

Telkom

**TELKOM FOUNDATION
ANNUAL REPORT**

23



www.telkomfoundation.co.za

Table of Contents

A letter from the Chairman of the Foundation	1
Who we are	4
Our performance	14
Letter from the Head of Foundation	15
Employee volunteering	30
Governance	34
Financials	38
Glossary	54
Administration	55

“

THE FUNCTION OF EDUCATION IS TO TEACH ONE TO THINK INTENSIVELY AND TO THINK CRITICALLY. INTELLIGENCE PLUS CHARACTER – THAT IS THE GOAL OF TRUE EDUCATION.

Martin Luther King Jr.

”

01

About this report

WE ARE PLEASED TO PRESENT OUR 2023 ANNUAL REPORT, WHICH PROVIDES INSIGHTS INTO OUR STRATEGY, ACTIVITIES AND POSITIVE IMPACT ON THE COMMUNITIES WE SERVE.

Since 1998, Telkom Foundation (the Foundation) has served as the corporate social investment division of Telkom SA SOC Limited. Telkom Foundation is a registered Trust with a dedicated Board of Trustees and is managed by the Head of the Foundation.

The Foundation’s main objective is to contribute to transforming disadvantaged communities through sustainable development programmes focusing on developing information and communication technology (ICT) skills. The Foundation partners with the government, the private sector, educational institutions and communities to improve the quality of education in Science, Technology, English and Maths (STEM). In addition, the Foundation focuses on developing digital knowledge and expertise to equip the youth for future employment.

This report covers the financial year from 1 April 2022 to 31 March 2023. Material matters deemed important to the Foundation and its stakeholders are addressed throughout the report.

A letter from the Chairman of the Foundation



REFLECTIONS ON OUR FIVE-YEAR STRATEGY

THE FOUNDATION AND ITS PARTNERS COLLABORATE TO PROVIDE MEANINGFUL CHANGE BY FIRST UNDERSTANDING LEARNERS AND UNEMPLOYED YOUTH'S CORE CHALLENGES.

In 2018, the Telkom Foundation implemented a revised strategy, and we deliberately decided to follow an in-depth approach instead of a breadth approach to aggressively tackle some of the most critical educational challenges with technology. By intentional design, the impact of our education work is very long term. These initiatives are not what you invest in today; you see an immediate impact tomorrow.

At the Foundation, we rely on evidence-based research when developing our strategy and designing our learning interventions. In 2023, we reflected on the progress made with our five-year strategy that ran from the financial years of 2018 to 2023. This review included an evaluation of the strategy's strategic objectives and goals, the Foundation's key strengths, gaps and partner landscape. It also considered how the Foundation's strategy supports Telkom's revised environmental, social and governance (ESG) priorities and contributes towards the United Nation's Sustainable Development Goals (SDGs).

The Foundation focuses on depth of support by selecting fewer schools and tracking the learner journey. We have tracked a cohort of approximately 5 300 learners over five years. This allowed us to see where learners struggled or dropped out of the system and what helped top learners reach their potential. This allowed us to pinpoint those interventions that have catalysed learning improvement. This type of longer-term study is rare, and we are excited to share our findings with the Department of Education, other education non-profit organisations (NPO) and other interested stakeholders.

The revised strategy, to be delivered from 2024 to 2028, will build on the existing strategy with the core intention to improve more students' lives by increasing the range of services offered at schools. This proven holistic approach will focus on academic support, teacher development, foundational digital skills and psycho-social support. Here, the focus is on improving impact by strengthening support and potentially expanding support to new schools in new regions.

In addition, we are introducing measures to scale our approach at schools through ICT enablement. This approach will leverage the Telkom Group's strengths to deliver the strategic objectives. The focus areas will be driving academic support by providing ICT infrastructure. We will also partner with digital skills providers and employees to provide future-fit skills training and other learning paths not offered in schools.

We are excited by our work in the digital skills space and are impressed by the young people and the systems they can design through the coding and robotics programmes. Here, these programmes have opened up young people's imaginations and allowed them to aspire to a new future. They recognise that they can create digital content and systems rather than simply consume them. Which both teacher development and allowed them to aspire to a new future. They recognise that they can create digital content and systems rather than simply consume them.

“

WE FIRMLY BELIEVE THAT EDUCATION MUST HELP LEARNERS DISCOVER THEIR UNIQUE CONTRIBUTION TO A MORE PROSPEROUS AND EQUITABLE 21ST CENTURY WORLD AND EQUIP THEM WITH THE NECESSARY KNOWLEDGE, SKILLS AND ATTITUDES TO BECOME SUCCESSFUL AND ECONOMICALLY ACTIVE CITIZENS.

”

THE IMPORTANCE OF PROVIDING HOLISTIC SUPPORT

We have always considered factors beyond just academic performance and believe in developing the whole person. A highlight of the strategy review process was seeing the positive impact of our psycho-social programmes. This was especially apparent during the COVID-19 pandemic when calls to our partners LifeLine and Childline spiked. These partners have provided enormous benefits to children coping with difficult situations.

Neurobiological and psychological studies have shown that traumatic experiences in childhood can diminish concentration, memory and organisational and language abilities that children need to succeed in school. This influences a child's day-to-day functioning and coping capacity as well as their self-perception and relationships with others – effectively changing a person's life trajectory. This means that our work has to be trauma-informed and recognise the high incidence of violence and traumatic events in children's lives. Going forward, we also seek to use technology to increase the reach of our psycho-social solutions to benefit more children. This includes partnering with platforms and NPOs to deliver psycho-social support through online channels, hotlines and online therapy platforms.

APPRECIATION

On behalf of the Board of Trustees, I extend our appreciation to Sarah Mthintso, our Head of Foundation, and the Foundation's team for their dedication and willingness to go the extra mile. You are passionate about our mission, and this is appreciated.

We also thank our wonderful Telkom employees for participating in our CSI (Corporate Social Investment) programmes. Your time and payroll contributions are greatly appreciated.

I acknowledge my fellow Trustees and Company Secretary for your time, insights and commitment. I am grateful for your support and robust discussions in 2023. Each Trustee has adopted a CSI project and invested an allocation of funds to ensure these projects' success.

We appreciate the contributions from our partners at the Department of Basic Education, the district directors, principals and teachers. These partners support the success of the Foundation and bettering the lives of the learners we support.

Finally, we thank our network of service providers, many of whom are small businesses or NPOs. Their faith in a better South Africa through education is unwavering.

Dr Shafika Isaacs
Chairman

CONDOLENCES

In a small team, the contribution of all colleagues is felt and appreciated. In March 2023, we were devastated by the sudden passing of our colleague, Monese Waga Puso. Monese was a highly experienced CSI Specialist who was responsible for the Connected Schools and Adopt-A-Project programmes. Monese was with Telkom for over 18 years and spent many years at the Foundation, and we will miss his commitment and expertise. We send our heartfelt condolences to his family and friends.





Who we are

THE FOUNDATION’S PRIMARY FOCUS IS LEVERAGING TELKOM’S RESOURCES AND ICT CAPABILITIES TO IMPROVE EDUCATION. THE OBJECTIVE IS TO DRIVE SUSTAINABLE SOCIO-ECONOMIC SOLUTIONS AND UNDERPIN TELKOM’S LONG-TERM SUSTAINABILITY.

WHO WE ARE

Over the past 25 years, Telkom Foundation has been committed to addressing the socio-economic challenges faced by South Africa’s most vulnerable communities. We invest in education initiatives that impact learners, educators and unemployed youth, leveraging ICT and imparting ICT skills to contribute to the broader social development and economic prosperity of South Africa.

Our focus has been to support learners at a high school level within the public schooling system and position them for future meaningful participation in the economy. In pursuing this, we focused on learner performance in STEM subjects and the

development and support of educators and school leadership to improve the quality of teaching and learning. At the post-school level, we focused on unemployed youth to re-skill them with future-fit digital skills.

The growth in technological advancement and innovation drives the demand for STEM-related skills. STEM subjects are considered a key tool for unlocking growth in key industries and alleviating unemployment in South Africa and globally. Through our programmes and initiatives, Telkom Foundation equips the youth with the necessary skills and resources to help them access future economic opportunities.

OUR SUITE OF LEARNING INTERVENTIONS

Learner academic support

Grade 8-12 online and face-to-face supplementary tuition, mainly in STEM subjects, to improve high school learner academic performance.

Psycho-social support

Online, telephone, and face-to-face programmes to support learner psycho-social wellness, build their resilience and grit and guide future careers.

Teacher development

Online and face-to-face training and support in ICT integration in teaching and learning to strengthen teaching practice.

Academic programmes

Science, accounting, English and maths programmes. We share what we have learned in the broader education community and support the principals in our participating schools.

