

## Seamlessly connecting our customers to a better life

“Telkom follows a combined assurance approach which integrates our internal audit function, Telkom Group Internal Audit (TGIA), other independent assurers and risk management activities across the Group.”

Telkom SA SOC Ltd

# Independent Assurance Report

2024



**Telkom**

# Independent assurance statement to the management of Telkom SA SOC Ltd

## Introduction

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Telkom SA SOC Ltd (Telkom) to conduct an independent third-party assurance engagement in relation to the sustainability information in its integrated annual report (the Report) for the financial year that ended 31 March 2024.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Megan Nair, Denite Swanepoel, Nishka Devsaran, and Thabo Mokate from IBIS. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work.

## Assurance standard applied

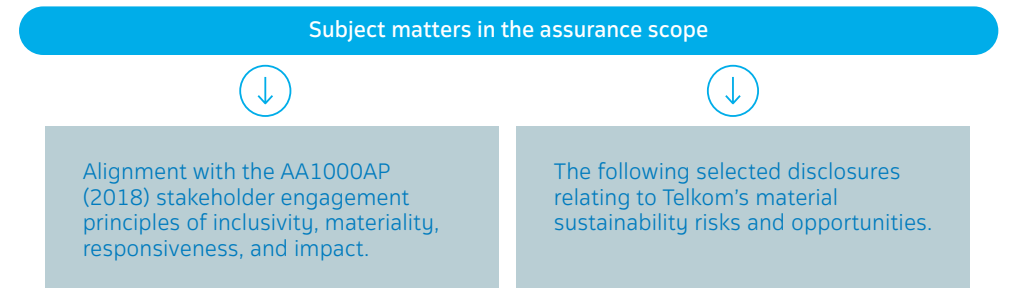
This assurance engagement was performed in accordance with AccountAbility's AA1000AS v3 (2020) (AA1000AS) and was conducted to meet the AA1000AS Type II Moderate level requirements as indicated below:

## Respective responsibilities and IBIS' independence



## Assurance scope

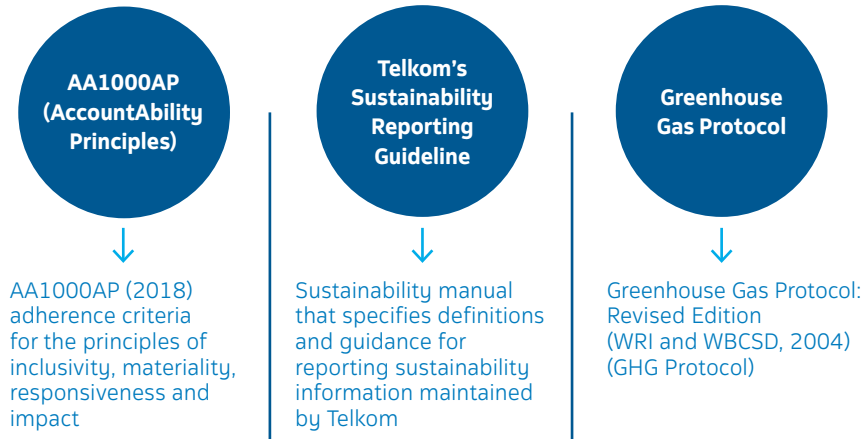
The scope of the subject matter for Moderate assurance in accordance with the AA1000AS assurance standard, as captured in the agreement with Telkom, is set out below:



Type of KPI	Key performance indicators	Unit of measure
<b>Environmental</b>	Total volume of water consumed	KL
	Total Scope 1 and Scope 2	tCO <sub>2</sub> e
	E-waste recycled	Tonnes
<b>Health and safety</b>	Lost Time Injury Frequency Rate (LTIFR)	Rate
	Total Recordable Injury Frequency Rate (TRIFR)	Rate
<b>Social</b>	Enterprise supplier development spend (ESD-FutureMakers)	Rand
	Total value invested in digital skills (Telkom Foundation and Trudon CSI)	Rand
	Total value invested in education (Telkom Foundation and Trudon CSI)	Rand
	Total value invested in social development (Telkom Foundation and Trudon CSI)	Rand
	Total training spend (Telkom Group)	Rand

