracking and drone surveillance.

We partner with conservation agencies to explore how technology can minimise biodiversity loss on land and at sea. This support combines programme funding, connectivity and innovative technology solutions in conservation efforts.

Investing in urban greening

Case study

Vodacom Lesotho supports the Limomonane Trust, an environmental charity that focuses on ecosystem restoration projects, sustainable agriculture, education and peace building. Since our partnership began in 2021, we have funded critical reforestation projects and planted 12 500 trees. Lesotho's severe weather, including droughts, negatively impacts the survival rate of newly planted forest trees. Vodacom Lesotho, through M-Pesa, partnered with a World Bank-funded project to promote the sale of fruit trees. Vodacom Lesotho will focus on an urban greening collaboration with the Maseru City Council and other corporates. This initiative, being closer to the city, allows for easier monitoring of trees in partnership with the trust.

Maintaining trust

Recognising the disruptive nature of digitalisation and its associated challenges, we aim to be a trusted partner to our customers, employees, suppliers and the communities we serve in the digital society.

Digitalisation is accelerating, disruptive and uncertain, presenting opportunities for value creation and challenges to existing systems and ways of working. This uncertainty makes trust an important foundation for our relationships with our stakeholders, and a prerequisite for our sustainable operation. Acting lawfully, ethically and with integrity is critical to our long-term success, and forms the cornerstone of how we do business.

Our focus areas at a glance

1. Doing business ethically

We are committed to business integrity wherever we operate

Zero
anti-competition and anti-money laundering fines

2. Developing our employees

We are committed to developing a diverse and inclusive workforce that reflects the customers and societies we serve

52.4% women
in management and senior leadership roles

3. Protecting privacy and data

Millions of people communicate and share information over our networks, enabling connection, innovation and prosperity. It is critical that customers trust us with their data

Hosted a
data protection and management
workshop attended

4. Protecting people

We prioritise the health and safety and human rights of our employees, contractors, suppliers and communities

10 well-being ambassadors

5. Promoting responsible and inclusive procurement

We aim to ensure integrity in our supply chain processes by identifying and managing related risks

60% of Tier 1 suppliers were local

Contributing to the SDGs

Vodacom maintains trust by building a fair, inclusive and sustainable digital society. This includes contributing to the SDGs through reducing inequalities, ensuring accountability and access to justice and fostering good governance, policies and approaches.

Lowlights

We have seen a notable attrition of talent in Big Data and analytics – areas that are strategically vital and resource intensive to develop. We are formulating a response plan to address this capability gap

Looking ahead

- We are looking to expand our pilot project training our employees' housekeepers in first aid to benefit more individuals and further promote safety within the community
- We are exploring ways to expand our financial awareness seminars to customers and communities while integrating insights from the initial session into employee development through follow-up workshops and access to financial advisers

1 Doing business ethically

Increasing regulatory scrutiny, rapid technological advancements, global supply chain complexities, and heightened stakeholder expectations require proactive efforts to mitigate risks and uphold accountability.

Our code of conduct provides a framework for ethical behaviour in a rapidly changing environment. Our ethics programme includes training and awareness to support internal and external policies which ensure compliance with best practice, laws and regulations.

We issue monthly communiques emphasising the importance of **complying** with all policies, including the anti-bribery policy and the code of conduct. These efforts, along with e-learning and face-to-face training sessions, ensure that employees are well informed and aligned with regulatory standards.

We ensured that **zero-billed lines** did not exceed maximum amounts, and that payments were made where relevant, reinforcing our commitment to compliance and ethical business practices.

Vodacom's **Compliance Day** showcased our commitment to ethical conduct, including anti-bribery, privacy, fraud management, anti-money laundering and cyber security.

We re-affirmed our commitment to empowering customers and protecting their rights through the Vodacom **Lesotho Consumer Protection Code**.

This code ensures service accessibility, freedom of choice, transparent agreements, accurate billing, consumer education, privacy protection, fair treatment, prevention of market abuse, and an efficient grievance resolution process. It represents a commitment beyond mere compliance. We collaborate closely with customers to deliver innovative solutions tailored to their needs, prioritising a positive customer experience and offering a

complaints handling procedure. We took measures to safeguard customer privacy and protect confidential information, underscoring our dedication to excellence in service delivery. The code aligns with the Lesotho Communication Authority's regulations and aims to exceed customer expectations, ensuring every interaction with Vodacom is marked by integrity, transparency and respect.