Leadership development

Bolsters instructional leadership capacity to improve leadership effectiveness in schools.

Digital skills for unemployed youth

Train and certify youth in ICT-related skills to increase their chances of employability or entrepreneurship.

Our enabling ICT ecosystem includes the following:

Our programmes use the ICT infrastructure rolled out in supported schools, which includes:

- + Learner and educator devices and in-school technical support
- + Curriculum and Assessment Policy Statement (CAPS) aligned educational content
- + Fast and reliable Telkom connectivity

REDUCING DISPARITIES AND THE DIGITAL DIVIDE IN SOUTH AFRICA'S EDUCATION SYSTEM

Approximately 95% of the 13,4 million learners in South Africa are in public schools. While progress has been made in the public education system since 1994, major challenges still exist. This includes the lack of infrastructure and resources, particularly in rural and township schools and the scarcity of teacher training. These challenges inevitably impact learners' performance outcomes.

Reducing the resource and infrastructure disparities between public schools in suburban areas and those in rural areas and townships is key to improving South Africa's education system. This means bringing resources closer to these schools and breaking down the barriers that prevent learners from accessing quality education.

Since early 2020, COVID-19 has significantly impacted the education system globally. The most recent Progress in International Reading and Literacy Study (PIRLS) showed that countries saw declines in primary reading competencies due to the pandemic. Learners in Grade 4 home language are more than one quarter of a year behind, effectively in Grade 3 (Department of Basic Education, Early Grade Reading Study, 2021).

The national lockdown and additional social distancing efforts meant that learners spent much time away from the physical classroom. Data from the Department of Education in early 2022 showed that learners lost 59% of contact time in 2020 and 22% in 2021.

Approximately 3 300 educators lost their lives due to COVID-19¹. This presented a challenge for schools to put in place new or substitute teachers. This disrupted the teaching and learning processes at affected schools. Research indicates that COVID-19 had severe negative impacts on educational outcomes. The pandemic compelled the government to introduce measures to ensure learners could still learn. This included exploring e-learning platforms. This highlighted the inequality in the education system, as not all learners could easily access digital devices and internet connectivity when needed.

South Africa has made strides in integrating technology into the public education system; however, a great digital divide still exists. As technological advancement is crucial for the economic prosperity of a country, South Africa still has a long way to go. This shows the importance of introducing digital skills to learners and equipping them for the evolving world of work. This includes emphasising key subjects such as maths and science and digital skills such as coding, robotics and artificial intelligence (AI). To achieve this, learners require holistic support in the classroom and beyond. This entails making digital infrastructure easily accessible, incorporating technology in the curriculum, and introducing digital skills training interventions for learners and teachers.



Of every 100 learners entering Grade 1, 60 will write matric, 37 will pass the matric examination, 14 will pass with university admission, 12 will enter university, and six will eventually finish with a degree.



Of the 20,4 million young people aged 15 to 34, 40,3% (a staggering 8,2 million, are not in employment, education or training.



Over 16 million adult South Africans, including the youth, depend on some form of social grant for income.

¹ <https://www.gov.za/news/speeches/minister-angie-motshhega-basic-education-dept-budget-vote-202223-20-may-2022>

Our strategy

TELKOM FOUNDATION PROVIDES LEARNERS ACROSS SOUTH AFRICA WITH HOLISTIC SUPPORT IN THE CLASSROOM. WE ARE INVESTED IN SOUTH AFRICA'S FUTURE BY CHAMPIONING ACCESS TO EDUCATION AND ENABLING ECONOMIC PARTICIPATION FOR THE YOUTH.

Our strategy, first introduced in the 2017 financial year, seeks to address the broad needs of learners and teachers. This includes providing opportunities for learners and teachers to develop skills that can be translated into the classroom and improve overall performance outcomes.

The strategy aligns with the Broad-Based Black Economic Empowerment's (B-BBEE) ICT Sector Code, which asserts that socio-economic development initiatives must enable ICT sector socio-economic development and promote access to the economy for black people. The strategy also supports South Africa's National Development Plan 2030 and the Sustainable Development Goals 2030.

OUR GOAL

WE SUPPORT OUR LEARNERS IN IMPROVING THEIR ACADEMIC PERFORMANCE AND STRENGTHENING THEIR CHARACTER AND RESILIENCE. WE PROVIDE ACCESS TO DIGITAL SKILLS TRAINING TO EQUIP LEARNERS AND UNEMPLOYED YOUTH WITH SKILLS THAT PREPARE THEM FOR FUTURE WORK OR ENTREPRENEURSHIP OPPORTUNITIES.

Our initiatives are constructed to ultimately impact a learner as our unit of change whilst leaving a lasting impact on our work with teachers. Our goal is to increase learners' chances of accessing future economic opportunities through education.

We assist learners in reaching their academic potential so they can pursue post-schooling education, start their own business, or find employment after completing Grade 12. Expanding the pool of qualified and employable South Africans supports Telkom's sustainability by increasing the pool of available talent. We uplift families and communities by enabling access to employment or entrepreneurship opportunities.

We focus on depth by selecting a few schools, tracking their journey as beneficiaries, and reaching scale through digital skills programmes.

STRATEGY OBJECTIVES

Objective 1: To provide supplementary tuition in maths, science, and literacy to strengthen and improve learner academic performance.

The supplementary tuition programme, which focuses on maths, science, and English, helps learners improve their performance in these gateway subjects to ICT careers. The programme also includes remedial interventions to address learner content gaps, especially for maths, which is critical for mastering these subjects.

Objective 2: To contribute to strengthening instructional leadership capacity in our partner schools.

Leadership development is entrenched in the belief that the quality of school leadership impacts academic performance. School principals foster collaboration with other schools through communities of practice. This methodology facilitates peer learning and partnerships to improve schools. The Foundation supports principals in developing their instructional leadership capacity and ability to use technology as an enabler.

Objective 3: To develop and support teachers in improving their pedagogical, content and ICT skills towards improved teaching and learning.

Teachers are critical in effectively integrating and adopting ICT in schools. Preparing, developing, and supporting teachers to utilise ICT to transform the teaching and learning process is vital. The Foundation, therefore, supports teachers with ICT training and helps them improve their classroom practice.

Objective 4: To contribute to learner psycho-social wellness, build their resilience and grit and guide future career choices.

Given the political, economic and social context within which schools exist, many psycho-social challenges, such as substance abuse, domestic violence, and teenage pregnancy, impede learner progress and quality teaching. Our psycho-social programme responds to these needs through social work services, peer support, cultivating resilience, and building self-awareness and leadership.

Objective 5: To offer learners access to digital skills to prepare them for the future world of work.

The Fourth Industrial Revolution disrupts industries, mainly through the mix of technology and 21st century critical skills. As a result, the demand for digital skills has increased rapidly and will continue to do so in the future. This includes developments in artificial intelligence (AI), coding, machine learning and robotics. The Foundation already prepares high school learners in

alignment with the broader Telkom digital skills strategy. The aim is to create a talent pipeline for Telkom, its subsidiaries, partners, and the industry.

ASSESSING IMPACT

Telkom Foundation’s theory of change highlights the key building blocks required for us to achieve the desired impact. This includes our vision, goals, the outcome of our initiatives, understanding the activities we need to implement to achieve the desired outcomes, and knowing what we need to be able to execute these activities.

What is a theory of change?

A theory of change is a specific and measurable description of a social change that forms the basis for planning, ongoing decision-making and evaluation. The theory of change encourages an organisation to reflect on its goals and plans (the strategy), discuss them with others, and ensure they are clearly understood. A theory of change is an interpretation of what we believe – but based on evidence and experience – expressing the likely course of change.

The theory of change overview

If you have...

- + Learners that underperform in identified subjects in Grade 8 to Grade 12
- + Teachers who lack the experience, training and subject knowledge to teach identified subjects
- + Learners and teachers with inadequate digital skills
- + Learners with psycho-social challenges
- + Schools with inadequate instructional leadership capacity

And you provide...

- + Academic support to learners in maths, science, English and accounting
- + Close learning gaps through remedial classes
- + Provide professional development opportunities to teachers on ICT integration, subject content and pedagogy
- + Build resilience and grit among learners and teachers
- + Support principals to develop their leadership abilities
- + Strengthen collaboration among our education implementation partners
- + Provide digital skills training to equip learners for the future world of work

Then you get...

Short-term outcomes

- + Improved subject knowledge among learners and teachers
- + Improved ICT knowledge and skills
- + Increased ICT integration in teaching
- + Learners with improved skills to cope with challenges
- + Better leadership in schools
- + Improved collaboration within the education ecosystem
- + Learner skills developed in basic coding, robotics and gaming

Medium-term outcomes

- + Improved learner performance in identified subjects
- + Improved teaching practices
- + Reduced behavioural challenges among learners
- + Improved leadership decision-making
- + Better decisions by our implementation partners
- + Improved learner knowledge and skills in basic coding, robotics and gaming

Then you will have...