## Assessment criteria

The following assessment criteria were used in undertaking the work:



## Assurance procedures performed

Our assurance methodology included:

Testing	Interviews	Inspection	Assessing	Reporting
Testing, on a sample basis, the measurement, collection, aggregation, and reporting processes in place.	Interviews with relevant data owners to understand and test the processes in place for maintaining information in relation with the subject matters in the assurance scope.	Inspection and corroboration of supporting evidence received to evaluate the data generation and reporting processes against the assurance criteria.	Assessing the presentation of information relevant to the scope of work in the Report for consistency with the assurance observations.	Reporting the assurance observations to management as they arose to provide an opportunity for corrective action prior to completion of the assurance process.



## Engagement limitations

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for a Moderate level of assurance in accordance with AA1000AS. The procedures performed in a Moderate assurance engagement vary in nature from, and are less in extent than for, a High assurance engagement. As a result, the level of assurance obtained for a Moderate assurance engagement is lower than for High assurance as per AA1000AS. The scope of work did not extend to any subject matters other than that specified in this assurance statement. IBIS experienced no limitations in performing the agreed extent of work required for the engagement.

## Assurance conclusion

In our view, based on the work undertaken for Moderate assurance as described, we conclude that the subject matters as described in the scope of this assurance engagement have been prepared in accordance with the defined criteria and are supported by the evidence obtained.

## Key observations and recommendations for improvement

Based on the work set out above, and without affecting the assurance conclusion, the key observations and recommendations for improvement are set out below.

### In relation to AA1000AP

**Inclusivity:** Telkom has a well-developed stakeholder engagement framework that clearly describes the objectives of its stakeholder engagement, the process followed, the governance structure, and roles and responsibilities.

It is recommended that Telkom formalises the metrics used to measure stakeholder engagement effectiveness.

**Materiality:** Telkom has a documented materiality determination process that involves Group executives. The process requires identification, evaluation and prioritisation of material matters based on their ability to affect value creation. This process is communicated in the annual reporting suite of Telkom, together with the final outcomes and explanation of material issues. Compared to its previous assessment, there has been improvement in the level of detail and articulation of its materiality determination process.

It is recommended that Telkom continues to enhance its process by further articulating the identification, evaluation, and prioritisation components of its materiality process.

**Responsiveness:** Telkom's stakeholder engagement framework provides a range of approaches to solicit stakeholder inputs and respond to different stakeholders' concerns. It assigns responsibility to relevant roles and functions for overseeing and implementing responses to stakeholders' issues to ensure that Telkom achieves its stakeholder engagement objectives.

**Impact:** Telkom's ESG strategy identifies a range of impacts and SDGs to which Telkom contributes. Through its various policies and frameworks, Telkom's commitment to manage its identified impacts is made clear. Telkom's ESG strategy identifies roles and functions that are responsible for the management of impacts across the Group. Telkom provides reporting on its SDG impact performance through its annual reporting suite.



## In relation to the selected disclosures

IBIS observed that systems and processes are in place to provide reliable source-data related to the selected sustainability disclosures in the assurance scope for FY2024. Additionally, both data owners and group management demonstrated an in-depth knowledge of the sustainability reporting process and were dedicated to improving the quality of the sustainability data, as well as the processes and systems in place to report this information. Data inconsistencies identified during the final consolidation of the sustainability information were subsequently corrected and IBIS is satisfied with the accuracy of the final data in the assurance scope. A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Telkom for consideration.

**Petrus Gildenhuys**  
 Director, IBIS Environmental Social Governance  
 Consulting Africa (Pty) Ltd  
 Johannesburg

19 June 2024



*The assurance statement provides no assurance on the maintenance and integrity of sustainability information on the website, including controls used to maintain this. These matters are the responsibility of Telkom.*

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