Fraud represents a significant and evolving threat to Vodacom, with the potential to impact our customers, employees, reputation and financial performance. The fraud management team has established comprehensive **fraud detection controls** across the GSM and M-Pesa domains. These controls, implemented in alignment with the Global System for Mobile Communications Association's FF21 Fraud Framework, effectively address various fraud types, including technical fraud, subscription/payment fraud, business fraud, and mobile money fraud. Automated rules, known as "smart alerts", were deployed to trigger notifications whenever a breach occurs. We also use advanced detection models to identify fraud cases.

We implemented a control to identify **fraudulent commissions** accrued by our M-Pesa super agents. This control was implemented in September 2024, and to date, we have recovered millions in fraudulent commissions.

Employees, contractors, suppliers, business partners and the public can report suspected breaches of our code of conduct anonymously through Speak Up. Speak Up is operated independently by NAVEX Global to safeguard whistleblower confidentiality.

Speak Up website
🌐 **Click here** to report an incident
Speak Up hotline
📞 Lesotho   **8001 3460**

Vodacom Lesotho employees participated in the **Market Storms** outreach in Teyateyaneng and Berea to improve brand experience and gather customer insights through face-to-face engagement. The initiative encouraged open feedback, helped reconnect with disengaged customers, and supported service improvement. Customers received prizes, including over LSL20 000 in cash, smartphones and branded gifts, and local vendors were engaged to boost the local economy.

We host **public gatherings** with police, communities and traditional leaders to raise awareness, prevent vandalism and protect assets. These imbizos, including in rural areas, allow community members to share feedback directly with employees from various business units, enabling on-the-spot problem-solving and strengthening community ties. Three such gatherings were held to align service quality with Net Promoter Score feedback.

We participate in **industry meetings** with the Lesotho Communications Authority and the Central Bank of Lesotho to address regulatory, financial and operational matters in the telecom and financial sectors.

2 Developing our employees

We believe that employee well-being contributes directly to our ability to fulfil our purpose of connecting for a better future. By enhancing our employee value proposition through empathetic and inclusive policies and practices, we are cultivating a workplace culture where people feel empowered to thrive and positively impact their careers, contributing to the realisation of our purpose.

Headcount

468 employees
FY2024: 456

FY2025	294
	174
FY2024	286
	170
FY2023	280
	168

● Permanent ● Contractor
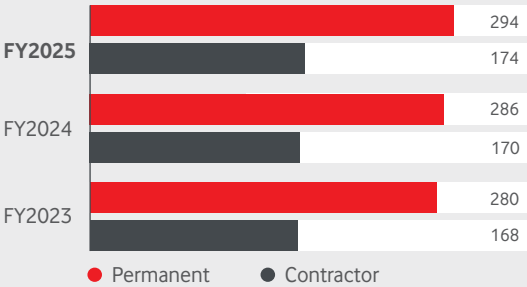
Fostering workplace equality

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.

We have a zero-tolerance approach to harassment, discrimination and abuse. Doing What's Right training is mandatory for all employees, including executives and senior managers. It covers diversity, inclusion, harassment and bullying.

We work to ensure gender diversity when resourcing, especially for senior leadership roles. Our leadership team is accountable for maintaining diversity and inclusion in their teams. We embed women in management targets in our long-term incentive plans.

52.4%
Women in management and senior leadership roles (F Band +)
FY2024: 50%

Our **Women's Network Forum** champions gender equality within Vodacom, and forms a platform where women can mobilise, connect, network and be empowered.

Developing employee 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 therefore focus on developing diverse talent for the future and building future skills

LSL5 million
investment in skills development

We conduct training in AI, data analytics and other **future-ready programmes** to equip key business units for the transition to a Tech-driven future. Employees within the data teams took part in data science and data citizen training programmes.

Training programmes for **new and future managers** include Leaders Lab for E and F Band employees and high-impact leadership for H Band top talent. Leaders Lab is a programme aimed at equipping our leaders with skills to navigate key market-related challenges and embrace uncertainty. Through this programme, leaders were trained to take a bold and decisive leadership approach, to unify teams and deliver exceptional results under competitive pressures.