Impact

Improved pass rates in science, maths, English and Accounting

Impact

Improve quality teaching and learning in science, maths, English and Accounting

Impact

Improved access to economic opportunities for targeted learners

OUR FIVE-YEAR STRATEGY IMPACT ASSESSMENT

IN THE PAST FIVE YEARS, WE HAVE WORKED WITH APPROXIMATELY 5 300 LEARNERS AND 6 000 TEACHERS ACROSS PROVINCES.

The major lessons we have learned are as follows:

In-school psycho-social support services should address the issues of stigmatisation of learners attending counselling to ensure participation and completion of sessions.

Whilst in-school technical support is important in driving teacher ICT integration, pedagogical support is imperative to ensure practical application in the classroom.

An all-inclusive approach ensures broad-based reach, but to ensure consistent attendance and completion of programmes, a beneficiary opt-in strategy has to be in place with progressive compliance targets such as attendance and completion of tasks.

Remedial programmes to assist learners in closing content gaps in subjects like maths need to align with the annual teaching plans in their schools to assist learners in seeing relevance and encourage uptake.

Technology advancements present an opportunity to mitigate the trade-offs between a comprehensive and in-depth programme and one that achieves scale.

An integrated multi-focused programme requires careful planning to avoid learner fatigue and silo approaches.

According to an independent measurement and impact study conducted, we have achieved the following:

The school leadership support programme provided training in basic ICT skills and on the Department’s District Data Dashboard (DDD), which was crucial in enhancing the capacity of school principals to understand and utilise the valuable insights provided by the DDD system for effective school management.

The supplementary teaching programme focused on STEM subjects showed a learner pass rate improvement of 11,5% in maths and a 2,47% increase in quality passes from Grade 11 to Grade 12. Performance in science showed that passes increased by 5,63% and quality passes improved by 5,15%.

73% of learners in digital skills training completed the programme and were certificated. The programme promoted critical thinking and problem-solving skills and equipped learners with practical skills while preparing them for a technology-driven world.

The teacher training programme in ICT integration improved teacher ICT skills from 78% of teachers at the novice level and 21% at the intermediate to 52% at the intermediate and 28% at the expert level.

The in-school psycho-social support programme administered 2 924 new cases, with about 75% of cases being either successful or progressive. The in-school awareness programme reached over 46 000 learners.

Our partnerships

 Afrika Kids Code	 Childline Gauteng	 Dept of Telecommunications
 BRIDGE	 Credipple	 Good Governance Africa
 Chrysalis Academy	 Families South Africa (FAMSA)	 Jumpstart
 Discover Digital	 Ikusasa Lethu	 LifeLine SA
 Gradesmatch	 Kutlwano NPC	 Memeza Shout Crime Prevention
 Kelello	 Mo Afrika	 National Youth Development Agency (NYDA)
 Lightbulb Education	 Menteso (Male App)	 READ Education trust
 Department of Basic Education	 PROTEC	 Red Cross
 Nunnovation	 SET	 Gift of the Givers
 SchoolNet	 The Giving Organisation	 TSAFRIKA Foundation
 The Earth Centre	 Axium	
 Alexandra Education Committee	 Columba Leadership	

Our stakeholders

INTERNAL STAKEHOLDERS

Telkom SA SOC Limited

Telkom Foundation is a subsidiary of Telkom Group. Through the Foundation, Telkom Group supports broader socio-economic development. This includes academic support and training initiatives.

Telkom employees

Telkom employees contribute to the success of the Foundation. Employees can participate in structured volunteerism projects such as Giving of the Heart, providing specialist insights and by contributing from their salaries.

EXTERNAL STAKEHOLDERS

Partners

Our partners facilitate meaningful community development programmes that have a tangible impact. Partnerships enhance our ability to deliver and include the private sector organisations and civil society contributing to improving education quality.

School leadership

Strong relationships with school leaders ensure that the learners and teachers make the most of the Foundation's programmes. Leaders are supported to improve their instructional leadership.

Educators

Forging collaborative partnerships with teachers is essential for the success of the Foundation programme.

Learners

The Foundation offers learners the opportunity to improve their education and employability. Learners gain exposure to ICT as a learning tool, a potential career, and psycho-social support.

Parents

Parents play a role in supporting the Foundation, fostering a sense of responsibility in their children regarding the equipment, and taking advantage of the given opportunities.

Communities

The Foundation's responsible social investment initiatives empower local communities and demonstrate respect for the communities and their leaders.

Regulatory Organisations

We influence and comply with related legislation such as the Non-profits Organisation Act 71 of 1997, the B-BBEE Act and other legislation regulating our programmes.

Government

Our work in education is in collaboration and aligned with the Department of Basic Education, Provincial Departments of Education and District Offices.

Our team



SARAH MTHINTSO

+ Head of Foundation:
Overall leadership and
management of the
Foundation¹



NATHI KUNENE

+ Senior Manager:
Responsible for overall
operational matters²



MONESE WAGA PUSO

+ CSI Specialist:
Responsible for
Connected Schools
and the Adopt-A-
Project programme.³



JEANETTE MTSHAKI

+ Operations Specialist:
CSI Coordinating and
monitoring psycho-
social project.



MARCIA SELEBANO

+ Administrator:
Providing overall
administrative support.



GALLANT ROBERTS

+ Operations Specialist:
CSI identifying,
coordinating, and
monitoring teacher
and learner support
project.

¹ Sarah stepped down as Head of Foundation in 2023.
² Nathi Kunene is the current Acting Head of Foundation.
³ In March 2023, we were devastated by the sudden passing of our colleague Monese Waga Puso.



Letter from the Head of Foundation

AS THE EDUCATION LANDSCAPE EVOLVES, WE NEED TO BE RESPONSIVE TO INTEGRATE OUR LEARNINGS TO ENSURE OUR PROGRAMMES REMAIN RELEVANT.

YEAR IN REVIEW

2023 IN NUMBERS

A total investment of

R64 million

R26 million

invested in education

R20 million

in digital skills

R7 million

in social development programmes

296 876 beneficiaries

(133 093 learners, 570 youth)

National

21 430 learners

supported in supplementary teaching programmes

Honouring our fallen ‘soldier’

While this financial year was rewarding in the work that we achieved, it ended in sadness as the Foundation mourned the passing of its longest-serving employee, Mr Monese Puso. He was responsible for the ICT and connected schools programme, having been with Telkom for 25 years and 16 years in the Telkom Foundation. We appreciate the Puso family for allowing the Foundation and South African communities to benefit from his hard work, passion for communities, and dedication to his work.

Our context

In 2023, South Africa endured low economic growth, with companies downsizing rather than expanding. This exacerbated the crippling levels of poverty, inequality and unemployment, especially among the youth. Data from Statistics South Africa showed that for the first quarter of 2023, youth aged 15-24 years and 25-34 years recorded the highest unemployment rates of 62,1% and 40,7% respectively¹. The country’s GDP needs to grow by 6% a year to create enough jobs for the 700 000 people who enter the workforce every year. The growth for 2023 was 0,6%.

¹ Statistics South Quarterly Labour Survey Q1: 2023



03

Our performance

The declining demand for certain traditional skills contributes to the lack of employment opportunities in the country. However, there is still a talent gap for emerging technology skills such as artificial intelligence and machine learning, data analytics and big data. Specialised roles in these areas are expected to grow by 30-35% between 2023 -2027, according to the World Economic Forum’s 2023 Future of Jobs Report.

Equipping learners for a brighter future

The Foundation supported initiatives that empowered and enabled youth to build the requisite skills to be future fit for the workforce. We invested in programmes focused on improving teaching and learning in STEM as gateway subjects to accessing science and technology post-schooling studies and future economic opportunities. The Foundation expanded its programmes to support unemployed youth and re-skill them through training programmes accredited by the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA).

The Foundation invested R64 million (including administration costs), R26 million in education, R20 million in digital skills and R7 million in social development programmes. The learners supported by the Foundation since 2018 (Grade 8) through the integrated High School Support Programme reached Grade 12 at the end of the 2022 academic year.

The 4 496 learners sat for matric exams and achieved a 77,4% pass rate, with 43,2% achieving bachelor passes and 35,6% achieving diploma passes. The programme contributed 2,3% towards Gauteng province’s bachelor passes and 0,6% towards national bachelor passes. There were 870 distinctions, contributing 4% towards the national number of distinctions. Recognising the challenges that Grade 12 learners face with transitioning to post-school studies, the Foundation provided a facilitated and structured programme to help them apply for and secure post-school study opportunities. Telkom provided 25 of these learners with bursaries for their tertiary studies, joining the 21 learners already supported with bursaries from the 2021 class.

