Vodacom Lesotho

Environmental, Social and Governance Snapshot

For the year ended 31 March 2024
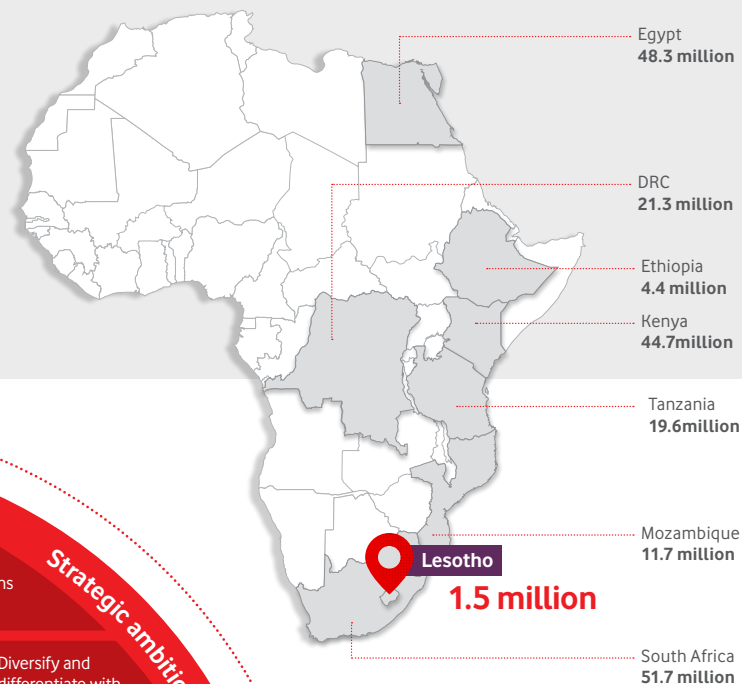
Further together

Contents

Vodacom is a leading and purpose-driven African connectivity, digital and fintech operator. The Group serves 203.1 million[1] customers across consumer and enterprise segments in Africa with 1.5 million in Lesotho.

Egypt
48.3 million

DRC
21.3 million

Ethiopia
4.4 million

Kenya
44.7million

Tanzania
19.6million

Lesotho
1.5 million

Mozambique
11.7 million

South Africa
51.7 million

Our approach to ESG

Vodacom's 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.
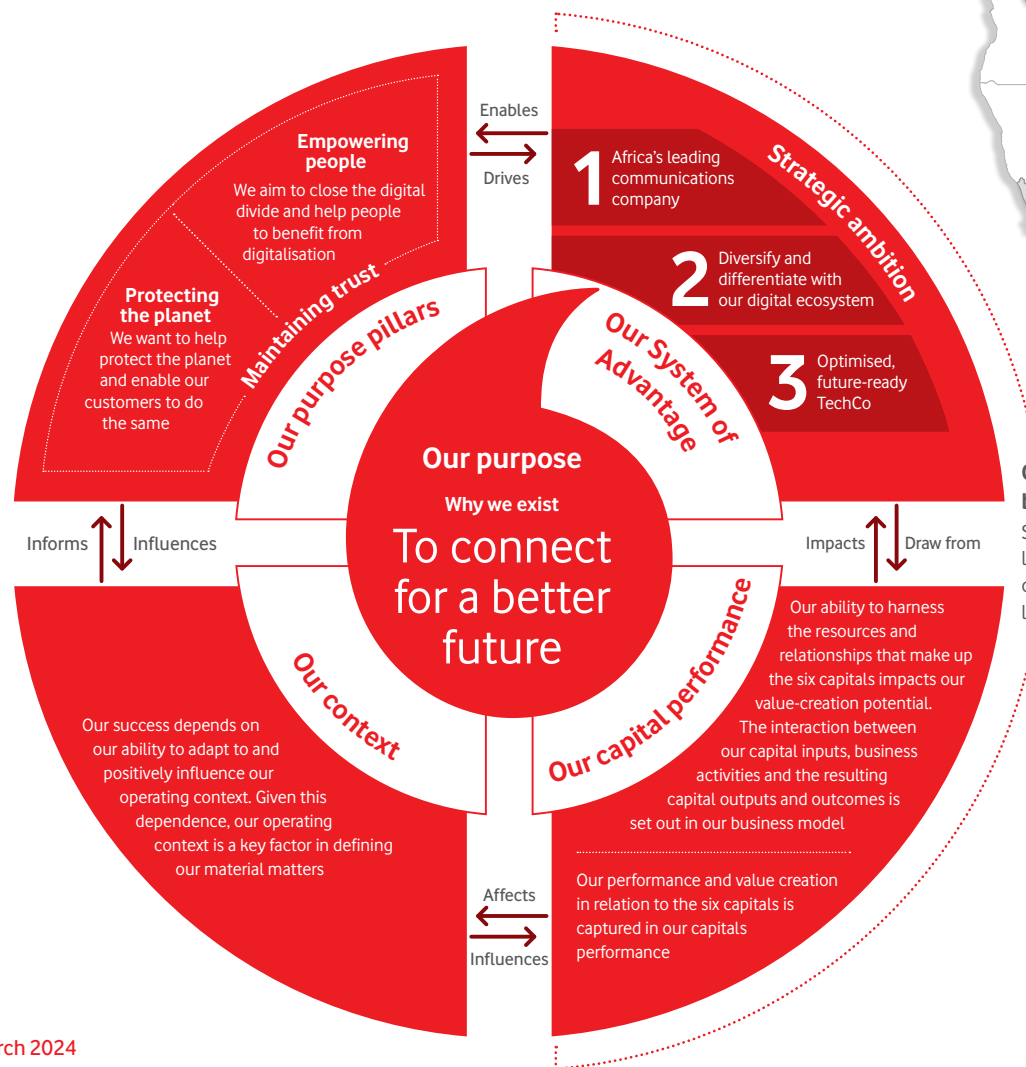
By delivering against our purpose, we aim to produce profitable solutions to challenges faced by society and the planet, and to identify and avoid those that have negative impacts. We strive to minimise the negative environmental impacts arising from our operations and seek ways to support our customers 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.

Read more about our **ESG Framework** on **Page 04**

1. Including Safaricom.

Enables
Drives

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

Our purpose pillars

1 Africa's leading communications company

2 Diversify and differentiate with our digital ecosystem

3 Optimised, future-ready TechCo

Strategic ambition

Our System of Advantage

Our purpose

Why we exist

To connect for a better future

Informs
Influences

Our context

Our success depends on our ability to adapt to and positively influence our operating context. Given this dependence, our operating context is a key factor in defining our material matters

Affects
Influences

Impacts
Draw from

Our capital 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 the resulting capital outputs and outcomes is set out in our business model.