We conduct a **senior employee exchange and rotation programme** to share skills across the organisation, and plan to extend it to government to improve public sector skills and learn from government procedures, protocols and cultures.

Other women-focused training programmes include the Vodacom advanced executive programme, Post-graduate Diploma in Digital Business, and training for future-ready employees.

Our annual **Discover Graduate** programme offers a well-rounded experience that exposes participants to various company functions. Participants are chosen each year to enter roles within Vodacom. We continue to leverage partnerships with leading universities across the continent to recruit high-calibre graduates to join our workforce.

The Vodacom **Youth Council**, with its diverse roles, provides support to the Executive Committee. This initiative encourages council members to research and explore disruptive ideas in the digital economy. Members have the opportunity to shadow Executive Committee members, exposing them to decision-making and strategy formulation and implementation at the highest level.

Living the Spirit of Vodacom

The Spirit of Vodacom outlines the beliefs we stand for and the key behaviours that help us realise our strategy and purpose. The Spirit of Vodacom underpins the successful and sustainable delivery of our objectives and empowering our people to grow and innovate to meet our customers' needs.

Spirit of Vodacom Day included an energising aerobics session and participation in a cancer awareness boot camp at Lehakoe Club and Gym to kickstart Wellbeing Month.

Watch the Spirit of Vodacom Day'

Driving innovation

The Hackathon is Vodacom's premium innovation challenge. It encourages employees to ideate, collaborate, learn and demonstrate their innovations to a top management "dragons" panel. The programme aims to empower employees to solve specific business problems that result in revenue growth, cost savings, efficiency and customer service improvements. The Hackathon embeds an innovation culture, fosters collaboration, builds transversal and technical skills and enables participants to access and explore existing and emerging IT resources.

ろ Protecting privacy and data

We focus on managing rapid technological advances, regulations associated with using data and potential disruptions, opportunities and risks. Millions of people communicate and share information over our networks, enabling them to connect, innovate and prosper. Our privacy and security programmes create a strong culture and practice of protecting the privacy, security and confidentiality of customers' data.

Our privacy programme governs how we collect, use and manage our customers' personal data to ensure we respect the confidentiality of their communications and their choices regarding the use of their data, and ensures we meet the privacy laws and regulations. An experienced privacy specialist team is dedicated to ensuring compliance with data protection laws and all our policies.
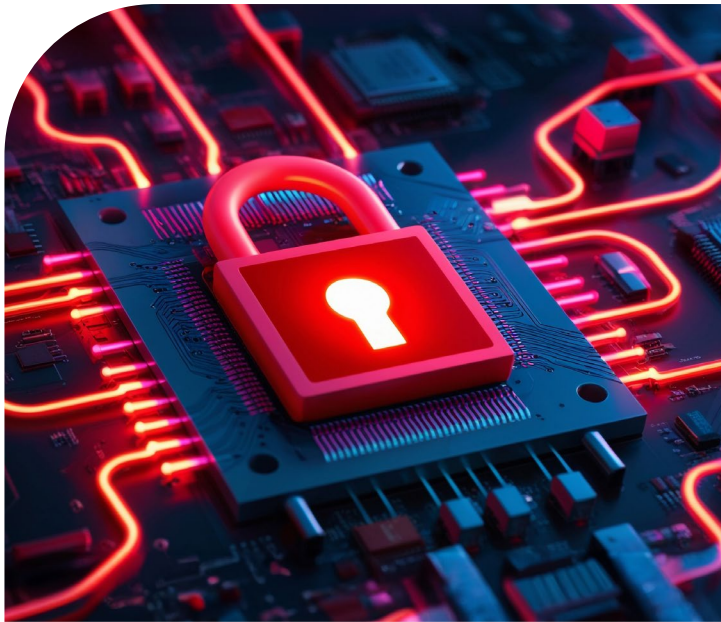
Every employee is responsible for cyber security and must follow our cyber code, be sensitive to threats and report suspicious activity.

We use a defined mandatory framework called the Cyber Health and Adaptive Risk Method, previously known as the cyber security baseline framework. Our Cyber Health and Adaptive Risk Method framework is based on international cyber security standards and includes defined success criteria and metrics, which are reported and tracked at all organisational levels

We rolled out an **online messaging campaign** against cyber stalking and cyber bullying as part of Lesotho's national GBV awareness campaign.