By providing academic support nationally, the Foundation continued to support the zero-rated Telkom Lightbulb Education platform, providing 21 430 learners with online access to interactive content of basic education. Of these, 4 828 learners accessed the platform through learning devices and mobile connectivity provided by the Foundation.

The programme continued to invest in digital skills by introducing learners to various technologies, including robotics, systems development, fintech and blockchain. The Digital Skills Programme

reached 300 high school learners in the Free State and Mpumalanga provinces. They are undergoing a three-year certificated programme in addition to their Grade 12 certificate. In light of the many challenges learners face, the Foundation continues with its psycho-social programme to support learners who need counselling. The programme also identified and addressed patterns of social issues emerging and impacting young people in the communities we serve. To date, awareness sessions have been conducted on various issues and relevant topics within the 22 Foundation-supported schools in Tshwane West in Gauteng and Gqeberha in the Eastern Cape.

The Foundation continued with the Youth Digital Skills Programme, focusing on re-skilling unemployed youth with MICT SETA-accredited ICT training and job experience. The programme benefited 542 youths placed in Telkom, various government departments, and small and medium enterprises. This includes a group of 120 youth who are part of the Foundation’s partnership with the Gauteng Department of Education’s Gauteng City Region Academy (GCRA). This partnership programme re-skills unemployed youth and places them in schools with ICT resources to provide IT helpdesk assistance.

Forward-looking: revising our strategy

Over the past five years, we have successfully implemented our current strategy to enhance the quality of learning and teaching in disadvantaged communities. This is a tried and tested holistic model, which has now been tweaked, considering lessons learned and opportunities to scale.

In this financial year, we developed a new five-year strategy for the period 2023 to 2028, which includes two main components. Firstly, an incremental model which builds on the existing strategy to impact more lives by increasing the service we provide at the schools we support. Secondly, a scale model which will enable us to amplify our impact through opportunities to scale.

In executing this strategy, the Foundation will retain existing initiatives for ICT integration, FutureFit skills, supplementary tuition, teacher development, and psycho-social and leadership development programmes and build on them while introducing new initiatives to support more learners.

The scale model takes a step towards an ICT-enabled programme format to leverage the power of ICT. We will also work on sustainability plans for the programmes that will be discontinued. This revised strategy will be implemented in the 2024 financial year.

The revised strategy will enable us to reach more learners through our academic and psycho-support programmes and equip the youth with the needed ICT skills to participate meaningfully in the economy and contribute to economic growth.

Telkom Group ESG pillar	ESG Commitment
Social	Impact 30 000 lives through digital literacy by 2023.
	Bridge the digital divide through our educational, entertainment and financial services platforms.
	Improve digital inclusion for South Africans by providing internet access over Telkom’s widespread mobile and fixed wireless broadband network.

Our new vision statement: Positively impact lives through access to quality education, digital literacy and digital skills, leveraging products and services across the Telkom Group.

Appreciation

Through the work of the Telkom Foundation, thousands of learners in South Africa have access to educational opportunities that will set them on a path to success. The holistic support provided to learners will not only help them to excel academically but will also equip them for future career opportunities.

This would not be possible without the commitment of the Telkom Group, our partners, and stakeholders. Over the years, we have developed good relationships as we collaborate to bring about social impact initiatives that empower our youth and enable them to prosper.

I wish to extend my appreciation to the Foundation team for being steadfast and committed to our mission and the Board of Trustees for their oversight during this financial year. We also acknowledge Telkom Group employees, including executive management, for their consistent support and meaningful contributions.

Nathi Kunene
Acting Head of the Telkom Foundation



High School Support Programme (HSSP)

SINCE THE PROGRAMME WAS ESTABLISHED IN 2017, TELKOM FOUNDATION HAS SUPPORTED THE LEARNING JOURNEY OF 5 300 LEARNERS ACROSS TWO PROVINCES. A TOTAL OF 2 041 LEARNERS FROM THE PROGRAMME FOCUSED ON STEM SUBJECTS THROUGH TO GRADE 12.

The Telkom Foundation’s HSSP comprises the following sub-programmes: Supplementary Teaching, ICT Integration, School Leadership and Teacher Development, Digital Skills, and Psycho-social Support. The work done and achievements within the year under review are outlined in the following sections.

SUPPLEMENTARY TEACHING SUPPORT PROGRAMME

Supplementary teaching support programmes are key in enhancing learner performance in maths and science at the schools we have partnered with. The programmes provide students with targeted assistance, additional resources, and personalised guidance that can bridge gaps in understanding and boost their confidence in these challenging subjects.

Supplementary programmes reinforce key concepts and nurture a deeper appreciation for maths and science by offering a supportive environment outside the regular classroom. The key challenge is the extent of gaps in learner content knowledge, particularly in maths and science. Our programme has implemented a remedial programme in addition to the ordinary supplementary teaching to help learners close these content gaps.

Our supplementary teaching programme was implemented through a face-to-face mode as well as online through our Lightbulb platform. Through our technology integration pillar, we use technology to enhance teaching and learning by training learners and teachers on how to use technology for teaching and learning. This enables them to access educational content through our zero-rated content.

PROTEC PARTNERSHIP

The year 2023 marked the end of our six-year partnership with Protec, an education and career support organisation. Since the partnership was established in 2017, learners in Gauteng and Eastern Cape provinces have received academic support through supplementary tuition sessions. The 2022 PROTEC Telkom Tshwane matriculants achieved a pass rate of 81%, and 38% of the learners achieved bachelor passes. PROTEC Telkom Gqeberha learners achieved a pass rate of 62,3%, and 36,9% of the learners achieved bachelor passes.

The programme conducted face-to-face Saturday school and vacation camp classes for Grade 12 learners in Tshwane and Gqeberha. PROTEC provided learners with curriculum-aligned content to help them improve their performance in STEM subjects. The programme initially supported seven schools, and an additional 14 schools were added as some of the first cohort learners switched to mathematical literacy in Grade 10.

In its final year, the programme held 24 Saturday classes. Learners attended vacation camp three times a year for Gqeberha schools and twice a year for the Tshwane schools. The 2022 cohort faced the challenge of COVID-19 and national lockdown, which affected access to learning, especially for schools in underprivileged communities. We provided learners with online and recorded lessons, zero-rated access to multiple educational platforms, and aligned with schools and districts’ teaching plans.

Khanya’s story

The PROTEC played an important role in my passing matric with six distinctions. When the COVID-19 pandemic hit, academic activities had to stop with immediate effect, but that did not stop me from studying. I used all the time I had to study, which helped me achieve excellent results when schools reopened.

I am very competitive and academically driven, and PROTEC made sure they strengthened these qualities. We had tutors who would make sure we understood the work, and PROTEC made sure that every learner received their own study material and stationery. We were taken to a revision camp in October, which contributed to my performance in the final exams. We also attended World of Work (WOW) classes, where we were advised on career choices and how to easily transition into varsity life. This helped me select the career I wanted to pursue. The tutors advised us to choose a career that would help us get employed immediately after we graduate, which influenced my choice of study. BSc is one of the bridging courses to medicine at Sefako Makgatho University, and as the WOW classes helped me realise that I had a passion for medicine, I chose this as the path I would follow.

Something else that was very special about our PROTEC project was that they made sure our academic needs were met, and they constantly brought in people and alumni who would address us and motivate us. This kept me going through all the challenges I faced. Our tutors convinced me that I was capable of achieving distinctions in all my subjects, and that motivated my desire to study. My sister is my role model, and I saw her grow into the loving person she is today – she is a civil engineer, and her ability to achieve what she wants makes me yearn for independence and hard work.

Thank you, PROTEC, for being my second home. You gave me support and I would not have passed with six distinctions if it was not for you guys.

– Khanya Chirwa is a PROTEC Telkom Tshwane alumnus who matriculated from Reitumetse Secondary School.

Source: PROTEC Annual Report 2022-2023

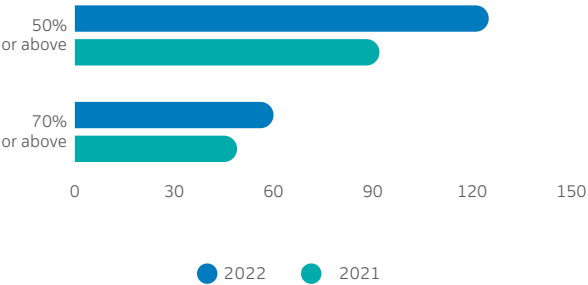
ALEXANDRA EDUCATION COMMITTEE (AEC)

The partnership with AEC started in 2016. AEC provides educational and psycho-social support for Grade 8 to 12 learners in and around Alexandra township by awarding secondary school scholarships to well-resourced schools in Johannesburg and a tailor-made Saturday and holiday school supplementary teaching programme supporting learners in STEM subjects. Overall enrolment across Grades was at 251 learners in 2022. Part of the work of the Foundation is to promote uptake in STEM subjects whilst improving performance. The programme had the following notable achievements:

Through partnerships such as with the AEC, the Foundation drives improvements in the performance of maths and science, and the analysis below shows how AEC had performed in these gateway subjects.