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

A message from the CEO

Our tagline, "further together", highlights our role as the drivers of the digital economy and indicates that we cannot possibly achieve anything without the participation, inclusion and involvement of everyone and everything that matters in our ecosystem. The Sesotho version of our tagline — "moho" — best captures the essence of unity, inter-dependence, mutual support and connectedness.

> **"From an ESG perspective, our tagline "further together" inspires us to look at our business holistically, in which all parts act in concert to contribute and benefit in equal measure."**

Mohale Ralebitso

From an ESG perspective, this inspires us to look at our business holistically, in which all parts act in concert to contribute and benefit in equal measure. We acknowledge that we share the impact of and respond to all aspects of our socio-economic, political, natural, technological and intellectual environments.

Among other things, this has inspired us to lead the campaign to revive our natural environment, which was severely impacted by floods and drought; provide intellectually and visually impaired persons with much-needed assistive devices; inspire a now nationwide campaign to donate school shoes and sanitary towels to the neediest of our school children; and achieve countrywide access to maternal health services for pregnant and nursing mothers.

We expect that Lesotho will continue to record modest but steady economic growth in 2025, with particular opportunities in the communications and payment technology sectors. We are pleased that every aspect of our country's governance and service delivery profile has placed our digital enablement at the centre of policy-making. We have championed and, with government leadership, achieved digital payment of old-age pensions; collaborated in digital tax payment; and are accelerating the digitisation of services in agriculture, water supply and traffic management and other critical services.

All these efforts benefited from our network upgrade and its rapid expansion to some remaining underserved areas, as well as the growth of our ground-breaking fibre-to-the-home and class-leading fixed wireless access solutions.

While our technology remains ready from a supply perspective to offer solutions to drive the economy's digital transformation, we are equally mindful of our responsibility to stimulate the demand to accelerate the adoption of our digital solutions. This means we are a leader in delivering affordable smart devices, creating tailor-made solutions and progressively removing most digital constraints to enable the most impoverished citizens to participate in uplifting their livelihoods through access to public services and digital wealth creation.

We are joined in this journey chiefly by government, small and medium businesses, industry players, development partners and civil society in their organised and individual capacities. This gives us the confidence to declare that no-one is left behind as we march on — further together — to a common digital future. We remain thankful for the opportunity to serve Basotho and thank our customers for their ongoing patronage.

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 1.5 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 capita[1]
1 005 US$
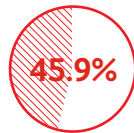| 2030 | 1 533 US$ |

Lesotho's digital profile

104.2% mobile connection penetration[2]
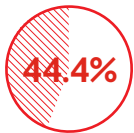
44.4%
of the population are financial institution account holders[2]
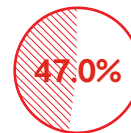
18.3%
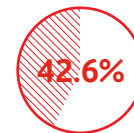of the population made an online purchase using mobile phone or internet[2]

45.9%
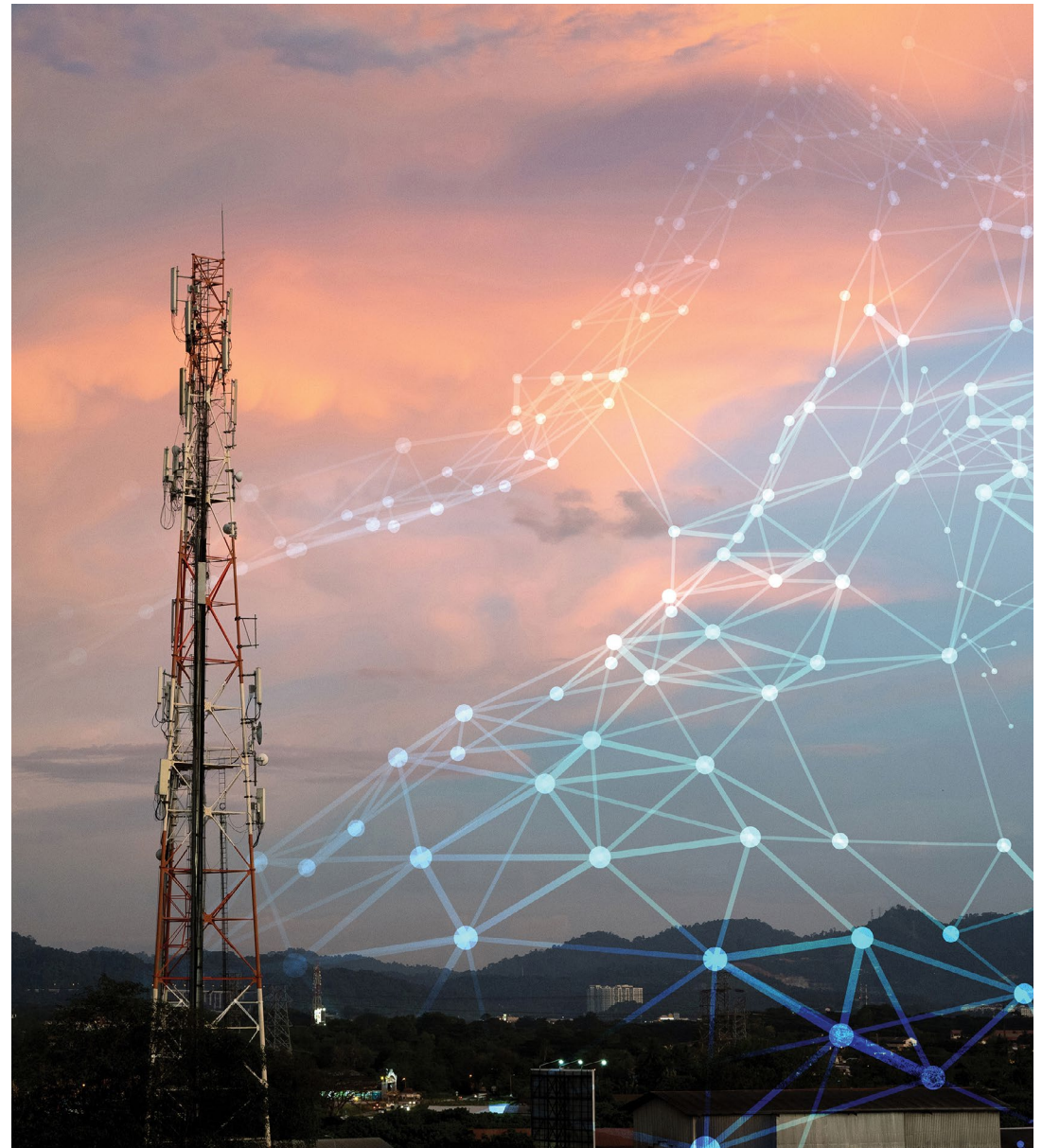of the population have a mobile money account linked directly to a phone number[2]