We hosted a full-day **data protection and management workshop**, attended by representatives from the Lesotho Communications Authority, the Central Bank of Lesotho, and other industry players. The workshop aimed to discuss industry best practices, regulatory compliance and strategies for protecting consumer rights amid rising fraud and cybercrime. This highlighted our commitment to customer privacy and the significance of such workshops in keeping up with AI regulatory developments and trends.

4 Protecting people

Wherever we operate, we have an opportunity to contribute to advancing the rights and well-being of our customers, employees and communities. We are conscious of the risks associated with our operations and we work to mitigate negative impacts, ensuring we keep people safe.

Wherever we operate, we have an opportunity to contribute to advancing the rights and well-being of our customers, employees and communities. We are conscious of the risks associated with our operations and we work to mitigate negative impacts, ensuring we keep people safe. We maintain a holistic approach to integrating human rights considerations into our policies, governance, and due diligence processes.

We enhanced our employee value proposition with the Compassion, Acceptance, Respect, Empathy (C.A.R.E.) initiative, which creates a work environment where all employees feel empowered to succeed. Our focus is on broadening support, working flexibility and employee benefits related to menstruation, miscarriage, stillbirth, menopause and compassionate leave for employees or their immediate families.

A **webinar on mindful leadership** focused on positively managing mental health risks in the workplace and empowering leaders to better support their teams.

Financially literate employees are more productive and engaged, contributing to our success. We hosted a **financial awareness** seminar to promote financial literacy and inclusion among our employees. The seminar aimed to enhance employees' financial literacy, providing them with tools to manage their personal finances confidently. Topics included budgeting, savings, investments and understanding credit scores. The seminar also covered digital financial services like mobile money and e-commerce, supporting financial inclusion in Lesotho. Employees were also given access to a virtual financial coach.

We launched a pilot project focused on community safety by training **housekeepers in first aid**. These housekeepers work for Vodacom employees, and the initiative aims to enhance their ability to respond to emergencies effectively.

A dietician was invited on-site to raise awareness of cholesterol's relationship to health. Following the session, employees were offered cholesterol testing with support from Vodacom Lesotho Broker, Sechaba Group.

Working at heights training was conducted for high-risk suppliers to ensure safe work and compliance.

Defensive and 4x4 driving training was conducted for new employees and high-risk suppliers, with refresher training provided to existing employees and suppliers. 26 Vodacom employees participated.

In collaboration with the Lesotho Mounted Police Service and Department of Road Safety, we ran an **Occupational Road Risk Campaign**. The campaign ran before the festive break, focusing on tyre safety and the dangers of driving under the influence of alcohol. We further collaborated with the Department of Road Safety to support high school debates in the Mohale's Hoek and Libere districts, focusing on educating students about crucial issues such as road safety. This initiative aimed to raise awareness and foster responsibility towards community safety.

We celebrated a
fatality-free year

See more about the road safety event

5 Promoting responsible and inclusive procurement

To ensure safe and fair working conditions, and to responsibly manage environmental and social issues across our supply chains we encourage suppliers and business partners to adopt sustainable business practices.

We aim to work with suppliers who closely align with our purpose and who share our values. We expect our suppliers to meet our mandatory ethical, labour and environmental standards, to be accountable for managing risk in their operations, and to hold their suppliers accountable to equally high standards.

We screen all prospective suppliers prior to entering a business relationship with them. We are known for our strict supply chain due diligence. Politically exposed persons go through an extensive screening process to manage our reputational risk.

Supporting local enterprises is pivotal for economic empowerment and contributes to the creation and endurance of employment and socioeconomic development opportunities. We use local suppliers for marketing and events activities, the construction of towers and civil works, including installation and maintenance.

	FY2025	FY2024	FY2023
Number of first tier suppliers where a purchase order was raised	177	212	214
of which: local suppliers	107	125	128

Supplier development

Vodacom assists local suppliers through bi-annual supplier forums to ensure compliance with standard supplier requirements. These forums provide valuable guidance and support, helping local suppliers meet applicable standards and enhance their capabilities.