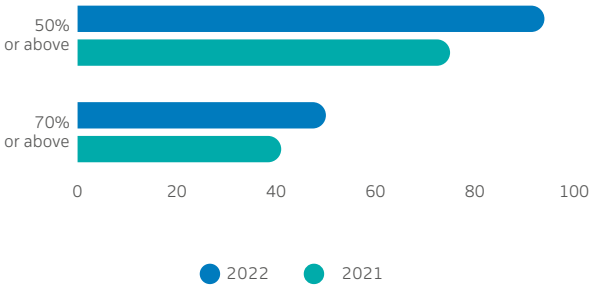
AEC Grade 10 – 12 maths performance

Number of learners performing at:



AEC Grade 10 – 12 science performance

Number of learners performing at:



The programme achieved the following grade 12 results for the 2022 academic year: The 2022 Grade 12 results below show a sterling performance by the AEC class of 2022.

AEC Matric Results 2022

100% Bachelor Pass

84 learners achieved distinctions in the following subjects:

- 16 Maths (two advanced Maths)
- 22 Sciences
- Five Home Language
- 10 Accounting
- 17 Life Orientation

Six learners obtained six distinctions each.

Five learners obtained five distinctions each.

Two learners obtained four distinctions each.

Seven learners obtained three distinctions each.

39 out of 52 learners achieved a pass mark of 75% or more.

Tshireletso's story

My name is Tshireletso, born and raised in Alexandra township. Like many South Africans, I am from a financially challenged family. How am I able to survive with a family of sixteen in a one room? One might wonder!

I don't see my challenges as accidents waiting to happen but as an adventure waiting to be explored. The predicaments I face are the main reasons why I am at Waverley High School and as an AEC beneficiary. I want to turn my adversities in advantages. They are also the reason why I am enthusiastic, goal driven, focused, diligent, optimistic and always strive for the best.

It takes a village to raise a child, and the AEC organisation is part of that village. They played an important role in raising me, and I am grateful for the opportunities they gave me. These opportunities include sponsorship, mentorship, computer skills, attending book fairs, Saturday schooling, assistance with groceries, and more. Life was never meant to be easy because easy ways are not fascinating. With all that said, I would like to express my gratitude to all those who improved my life for the better.

— Tshireletso, AEC alumni

Source: AEC website

IKUSASA LETHU

Our partnership with Ikusasa Lethu started in 2016. The programme provides supplementary teaching to Grade 8 to 12 learners in maths, science, English, computer skills and other core subjects. The programme provides other support like life skills, awareness programmes, and career management support. St Mary's Foundation manages the programme.

Learners attend face-to-face Saturday school and vacation camp lessons at St Mary's Waverly School for Girls in Johannesburg, with an overall enrolment of 215 learners in 2022. As part of the academic support, the Foundation also drives the uptake of pure maths and science in Grade 10 onwards to enable more learners to enter STEM-related careers. Maths uptake in Grades 10 to 12 averaged 84% in 2021 and 94% in 2022. Science uptake in Grades 10 to 12 averaged 52% in 2021 and 61% in 2022. This shows a shift towards more learners taking maths and science.

LIGHTBULB EDUCATION

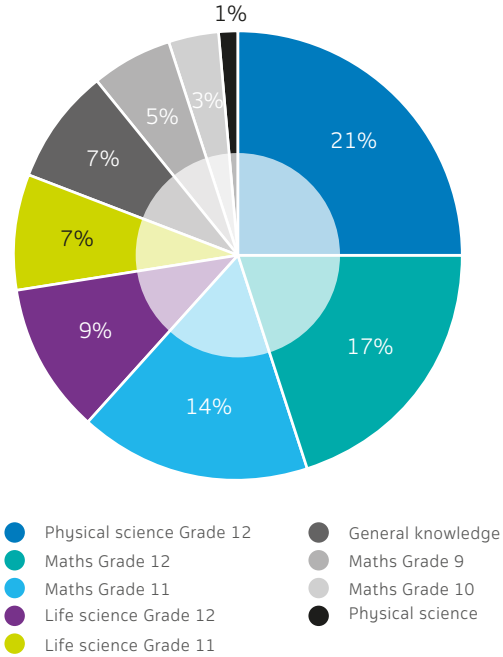
Since the COVID-19 pandemic, e-learning platforms have become an essential resource for learners and teachers to access learning material and conduct online classes. Telkom Foundation's Lightbulb Education is a free online platform that offers curriculum-aligned content that currently focuses on maths and science.

Launched in 2020, Lightbulb Education has reached approximately 17 403 users nationwide, with Grades 11 and 12 content being the most accessed. Grade 7 to Grade 12 learners can receive academic support through learning material, quizzes, and online sessions.

The platform is zero-rated and can be accessed at no data cost with the Telkom network. We will continue to expand offerings on the platform to include financial literacy and psycho-social support through various partners.

To access the platform, please visit: <https://learn.lightbulbedtech.com/>

Top subjects accessed on Lightbulb during 2023



The way forward for Lightbulb

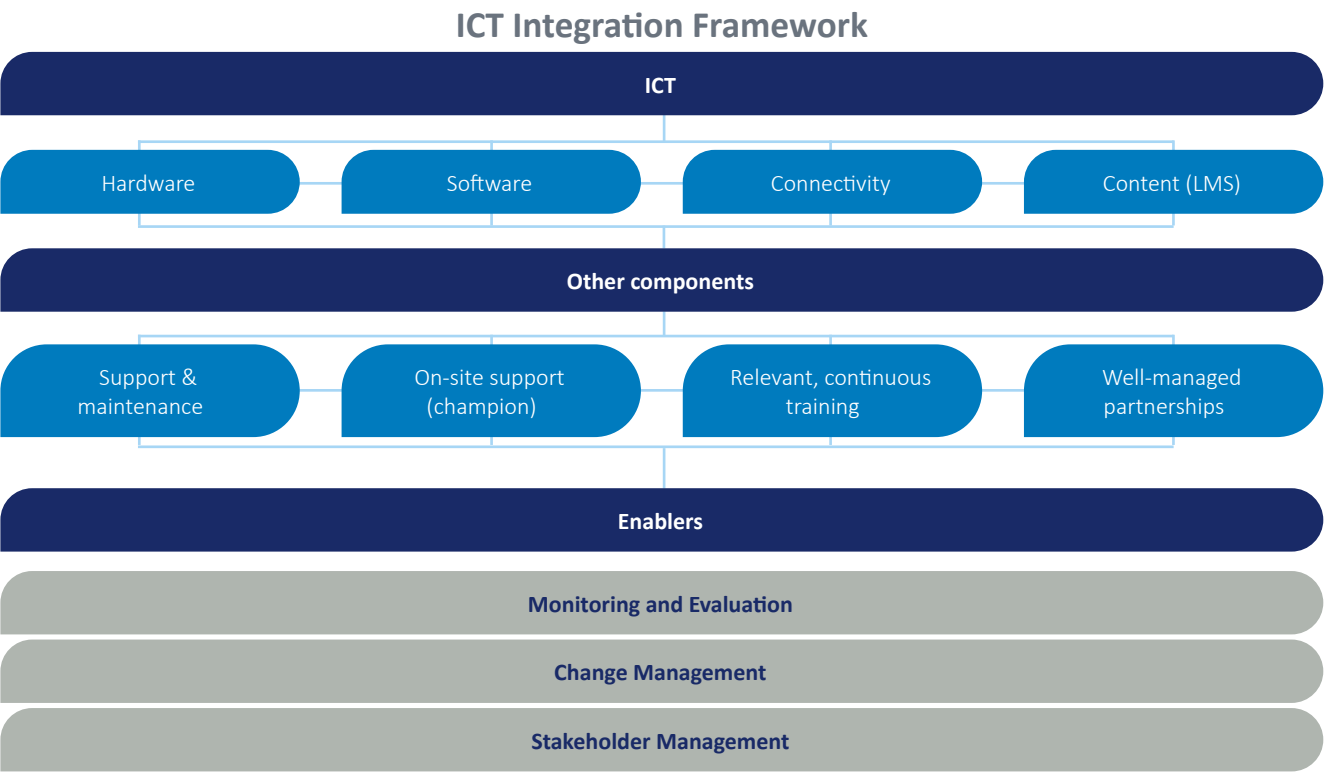
In future, the Telkom Lightbulb platform will look into increasing services offered to learners, such as live supplementary teaching classes to reach learners across South Africa. We will also increase the subjects and Grades covered and enhance the platform to enable live video interactions. The programme will also target to grow the number of learners benefiting through marketing and reaching additional schools.