66.7%
smartphone penetration[3]

47.0%
individual internet penetration[2]

42.6%
social media user penetration (age 18+)[2]

1 UN, BMI.
2 DataReportal, 2023.
3 GSMA, 2024.

Our ESG framework

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

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

Our purpose-led strategy serves as our ESG framework, driving the Group to manage ESG risks and deliver positive impact through ESG-related opportunities, considering our operating context, stakeholder expectations and developing ESG regulations and standards.

This strategy – which at its core remains connecting for a better future by enabling a trusted digital society that is inclusive and sustainable – has evolved to focus on empowering people and protecting the planet. This is underpinned by our commitment to maintaining trust in everything we do.

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

Transparency and measurement

Transparency is essential to our ESG approach and we seek to provide comprehensive disclosure and measure our ESG progress using multiple mechanisms such as reputation tracking and stakeholder feedback.

Connecting for a better future

We enable an inclusive, sustainable and trusted digital society where individuals and businesses can thrive

Empowering people

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

Closing the digital divide
Extending our network and making connectivity more accessible to all.

Empowering our customers
Providing products and services to help address societal challenges, increase productivity and enable SMEs to thrive.

Supporting communities
Supporting the digitalisation of education and leveraging technology to address gender-based violence (GBV) and assist people with disabilities.

Protecting the planet

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

Responding to climate change
Committing to a low-carbon future and playing our part in addressing the climate crisis.

Delivering net zero operations (scope 1 and 2 GHG emissions)
Increasing our efficiencies to reduce energy consumption and sourcing alternative energy to reduce our GHG emissions.

Managing scope 3 GHG emissions
Engaging our supply chain to reduce indirect GHG emissions.

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

Supporting biodiversity
Understanding and managing our biodiversity impact while collaborating with partners to minimise loss through technology solutions.

Maintaining trust

Doing business ethically

Ensuring that our business operates ethically, lawfully and with integrity wherever we operate.

Promoting ethical conduct
Holding our employees, business partners, and supplier to a high standard of integrity.

Complying with policy
Complying with the relevant laws, evolving regulations and policies across our operations including our zero-tolerance policy on bribery and corruption.

Developing our employees

Developing a diverse and inclusive workforce that reflects the customers and societies we serve.

Fostering workplace equality
Removing barriers to workplace equality and accelerating transformation.

Developing employee skills
Developing diverse, future-capable talent and skills to support our transformation into a new-generation connectivity and digital services provider.

Living the Spirit of Vodacom
Creating a workplace culture where people feel empowered to thrive and positively impact their careers.

Protecting privacy and data

Maintaining customer's trust in our ability to protect their data.

Managing data privacy
Respecting the privacy rights and preferences of our customers and help improve society through the responsible use of data.

Managing cyber security
Prioritising cyber and information security across everything we do.

Protecting people

Protecting the fundamental rights of our customers, employees and communities where we operate.

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

Respecting human rights
Respecting, protecting and remedying human rights, while supporting socioeconomic development.

Promoting responsible and inclusive procurement

Managing relationships with our direct suppliers and evaluating their commitments to consider social, environmental and ethical impacts when sourcing good and services.

Managing our supply chain
Ensuring safe and fair working conditions, and responsibly managing environmental and social issues across our supply chains.

Supporting local economic development
Supporting local enterprises for economic empowerment and the creation of employment and socioeconomic development opportunities.

FY2024 snapshot

Empowering people

Partnered with the **African Development Bank** to expand network in previously underserved areas

14% reduction in data bundle prices (FY2023: 7%)

Hosted the **Entrepreneurship World Cup** in partnership with the Global Entrepreneurship Network, BAM Consultancy Foundation and Business Doctors NGO

160 rural schools received free internet

Partnered with government stakeholders including the Ministry of Finance and Development Planning, Ministry of Gender, Youth and Social Development, Ministry of Public Works and Transport, and the Lesotho Mounted Police Service to **enhance the delivery of government services**, including the payment of pensions and traffic fines

49% Just4You usage (FY2023: 21%)

By partnering with educational institutions including the Resource Centre for the Blind, National University of Lesotho and Lesotho College of Education, Vodacom supports the **educational needs of students with disabilities**

3 965 Code Like a Girl trainees since inception of which 1 515 were trained in FY2024

Code Like a Girl is supported through a partnership between Vodacom Lesotho Foundation, United Nations Children Fund (UNICEF) and the Ministry of Education and Training

5 067 maternity emergency m-mama transportations (FY2023: 3 200). **m-mama** is run in partnership with the United States Agency for International Development, Vodacom Lesotho Foundation, Touch Health, Riders for Health and the Ministry of Health.

The Vodacom Lesotho Foundation hosted a successful two-month winter **robotics bootcamp** for 100 children and youth aged between five and 25

Protecting the planet

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

ISO 50001 certified for energy management

33 smart electricity meters installed

105 (FY2023: 98) of our 410 network access sites are solar powered

12 500 trees were planted (FY2023: 20 000) bringing the total to 48 000 trees

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 Employers institute

The **Women's Network Forum** (WNF) hosted a flagship WNF Talk featuring inspirational women.

100% of employees completed assigned code of conduct, health and safety, anti-bribery and corruption and security training

49 employees, representing 11 teams, participated in the **Hackathon** innovation programme

Zero fatalities

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 educational, healthcare and financial services.

Connectivity is the cornerstone of the digital economy and a catalyst for transformation across multiple sectors. Improvements in mobile connectivity correlate to greater progress towards meeting the SDGs[1]. Since 2015, the mobile industry has increased its impact on the 17 SDGs[1].

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

Certain sectors, such as education, agriculture and healthcare, are critical for societies and economies to function. We support critical sectors by providing connectivity and platforms to drive impact at scale.