Integrating ICT in **teaching and learning**

ICT RESOURCES

Since its inception, the Telkom Foundation has been driving its ICT Integration Flagship programme for teaching and learning. The programme provides ICT resources to schools and community centres and reliable connectivity solutions suitable to the programmes running in those schools and community centres. The Foundation implements the programme within the following framework:



In addition to schools and community centres currently supported, the Foundation partnered with the Independent Communications Authority of South Africa (ICASA), the Department of Basic Education, the Department of Communication and Digital Technologies, and provincial Departments of Education to implement a virtual classroom project for Grade 12 learners in four schools in Mpumalanga and Free State. These schools received laptops for their Grade 12 learners and teachers, as well as school management teams.

A total of 1 100 learner laptops and 40 teacher laptops were donated to support the Grade 12 class. A dedicated classroom was setup in each school with state-of-the-art online broadcasting equipment, including smart boards, web cameras and microphones. Each learner received a Telkom SIM card, which they could use to access Telkom Lightbulb zero-rated online content as well as zero-rated access to over 1 000 educational websites.

Learner training

ICT training was provided for learners in the four schools in Mpumalanga and Free State provinces. The sessions covered Microsoft Office 365, the 2enable, and Lightbulb online CAPS content platforms, as well as other free curriculum resources available to learners. The 2enable and Lightbulb apps are zero-rated by Telkom to circumvent data challenges for all users. Other topics covered included managing your digital footprint, building your brand online, and designing and creating CVs. These workshops aimed to set the scene for the Telkom initiative and assist Grade 12 learners by providing extra support in preparation for their final year of school.

Mzali app

As part of ICT integration in schools, the Foundation supports a black youth-led small business called Mzali. The mobile application focuses on maintaining control, ensuring security for learners, and acting as a communication partner between schools and parents.

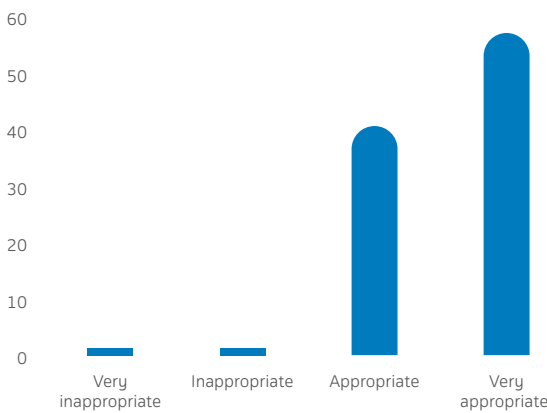
The aim is to get parents in the supported schools, as important stakeholders, to be actively involved in the drive for ICT integration and their children’s education. Parents are signed up and given access to information on their children, such as textbooks allocated, learner marks, attendance, late arrivals, early departures, parents’ meeting invitations and any activity the school has planned. The platform has reached 7 388 parents in supported schools, and a joint 377 notification sent by schools to parents.

Teacher **development**

The teacher development programme provides teachers in public schools with ICT training and support to integrate ICT into teaching and learning in partnership with SchoolNet South Africa. This year, the programme partnered with 24 schools nationally and aligned with mandates to Telkom by the Department of National Treasury and ICASA. The programme reached 554 teachers in 24 schools. Teachers in this programme were trained in modules organised as micro-learning modules so that they could be implemented in afternoons or as full day events. Additionally, the modules address provincial teacher development goals that support and maintain social impact initiatives.

The modules include designing lessons with multimedia, digital teaching and online learning platforms. Our monitoring evaluation report showed that just over 97% of surveyed teachers confirmed that the programme was appropriate or very appropriate to their professional development needs.

Teacher development programme responses



Psycho-social support

The psycho-social support programme aims to contribute to the psycho-social wellness of learners and build their resilience and grit. The programme focuses on providing interventions to help learners stay in school and mitigate the impact of challenges emanating from their home, community, or school environment.

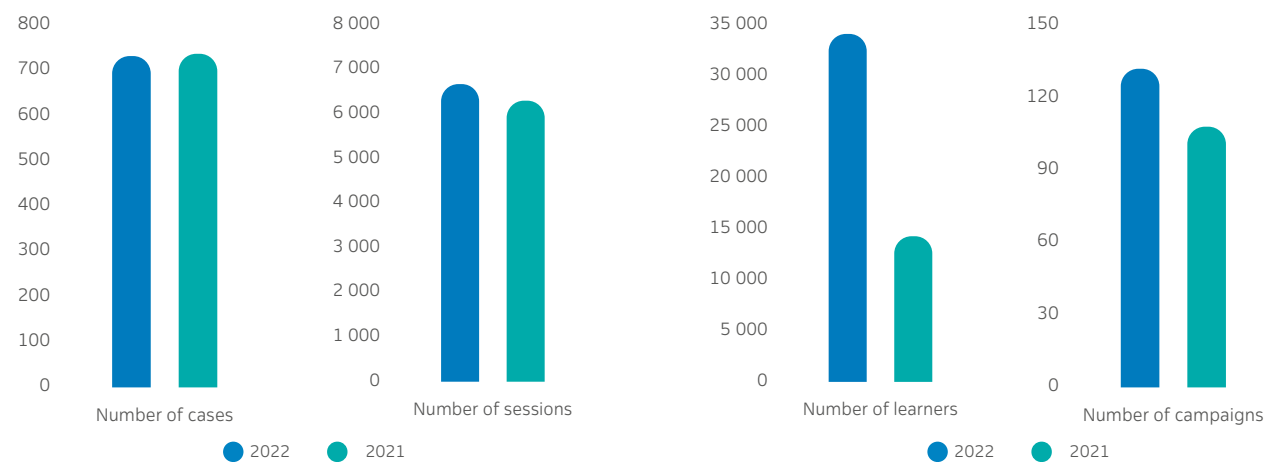
A total of 9 154 individuals benefitted from the Foundation’s psycho-social support initiatives in 2022. We also provided in-school support services to seven schools, five in Tshwane and two in Gqeberha.

COUNSELLING AND AWARENESS PROGRAMME

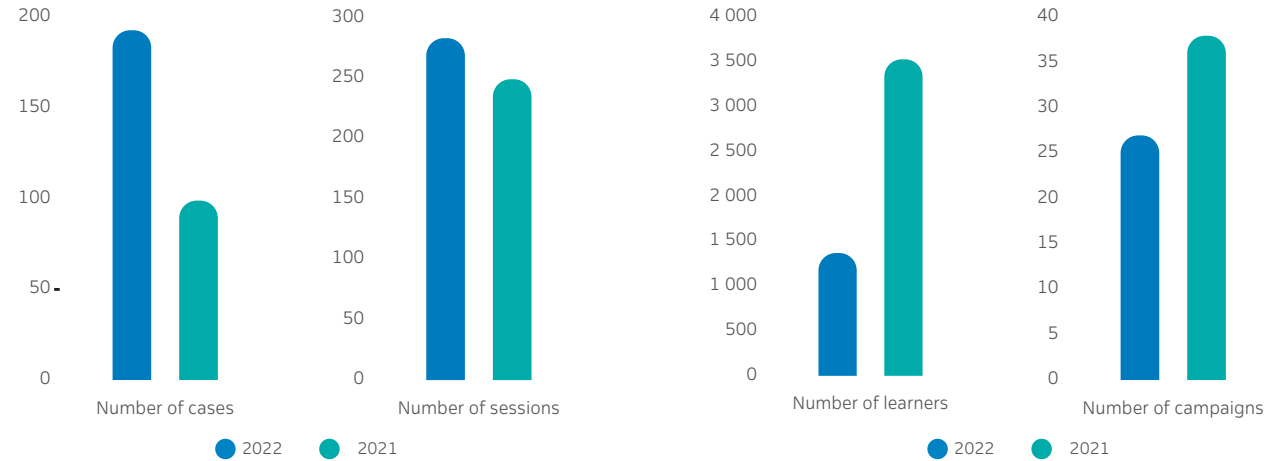
In-School Support Programme

The In-School support programme focuses on providing counselling support and awareness programmes to learners and teachers within supported schools. Counselling support was provided through partnerships with Childline Gauteng for Gauteng schools and Families South Africa (FAMSA) for the Eastern Cape schools. The awareness programmes are utilised to broadly address topical issues within schools. Topics to be addressed are raised by learners, teachers, and from common cases attended to in the schools.