We acknowledge the significant digital divide in Africa and believe that for a digital society to flourish, it must be inclusive. We develop innovative solutions to support an equal and inclusive society, supported by the Vodacom Foundation, most notably in education, skills development, and gender and disability empowerment programmes.

Our people focus areas include:

1 Closing the digital divide	**2** Empowering our customers	**3** Supporting communities
980 000 M-Pesa customers (FY2023: 1.1 million)	**5 067** emergency transportations on m-mama (FY2023: 3 200)	**LSL6.2 million** spent on bursaries since inception

1 GSMA, 2023, 1.

1 Closing the digital divide

Internet access is transformational and empowers people to contribute to society and connect meaningfully. Connectivity is the foundation of inclusion, empowerment and opportunity. We connect people, enterprises and communities through our mobile and fixed networks.

Increased 4G connectivity drives economic participation. Enhanced connectivity has macro and microeconomic benefits, including reducing poverty and increasing welfare for underserved populations[2]. Expanding mobile broadband penetration across Africa by 10% could boost gross domestic product per capita by 2.5%[3].

2 World Bank, 2023.   3 ITU, 2019.

1.1 Pursuing ubiquitous coverage

Connecting everyone to digital services, particularly in Africa, is a significant challenge. Expanding rural networks can often be more challenging and offer a lower return on investment due to lower population densities. New approaches, partnerships and a blend of technologies will help us overcome some of these barriers and deliver universal coverage.

In FY2024, we deployed eight sites (FY2023: 14) of which two were **rural connectivity sites**, with an additional nine planned for FY2025.

	2G	3G	4G
Network penetration	97.0%	98.0%	96.0%

Six new **5G sites** were added in FY2024 (FY2023: one).

1.2 Increasing smartphone ownership

Device ownership is key to unlocking the potential of advanced connectivity. However, affordability remains a stumbling block to internet access and use in Africa. Most people still not using mobile internet live in areas covered by mobile broadband. Sub-Saharan Africa remains the region with the largest coverage usage gaps[1]. We offer affordable entry-level smartphones and tailored financial solutions to broaden device ownership.

Sechocha Samsung 04E is a new entry-level device offered at an affordable price point of LSL1249. The device is 4G capable and offers 64GB of memory and a 2GB processor. 4 970 handsets were sold in FY2024.

1.3 Addressing digital gaps

Access to mobile connectivity is persistently unequal, with women, people with disabilities, and those within low-income, rural and underserved communities less likely to own mobile phones and access financial and other services.

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 customers tailor-made offers for voice, SMS and data based on what they use the most in order to save them money.

Just4You usage

49% (FY2023: 36%)
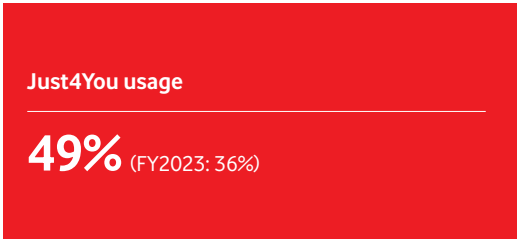
We reduced **data bundle prices** by 14.6% (FY2023: 7%)

Providing free access to online platforms

We provide free access to beneficial online platforms and resources to drive digital access and inclusion.

Facebook flex is a zero-rated mode that allows users to stay connected with friends and family even without data. 1.5 million customers made use of Facebook flex in FY2024.

Bringing digital to and empowering more women

Mobile technology enables access to essential services. However, the gender gap for internet usage is substantial, with over 300 million fewer women than men accessing the internet on a mobile phone[2]. We use mobile technologies to enhance women's quality of life through programmes that enable financial inclusion, improve health and well-being, education, skills and entrepreneurship.

Code Like a Girl is a social enterprise that provides girls and women with the confidence, tools, knowledge and support to enter and flourish in the coding industry. Code Like a Girl inspires more girls to explore careers that require coding skills to help them enter science, technology, engineering and mathematics (STEM) fields and industries.

	FY2024	Total since launch
Girls trained	1 515	3 965
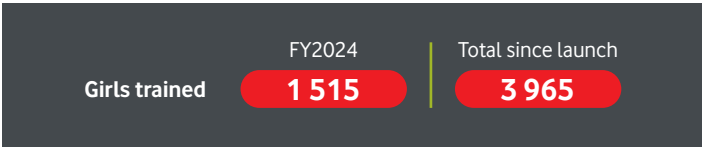
1 GSMA, 2023, 2.

2 GSMA, 2020.

2 Empowering our customers

2.1 Delivering platforms for financial inclusion

Mobile money is an important enabler of financial inclusion in sub-Saharan Africa. 33% of adults in the region hold a mobile money account. In 11 of these economies, more adults hold only a mobile money account than an account with a bank or other financial institution. Despite this progress, around 66% of adults in sub-Saharan Africa remain unbanked[1]. 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 allows broad access to payments, disbursements, collections, microloans, group savings, international remittances and online transactions.

M-Pesa M-Pesa **930 000** (FY2023: 1.1 million) customers, representing nearly half of Lesotho's adult population	Nkalime overdraft was utilised **2.2 million** times

M-Pesa payment solutions

- **Pension payments** allow beneficiaries to access their funds quickly, conveniently and safely.
- Customers can pay their **taxes, water utility bills** and **licence renewal fees**.

M-Pesa savings solutions

- **Mokhatlo** is a group saving solution that empowers community saving. This platform offers transparency on the use of funds and transactions made. 13 494 people saved through Mokhatlo and the sum of savings amounted to LSL1.9 million in FY2024.

M-Pesa insurance solutions

- We launched **Mpate Sheleng** funeral cover, which is affordable and accessible to all customers.

M-Pesa lending

- **Ntlatse** is an overdraft facility that provides customers with an instant top-up when making a transaction without sufficient funds. Almost 6 million overdraft facilities were accessed through Ntlatse and the total sum borrowed was LSL9 million in FY2024.
- **Nkalime** provides microloans to qualifying customers through M-Pesa in partnership with Airvantage Lesotho. 2.2 million people borrowed money through Nkalime and the sum of loans amounted to LSL7 million in FY2024.

Case study

Mpate Sheleng funeral cover

In partnership with Alliance Insurance, we launched the groundbreaking Mpate Sheleng funeral cover, which marks a significant step towards achieving complete financial inclusion in Lesotho. Combining affordability, convenience and comprehensive coverage, this innovative digital offering aims to ensure that Basotho individuals and their families have access to insurance cover.

Airtime Advance

Airtime Advance allows customers to get airtime or data, which is paid off when the customer next recharges. LSL76.2 million in Airtime Advance was extended to 400 000 customers monthly.

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1 GSMA, 2023.

2.2 Supporting SMEs to thrive in a digital world

Small and medium enterprises (SMEs) are critical in supporting economic growth and employment. We provide business support and innovative technology to foster their development. We support entrepreneurs, start-ups, small enterprises and our SME suppliers by delivering connectivity, tailored platforms, solutions, products and services, training and financial support. We connect SMEs through guidance on available solutions, advice and best practice information, improving their digital readiness.

Through a partnership with the Global Entrepreneurship Network, BAM Consultancy Foundation and Business Doctors NGO, we hosted the **Entrepreneurship World Cup** for more than 400 budding young entrepreneurs. The aim of the programme was to provide them with business start-up skills. The programme offered entrepreneurs the opportunity to pitch on a global stage for a share of US$1 million in global prizes, access to international mentors and investors, as well as LSL1 million in local prizes and local incubation.

M-Pesa Merchant Xchange was a cashless market demonstration in Lesotho. 500 attendees used mobile money to pay for tickets, food, beverages, apparel, tech accessories, makeup, tattoos, piercings, and child-minding services. Over 40 vendors showcased their products and services and experienced the safety and convenience of accepting cashless payments. Vodacom Lesotho Financial Services partnered with the 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 M-Pesa Merchant Xchange

Vodacom **One Connect** Lesotho is a cost-effective, robust and secure cloud-based business communication product that facilitates work from anywhere in the world. 17 businesses currently use One Connect.

2.3 Digitalising healthcare

Digital health tools can improve patient outcomes and deliver better healthcare to the underserved. By expanding the use of these tools, African health systems could realise up to 15% efficiency gains by 2030 and reinvest the savings to improve access and outcomes[1]. We work with key strategic partners in the health sector to support health and social care providers to benefit from the opportunities that digital tools and better access to data offer.

We continue to support the government-led, technology-based, affordable emergency transport system known as **m-mama** in partnership with the Vodafone Foundation. The programme improves the coordination and management of existing healthcare and transport resources in rural Lesotho with the support of volunteer community drivers. We are currently in talks with government to partner further on the programme, which has expanded from two districts two years ago to cover the entire country. This enthusiastic uptake has been due to an effective marketing campaign and overwhelming support from independent transporters. Despite a constrained national budget, we are hopeful that the project will continue to receive governmental support.

Emergency calls	**5 067**
Estimated lives saved	**122**

Mum & Baby is a zero-rated mobile health service that provides information on maternal, neonatal and child health and well-being. The platform currently has 10 766 users (FY2023: 700).

1   Mckinsey, 2023.

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.

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].

The Vodacom Lesotho Foundation successfully conducted a two-month winter **robotics bootcamp**, engaging 100 children and young adults aged 5 to 25. This initiative was executed in partnership with the Girls Coding Academy at Vodacom Lesotho's Innovation Park, an entrepreneurship incubation hub situated at Maseru Mall. The programme concluded with a mini Expo, where participants had the opportunity to present the gadgets, innovations, and devices they had created. The bootcamp significantly enhanced participants' understanding of artificial intelligence and robotics, fostered critical thinking skills, nurtured innovative ideas, and ultimately encouraged them to develop practical technological solutions.

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

Providing devices and connectivity to learners, schools and teachers

Digital education holds the potential to level the playing field, given the growing rate of connectivity in Africa. Students and teachers can access learning resources and classroom collaboration software through our learning platforms, while our school management platforms and digital and connectivity solutions drive efficiency in educational institutions.

Connectivity initiative	Outcomes and beneficiaries
Wi-Fi routers donation	276 routers were donated to the Network of Early Child Development of Lesotho for use in grade R classes. The donation was made in response to a call by UNICEF for corporates to support early childhood development in Lesotho, and to a LSL2.5 million donation from the Roger Federer Foundation. The handover ceremony was held in Maseru in October. The support will last for two years at a total cost of LSL2.2 for the routers and 40GB monthly data. This support ties in with the Foundation's youth development pillar and its mandate to invest in critical areas of development, in line with the Government of Lesotho's National Strategic Development Plan.
Fixed or wireless connectivity	In partnership with the Lesotho Communication Authority 161 rural schools connected (FY2023: 201).

Supporting jobseekers and empowering youth

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

In 2022, the initiation of the Vodacom **Lesotho Bursary Programme**, which receives an annual allocation of LSL4 million, created an opportunity for Basotho to embark on their educational journey in STEM subjects. Thus far, the programme has seen the successful graduation of four exemplary Basotho students, while 16 others continue in their studies. One of the beneficiaries, Matsoso Leseli, who recently completed a BSc in Mechatronic Engineering at the University of Cape Town, expressed gratitude towards Vodacom for its generous support, saying that the bursary played a pivotal role in enabling him to successfully complete his academic journey. Two new recipients joined the programme in 2024.

19 Basotho youth were successfully onboarded to our **youth programmes**. Out of these, 12 were selected for the Discover Graduate programme, and the remaining seven were assigned to the enhanced internship programme. One of the Discover Graduates was awarded a prestigious Vodacom STEM bursary and successfully completed an undergraduate BSc degree in Electrical and Electronic Engineering.

We distributed 1 000 (FY2023: 2 500) **sanitary packs** as part of the ongoing dignity campaign to girls in need to prevent the disruption of their education.

3.2 Helping people with disabilities

Technology has been vital in 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.

The **Vodacom Africa Accessibility Forum** is a platform for employees from to promote the digital inclusion of consumers with disabilities.

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 State Library, providing visually impaired persons with equal access to information. The library serves 100 people weekly. Vodacom's scholarships, mentorship programmes and accessible learning materials at the centre play a crucial role in facilitating the academic journeys of visually impaired students. In FY2024 a student previously funded by Vodacom at university was employed by the Insight Centre as a coordinator.