The programme in Gauteng achieved the following:



The programme in the Eastern Cape achieved the following:



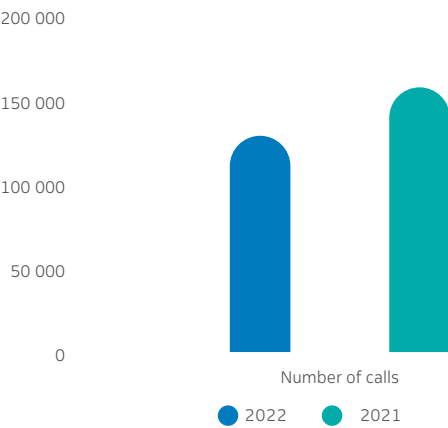
National online and telephone support

Telkom Foundation’s partnerships with Childline South Africa and LifeLine South Africa continue to provide the much-needed counselling support nationally. The Childline partnership provides support to children and those who are seeking assistance with vulnerable children. The LifeLine partnership provides support mainly to victims of gender-based violence.

Childline South Africa toll-free telephone support (116) and online chat

Childline South Africa was established in KwaZulu-Natal (KZN) in 1986 to address the high levels of child sexual abuse in South Africa. The organisation has a 24-hour toll-free helpline for children and adults to be able to report incidents of child abuse. Telkom Foundation covers access costs from all networks at no cost to the dialler. The telephone has a special role in allowing children to communicate in their own way and on their own time, allowing them to feel in control and freeing them to discuss dangers and difficulties in a way that would be too risky in face-to-face contact. The counselling service is for children up to 18 years old, as well as adults with concerns about children, and enables them to express their concerns and receive assistance. Childline also offers a chat platform for children who prefer not to talk but to request help via text. The chat services are available Monday-Friday, from 11 am until 6 pm, except on public holidays. The programme was able to assist 128 314 callers, slightly lower than the previous year, which had increased numbers due to the impact of COVID-19.

Childline South Africa toll-free telephone support

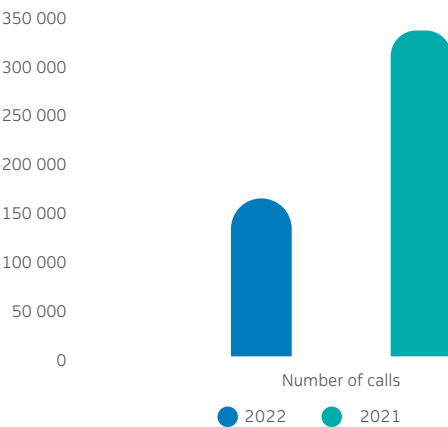


LifeLine South Africa Gender-Based toll-free Line (0800 150 150)

LifeLine has provided mental and emotional health services to South Africans for 56 years. The Gender-Based Toll-Free Line Helpline was started by the Network Against Women Abuse, which included LifeLine Southern Africa and was known as Stop Women Abuse. LifeLine operates in eight of the nine provinces of South Africa. The Gender-Based line is focused on breaking the silence against domestic violence and supports victims who experience abuse in relationships, including physical, emotional, sexual, or financial abuse.

Victims can call or send a WhatsApp message to engage with LifeLine’s counsellors, and the service is available 24 hours a day. Services are offered in all 11 official languages. The helpline also supports the elderly, people living with disabilities, the LGBTQI+ community, and women who are substance abusers. The programme was able to assist 161 676 callers, almost half of the previous year’s number of callers, which had increased due to the impact of COVID-19.

LifeLine South Africa gender-based telephone support



I JUST CAN'T STOP CRYING AND PACING

A 14-year-old boy in the Free State reached out to the Childline chatroom feeling suicidal and fearful of his father. He had stayed with his father since the age of nine and enduring regular beatings. The child had attempted suicide three times and was contemplating suicide again before his father came home. The counsellor calmed the child down and worked on building trust to ensure his safety.

The child disclosed that he only felt safe with his mother. He mentioned that he could not call to his mother as his father had taken away his phone and left him home alone. Following quick action by the Childline online counselling team, we liaised with the Childline Free State office who contacted the child’s mother. The mother picked up the child. He entered the Childline chatroom again and said, “If you guys didn’t think of calling my mom and I could not be fetched I would probably have killed myself. Thank you very much.” The team followed up with the mother who mentioned that she had taken the child to the police station to open a physical abuse case. The Childline Free State team allocated the area Social Worker to continue working with the child.

Social development **support**

KZN floods

KZN was affected by devastating floods in April 2022, with Durban and surrounding areas especially affected. The disaster claimed over 400 lives, over 4 000 homes were destroyed, over 40 000 people were left homeless, and 45 000 people experienced immediate temporary unemployment. Thousands of homes were destroyed or damaged, along with critical infrastructure like roads, transportation networks, communication systems, and power grids. This widespread damage significantly hampered rescue and rebuilding efforts.

The floods rank as one of South Africa's deadliest disasters in South Africa's 21st-century history, exceeding the destruction caused by the 1987 storm. Initial estimates suggest infrastructure damage exceeding R17 billion. In response to the catastrophe, a national state of disaster was declared. The Foundation provided funding support to NPOs that were on the ground responding to the disaster in real-time within various communities. This included Meals on Wheels, Gift of the Givers, and the South African Red Cross.



Post-school youth **support** programmes

In line with its strategy, the Foundation provides post-school support to the youth to enable them to access economic opportunities through work employment or entrepreneurship. To deliver on this, the Foundation begins with supporting learners within the high school support programme with career management programmes aimed at helping them make subject choices in Grade 10, understand requirements for post-school studies in their chosen fields, apply for those study opportunities and available funding support. Furthermore, the Foundation supports cohorts of out-of-school unemployed youth with re-skilling training programmes for careers in ICT.

Career management

Telkom Foundation uses education to prepare young people for future economic opportunities. This includes providing learners with career guidance and helping them to harness their academic capabilities.

The Foundation partnered with Gradesmatch, an educational technology company that primarily provides career guidance, college preparation, and student success services to students in Africa. The partnership assists and supports learners in applying for post-school study opportunities. Equipping learners with post-school application guidance is crucial for several reasons. Firstly, it empowers them to navigate the complex procedures and deadlines associated with university and college applications. This ensures they do not miss out on opportunities due to a lack of information. Secondly, it levels the playing field for students from disadvantaged backgrounds who may not have access to such guidance at home. Thirdly, helping them explore funding options like scholarships and bursaries breaks down financial barriers and increases access to higher education.

While the platform was open to all Grade 12 learners within the Foundation supported through the supplementary teaching programme, a total of 1 483 learners could provide all required documentation to enable support. Out of 108 learners, 71 were accepted for university in 2023.

The progress of learners is shown below:

- + Learners signed up for the project: 1 483
- + Learners with all requisite documents for application processing: 982
- + Learners already registered at a Technical and Vocational Education Training (TVET), university and university of technology: 179
- + Learners in an economic opportunity (internships, skills-based programmes and direct work: 19
- + Learners upgrading their final matric results: 207
- + Learners taking a gap year: 74 (Some learners received offers but could not proceed with their studies.)
- + Learners still undecided: 56 (This includes learners who received offers but had not made a final decision.)
- + Learners not yet updated: 439

Bursary programme

In 2021, Telkom approved an additional funding allocation to support top-performing Grade 12 learners within the Telkom Foundation supplementary teaching programme. The programme provided full bursary support to 21 students in various study fields, mainly science, information technology, engineering and health, at various South African public universities. The students achieved an 88% course pass rate with 12 distinctions combined. Telkom also provided the class of 2022 with bursary funding support, helping 25 more top-performing Grade 12 learners.

The bursary programme covers the following areas:

- + Tuition: Supplement tuition costs
- + Residence: University accommodation and private student properties in the area
- + Stipend (once-off or monthly)
- + Once-off settlement costs
- + Laptop costs
- + Prescribed books: Based on a list prescribed by the university

Digital skills development

D-LAB DESIGN THINKERS LAB

The Foundation is one of the founding supporters of the d-lab Design Thinkers Lab is a human-centred development programme for economically disadvantaged and marginalised South African youth that seeks to develop design thinking skills. The programme looks at the character and competencies needed to succeed in the digital world of work.

It is a full-time, non-formal learning programme focusing on design thinking, digital literacy and work-readiness. d-lab is accredited as a pivotal professional learning programme to address scarce and critical skills by the Institute of Chartered IT Professionals of South Africa (ICITP), a South African Qualification Authority (SAQA)-registered professional body.