▶ Watch Insight centre

The Vodacom Foundation participated in the observance of the **International Day of Persons with Disabilities** at an event in Mohale's Hoek, hosted by the Ministry of Social Development. At the event, we spoke about the support we provide and the initiatives that we had planned for 2024.
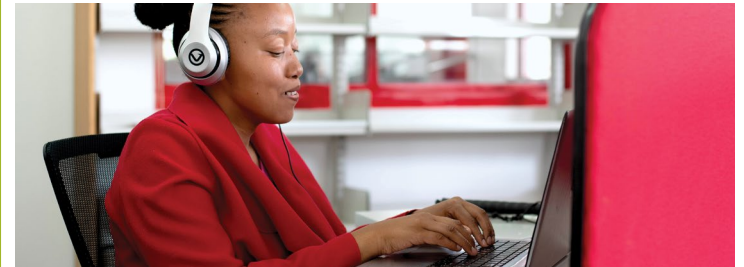
We collaborate with **Lesotho National Federation of Organisations of the Disabled** and other like-minded organisations to support events, seminars and workshops to educate the public about different disabilities and promote empathy and understanding. These initiatives foster a sense of inclusivity and highlight the abilities and achievements of persons with disabilities.

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 books, assistive devices and utilities. The centre is the only institution in the country to provide training for primary school students with visual disabilities.

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

3.3 Helping those 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 gender-based violence (GBV).

The **Nokaneng App** informs users in Lesotho about GBV, their rights and available support services, and offers emergency tools. The app provides a safe space for conversation, support and advice, and access to counsellors linked to the Lapeng Centre, a government's safe house and one-stop centre for survivors of GBV. This is a joint initiative between Vodacom and the Lesotho Ministry of Gender, Youth, Sports and Recreation, GenderLinks Lesotho and the Deutsche Gesellschaft für Internationale Zusammenarbeit. The app was downloaded 15 619 times in FY2024.

In response to the alarming number of women and girl survivors of GBV, we took the critical first steps in enhancing the availability of high quality, multi-sectoral response services for survivors of violence, including establishing shelters, to bring survivors to safety, restoring their dignity and supporting their well-being. We continue to support two **safe houses** for female victims of GBV. The two safe houses will move to the UN Compound that we are renovating to become a multi-sectoral GBV Centre. The centre will comprise a crèche, a clinic, and a Police Service's Child and Gender Protection Unit, and will offer counselling services. In addition to being a valuable resource, the centre will create several job opportunities.

At a ceremony to mark the start of the **16 Days of Activism Against GBV**, the Vodacom Lesotho Foundation handed over 200 pairs of school shoes, socks, stationery and sanitary towels to pupils from Semonkong High School and Amohelang High School.

High school debates were held at four schools in collaboration with WNF and the Vodacom Foundation to raise awareness of GBV, and the WNF engaged in a **GBV awareness march** in commemoration of victims of GBV across the globe.

▶ Watch Stand with us

3.3 Employee volunteerism

We enable our employees to contribute through payroll giving, fundraising and volunteering, including activities where employees can use their professional skills and expertise.

Activities occur throughout the year, including local and global campaigns such as International Day of Persons with Disabilities, 16 Days of Activism against GBV, Women's Month, and National Tree Planting Day.

Employees that undertook volunteer activities	80

Protecting the planet

We provide connectivity and digital solutions that help enable the climate transition and empower others to reduce emissions, improve the efficiency of resource usage and protect nature. We are working to minimise the environmental footprint of our operations, our value chain and our products and services and improving the circularity of the technology we use and sell. This year, we continued to embed our planet strategy across our business.

Our protecting the planet strategy centres around reducing GHG emissions, enablement, circularity and biodiversity. We reviewed our near and long-term planet goals against our business plans, opportunities and external constraints, which led to the refresh of some of our goals at the end of this financial year.

To further integrate planet into our business and fast-track future actions, we strengthened our governance, data and systems, risk management and stakeholder engagement.

Our planet focus areas include:

| **1** Responding to climate change | **2** Delivering net zero operations (scope 1 and 2 GHG emissions) |
| **3** Driving circularity | **4** Supporting biodiversity |

ISO 50001 certified

105 (FY2023: 98) of our 410 network access sites are solar powered

33 smart meters installed in FY2024

12 500 trees were planted (FY2023: 20 000) bringing cumulative number to 48 000 trees

1 — Responding to climate change

The impacts of climate change pose a significant risk to our operations, associated value chains and the countries in which we operate. We address the global climate crisis through our efforts to mitigate and address our climate-related impact and risks.

This requires global, regional and local cooperation, individual actions, and collective responsibility to adapt to the changing climate and to mitigate GHG emissions to limit accelerated climate change. We are committed to a low-carbon future and sustainable environmental practices. We continue to seek ways to build business resilience when faced with adverse weather. We engage and collaborate with other stakeholder on environmental awareness and climate action.

At the core of our climate action, we are:

▷ Embedding climate change into our governance processes;
▷ Assessing the actual and potential impacts of climate-related risks and opportunities on our business strategy to better understand and build resilience in the transition; and
▷ Leveraging the Group's enterprise-wide risk management framework, which includes identifying, assessing and responding to climate-related risks.

We marked **World Environment Day** with a radio and social media awareness campaign on limiting plastic and e-waste. We declared the day a no-paper day, where employees were encouraged to not print or make photocopies. We raised awareness on e-waste through our retail stores and Vodacom employees engaged in a clean-up activity in Maseru.

2 — Delivering net zero operations (scope 1 and 2 GHG emissions)

The information and communications technology (ICT) sector is responsible for an estimated 1.8% to 2.8% of global GHG emissions[1]. As we move towards a more digital society, with increasing volumes of internet use and mobile data traffic, we are committed to reducing our GHG emissions in absolute terms, in line with what science requires to avoid catastrophic climate change. We are making progress towards net zero for our operations. We are committed to working with others across the public and private sectors to reduce telecommunications sector emissions in Africa.

Our activities to reduce scope 1 and 2 GHG emissions focus on driving energy efficiency across our mobile and fixed-line networks and replacing fossil fuel-based energy sources with renewable energy sources. Our GHG emissions inventory was developed using the GHG Protocol Corporate Accounting and Reporting Standard.

Our goal

We aim to achieve net zero emissions from our operations (scope 1 and 2) by 2035, in line with a science-based pathway to limit global warming to 1.5°C of warming by 2100.

In FY2024, our total scope 1 and 2 market-based emissions decreased by 14% to 11 487tCO$_2$e. This decrease is due to improved reporting and alignment with our reporting policies.
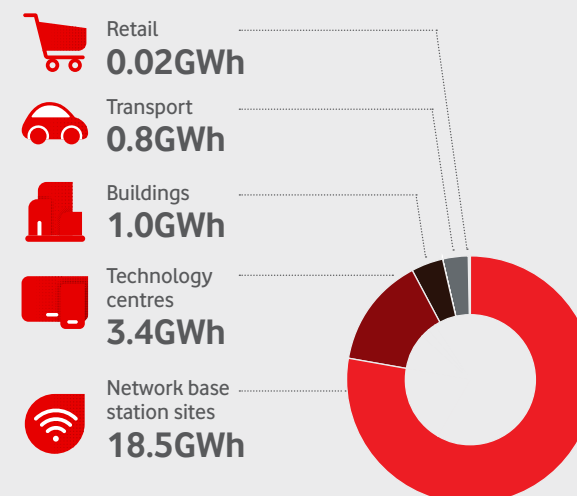
Scope 1 and 2 market-based GHG emissions (tCO$_2$e)

FY2024	11 487
FY2023	13 365
FY2022	14 285
FY2021	7 366
FY2020	9 653
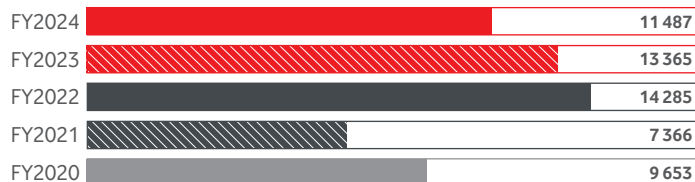
Driving energy efficiencies

Our energy efficiency measures aim to reduce our dependence on fossil fuels, reduce our GHG emissions, support global efforts on climate change mitigation, and reduce operating costs. The primary energy source powering our network of base stations, data centres, offices, warehouses and retail stores is grid-supplied electricity, supplemented with diesel generators. Our energy consumption is from our access network of base stations (78%), technology centres (14%), office and warehouse buildings (4%) and some of our retail stores, where we primarily focus our energy efficiency activities.

FY2024 energy consumption by use (GWh)

Retail
0.02GWh

Transport
0.8GWh

Buildings
1.0GWh

Technology centres
3.4GWh

Network base station sites
18.5GWh

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1 Freitag, C. et al., 2021.

We invested in an **energy efficiency project**, including installing air-flow management and cold-aisle containment systems in one of our data centres. These systems will be calibrated for further optimisation and we anticipate this project to result in 10% energy savings for this data centre.

During FY2024, we started deploying electricity **smart meters** across our operations (33 in total), which will be complete by the end of FY2025. Smart meters will enable us to have accurate live monitoring of our electricity consumption so that we are able to be more agile to implement timely interventions.

We continue to increase **battery capacity** across all sites to reduce diesel generator run times.

We obtained **ISO 50001 certification**, which specifies energy management system requirements. This has instilled a cultural shift towards sustainability, where people now are more aware of the importance of energy efficiency and are empowered to contribute to environmental stewardship efforts.

Switching to renewables

Achieving our net zero goals requires switching to renewable sources of grid-supplied electricity, and investing to replace diesel generators with technology that can operate on alternative, renewable fuel sources. This process relies on technological advancement and the availability of renewable fuels to further support our goal.

We are piloting stage of a project to replace **security lights** with solar-powered lighting, at Vodacom Park, our head office.

We are exploring **power purchasing agreement** options to continue decarbonisation efforts. These are expected to be solar power purchasing agreements to power our data centres.

Our **Vodacom Park rooftop solar plant** produced 27 543kWh of renewable energy (FY2023: 98 796kWh). We are investigating solutions to resolve the technical challenges which resulted in the year-on-year decrease so to get the plant back to peak production.

3 Driving circularity

E-waste is our second most material environmental issue, and encouraging circularity is a key enabler of our planet strategy. Circularity considers the entire life cycle of a resource and aims to eliminate waste – thereby reducing environmental impact.

As the use of technology expands and develops, we are playing our part to address the growing global e-waste problem. We aim to use resources for as long as possible to maximise the return on capital employed and recover and reuse materials responsibly. We seek to manage our impact responsibly and support our customers' efforts.

Our e-waste circularity initiatives consider two types of e-waste:
- **Network equipment,** including radio equipment used to run our fixed and mobile access networks; and
- **Electronic devices,** including smartphones we sell to customers.

Our goal

100% reuse, resell or recycle of our network waste by 2025.

Circularity of network waste

Our resource efficiency and waste disposal management programmes minimise the environmental impacts of network and e-waste. When reuse options (either through resale or redeployment) are exhausted, we recycle obsolete equipment responsibly using approved recycling agencies.

In FY2024, 26.7 tonnes of non-hazardous network equipment waste was disposed of (FY2023: 0 tonnes) and 23.7 tonnes of hazardous network waste was disposed of (FY2023: 0 tonnes). In the past year, we have collected waste in our warehouse while identifying the appropriate supplier to support us with responsible recycling and disposal. We continue to work with our supplier to understand recycling options available to us.

Circularity of devices

We implement circular device initiatives in collaboration with our partners and other operators. Small IT equipment and electronics such as devices constitute around 9% of total e-waste generated[1].

We have a **return policy** for customers who experience technical faults on devices that are more than LSL5 000 in value. The device is sent to South Africa for repairs and returned to the customer. Devices that are less than LSL5 000 in value are sent to our warehouse for auctioning.

Reducing virgin plastic use

We continue replacing single-use plastics with lower-impact alternatives across all our retail stores, offices and logistics operations in collaboration with our logistics providers. Where plastic is necessary, we choose recycled plastic.

1   GSMA (2022), Strategy paper for circular economy.

Managing general waste

Our general waste management programmes involve reviewing our consumption choices, making more sustainable decisions and working with suppliers to reduce environmental waste.

Using water responsibly

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, and we monitor and manage our water consumption through a building management system.

4 Supporting biodiversity

The world is currently undergoing a dangerous decline in nature with one million species threatened with extinction, impacting the lives of billions of people and economies. In December 2022, 188 governments adopted the Kunming-Montreal Biodiversity Framework consisting of four overarching goals to reverse the loss of nature by 2050.

Although our effect on biodiversity is low, we aim to better understand its extent and minimise our infrastructure's environmental and visual impact. Digital technology can also be applied to enable interventions and actions to protect, manage and restore nature.

Understanding and managing our impact on biodiversity

We have a widespread infrastructure footprint. We conduct environmental impact assessments and cooperate with the relevant authorities to minimise negative impacts. Some of our sites are in or near biodiverse-sensitive areas. We increasingly seek to understand our impact, the risks of biodiversity loss and opportunities to partner with stakeholders to prevent further harm.

Supporting biodiversity protection through new technologies

Technology can minimise the impact of human activity. We partner with various partners and conservation agencies to protect biodiversity on land and at sea. This support combines programme funding and connectivity and innovative technological solutions in conservation efforts.

We collaborate with the Limomonane Trust to implement a **sustainable urban greening and forest restoration** project which aims to create a green belt across the most arid parts of the country.

▶ Watch Tree planting

We held a **stakeholder roundtable and farmers' forum** on land sourcing, seedling production and agricultural training. The initiative encouraged farmers to partner on the tree planting initiative that happened in December 2023 as well as developing a calendar for future planting. In December 2023, 12 500 trees were planted (FY2023: 20 000) over six acres in Ha Ntsi, Masapong village in peri-urban Maseru and in Masowe suburb in Maseru, bringing the total number of trees planted since 2022 to 48 000.

Maintaining trust

Acting lawfully, ethically, and with integrity is critical to our long-term success, and forms the cornerstone of how we do business. Transparency, honesty and accountability guide all our business interactions. We continue to foster a diverse and inclusive global workforce that reflects the customers and societies we serve. For our customers, we protect their data, ensure that services are delivered securely and responsibly, and provide guidance on how to navigate new technology ethically.

We promote a strong health and safety culture, we aim to respect human rights across our operations, and to proactively manage risks in our supply chain. Upholding the highest industry standards, we behave responsibly and transparently, comply with legal and regulatory standards, and ensure employees, business partners and suppliers conduct themselves appropriately.

Our integrity focus areas include:

1 Doing business ethically

2 Developing our employees

3 Protecting privacy and data

4 Protecting people

5 Promoting responsible and inclusive procurement

100%
of employees completed assigned code of conduct, health and safety, anti-bribery and corruption and security training

99%
of employees completed privacy training

1 Doing business ethically

Maintaining trust underpins our purpose. We hold our employees, business partners and suppliers to a high standard of integrity. An independent ethics office leads our ethics programme. Training and awareness support the programme's related internal and external policies to ensure compliance with best practice, laws and regulations.
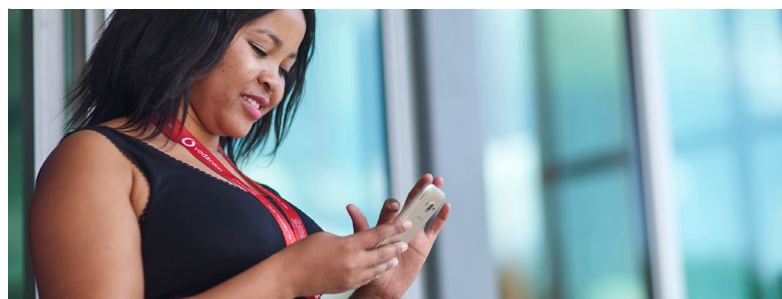
Employees, contractors, suppliers, business partners and the public can report suspected breaches of our code of conduct anonymously through **Speak Up**.

Speak Up

Click **here** to report an incident

Speak Up hotline:
8001 3460

2 Developing our employees

We believe that the well-being of our employees 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 creating a workplace culture where people feel empowered to thrive and positively impact their careers and the realisation of this purpose.

2.1 Fostering workplace equality

We strive 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 also covers diversity and inclusion, harassment, and bullying.

	FY2024	FY2023	FY2022
Headcount (number)	**456**	448	365
Permanent employees	**286**	280	261
Contractors	**170**	168	104
Employee turnover (%)	**8.3**	6.9	9.5

The **Women's Network Forum (WNF)** is a platform where women can mobilise, connect, network, be empowered, and champion gender equality within Vodacom. The WNF is committed to inspiring collaborative growth with a vision to break down barriers that hinder women and girls from reaching their full potential in the workplace and society. In FY2024, the WNF hosted an inspiring flagship event: WNF Talks. The conversation was expertly moderated and the panel featured remarkable women who are true beacons of inspiration for Basotho women and girls. The event was the first of several initiatives aimed at addressing women's issues and empowering them to reach their full potential and achieve success. Documenting the trajectories of resilient, talented, and successful Basotho women is the forum's legacy project which will serve as a catalyst for confident and empowered women and girls who are well capacitated to thrive.

2.2 Developing employee skills

We focus on developing diverse talent for the future and building future skills. Our transformation into a new-generation connectivity and digital-services provider requires new skills and capabilities, such as software engineering, automation and data analysis.

Investment in skills development (LSL millions)		
FY2024	2	
FY2023	3	
FY2022	2	

2.3 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.

Driving innovation

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

Participating teams	11
Participating employees	49
Female representation	15
Male representation	34
Stream views	506

3 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 data privacy programme ensures we meet the privacy laws and regulations of Lesotho.

We use a defined mandatory framework called the cyber security baseline which is based on international standards and includes defined success criteria and metrics, which are reported and tracked at all organisational levels.

We embed preventive and protective controls across our technology, throughout the business.

4 Protecting people

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

Our **safety and health workplace committees** comprise management, employees and supplier representatives.

A **men's mental health session** was conducted for 69 attendees and focused on issues that affect men's mental health, the importance of reaching out for assistance, and the channels to use to find support. A **women's mental health session** was conducted to create awareness on sexual issues that affect women's mental well-being.

A **financial awareness seminar** was conducted for 138 employees to address the financial and relationship issues identified in our employee assistance programme reports. The seminar focused on practical budgeting and investment advice. The Central Bank of Lesotho facilitated a financial wellness session for employees as part of the **Spirit of Vodacom Day** proceedings. The session focused on personal financing, debt management and investment. Employees took part in dance lessons to promote their physical and mental well-being.

During the 2023 festive season we had an awareness campaign through the **national road safety programme** focusing on road safety and pedestrian safety rules. Our brand ambassador reiterated the messaging on five national radio stations over the course of the campaign. A similar campaign was run on our social media platforms.

A **primary school road safety campaign** was also conducted in partnership with the Road Safety Department at Hoohlo Primary school in Maseru. The campaign was part of our community safety objectives and aimed to instil a culture of road safety at an early age.

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 and 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.

	FY2024	FY2023	FY2022
Number of first tier suppliers where a purchase order was raised	**212**	214	186
of which: local suppliers	**125**	128	123