Over a six-month course, participants effectively use the foundational literacies (financial, data, digital) in designing solutions in the new world of work. They also learn to develop the competencies of critical thinking, collaboration, creativity, and communication and to be able to manage risk and uncertainty. When the course is complete, participants can demonstrate fluency in design thinking, using various tools and techniques as needed for effective collaboration, innovation and human-centred design. The programme was launched in Gauteng and the Western Cape in April 2022.

The programme initially enrolled 16 students, but four students left for other opportunities. Ten of the 12 learners who participated in the d-lab programme qualified for internships.

Balungile’s story

I am a capable, diligent and enthusiastic young woman. I completed a diploma in Sport Management, and I am currently enrolled in d-lab. I also actively volunteer my time in the community. Many aspects of d-lab have contributed to who I am today. My logical thinking and problem-solving skills have been greatly improved by the programme. I have learned to examine problems and break them down into fundamentals to understand how to best solve them. I have also developed basic data literacy techniques together with more effective approaches to learning, time management, writing, presenting and working in team to achieve ambitious goals. I have successfully applied these new skills to my projects and d-lab and my life in general.

ICT-ACCREDITED TRAINING PROGRAMME

Telkom Consumer, a division of Telkom Group, was awarded a contract by the National Treasury to supply mobile communication services to the government for five years up to 2026. Telkom has committed to training 210 youth annually over five years. The Telkom Foundation and its partners manage the programme, and it is a MICT SETA accredited training comprising of four months of content training and eight months of experiential training within partner organisations, providing students with real-life work experience.

The programme was extended in partnership with the Gauteng Department of Education through its agency, the GCRA. This partnership provides technical support training to unemployed youth. It places them within Gauteng public schools with ICT equipment but without in-person technical support to enable the schools to integrate ICT into teaching and learning. The programme enrolled 120 unemployed youth in its founding year.

The ICT training initiative is tackling South Africa’s youth unemployment by offering a specialised training programme focused on three key areas: Systems Development, Technical Support, and Business Analysis. It equips young individuals with the skills and knowledge necessary to take advantage of entry-level opportunities in the ICT sector.

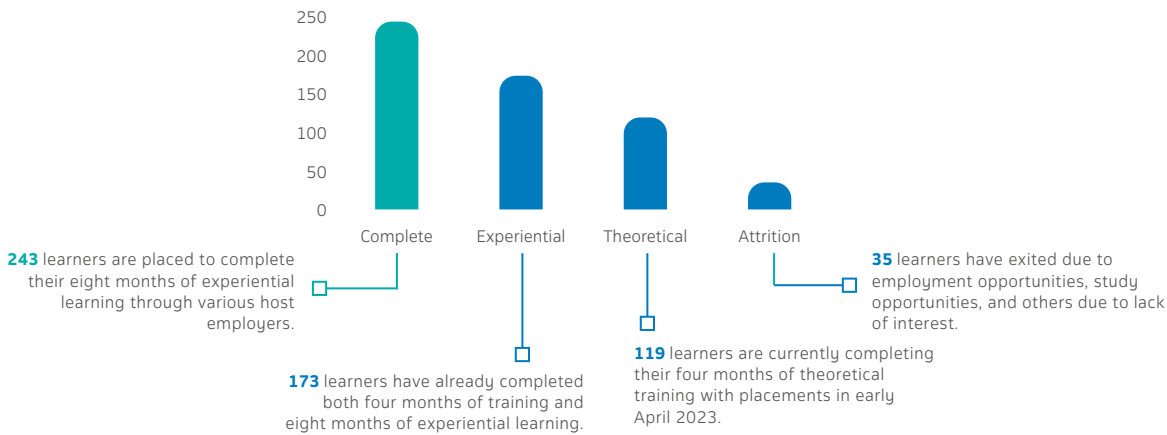
The programme offers a Systems Development stream where participants learn the intricacies of crafting software solutions and applications. This training empowers them to become the architects of the digital future, translating ideas into tangible tools that shape our world. For those with a knack for problem-solving, the Technical Support training stream provides the expertise to become the technical support person users rely on. Participants gain the ability to troubleshoot systems, ensuring smooth operation and providing valuable assistance to others.

Business Analyst training stream bridges the gap between business needs and technological solutions. This programme equips individuals to analyse business challenges and translate them into effective technology strategies. By becoming the bridge between these two worlds, graduates ensure that systems perfectly align with real-world scenarios.

These various training streams go beyond technical skills development but also look at fostering critical thinking, problem-solving, financial literacy, life skills, and communication – all essential assets in the ever-evolving ICT sector and the economy. By offering a comprehensive learning experience, this initiative empowers young South Africans to improve their chances of securing employment, following the entrepreneurial route, and forging fulfilling careers within the exciting realm of technology.

A total of 570 unemployed youth have been trained from 2021 to date.

Programme overall performance



TELKOM EMPLOYEES RECOGNISE THE IMPORTANCE OF POSITIVELY IMPACTING OUR SOCIETY. OUR EMPLOYEE VOLUNTEERING EFFORTS AIM TO LEVERAGE TELKOM EMPLOYEES TO ENABLE US TO IMPROVE THE LIVES OF OUR COMMUNITIES. TELKOM EMPLOYEES CONTRIBUTE TO COMMUNITIES, PERSONALLY AND WITHIN THE TELKOM FOUNDATION STRUCTURED PROGRAMMES.

GIVING FROM THE HEART

Giving from the Heart is Telkom's payroll employee giving initiative, in which employees contribute meaningfully to the various causes we support.

Through Giving from the Heart, employees contribute any amount from their salary every month starting from as little as R10. Telkom Foundation then matches up the contributions made by employees on a rand-for-rand basis. To date, Payroll Giving has raised more than R45,7 million with the generous involvement of leading companies such as Telkom, Accenture, Dimension Data, Santam, Sanlam and others.

Employee contributions benefit the charities within the umbrella of our current partner organisation, called the Giving Organisation, to cover designated causes such as children in need, support for the elderly, and education. The contributions are paid directly to The Giving Organisation Trust, which supports some of South Africa's most reputable charities.

During the period under review, Telkom employees contributed R660 000 in this programme, with the overall donation to NPOs reaching R1,3 million, including the Foundation's matching funds, benefitting organisations across the following areas:

- + Children in distress
- + Cancer and HIV prevention and treatment
- + Intellectually disabled children and training for their care
- + Preserving the natural environment and biodiversity
- + Alleviating human suffering and disaster relief

Beneficiary partnerships

Through the contributions of employees, TGO's beneficiary partners are able to make a meaningful impact in the lives of South Africans by addressing key social needs. Our focus in the year ahead is to encourage more Telkom employees to contribute so that more communities can benefit from the programme. During the year under review, we partnered with the following organisations:

Education Africa

For more than three decades, Education Africa has continuously committed to making real change happen by providing poverty alleviation through education. The organisation provides disadvantaged South Africans with the opportunity to pursue quality and relevant education.

In 2022, Education Africa welcomed 125 Early Childhood Development (ECD) student trainees for its Teach the Teacher programme. In 2023, 112 trainees were retained and entered their second year of the NQF level 4 via Education Africa, supported by its five highly skilled ECD trainers.

The Salvation Army – Southern Africa Territory

The Salvation Army is an international outreach organisation which provides support to vulnerable individuals, including people experiencing homelessness, victims of abuse, children, and the elderly. During the year under review, The Salvation Army – Southern Africa Territory provided meals to 1 800 people and distributed 2 250 food parcels each week.

The organisation also provided emergency disaster relief to victims of the KZN floods in April 2022. They provided relief in the form of food, water, blankets, mattresses, clothing, hygiene packs, building vouchers and psycho-social support.

ForAfrika

ForAfrika is the largest African humanitarian aid and development organisation that partners with communities to address hunger, malnutrition and poverty. ForAfrika feeds approximately 100 000 pre-school children in 3 000 ECD centres across South Africa.

During the year, the organisation provided health and education support through the ECD centres it supports. ForAfrika conducted 312 hygiene health awareness sessions at the centres. The organisation also trained and equipped 14 teachers with NQF level 4 and 5 teacher training qualifications to enable them to provide the children with the care and education they require.

Employee volunteering

Ithemba/Hope Trust

The Itthemba/Hope Trust is primarily committed to funding programmes that assist in the development and treatment of children with special needs.

The trust supports and partners with schools and community-based organisations that offer quality developmental programmes for children with disabilities so that they can be afforded every opportunity to reach their full potential.

The organisation seeks to bridge the gap between the physical care and the emotional, social and spiritual needs of children with disabilities and their families. This is done through socio-economic activities such as providing psycho-social support through trained mobility facilitators at special needs care centres. The trust also partners with NPOs that offer psycho-social support, such as outdoor recreational activities with intentional learning and play for children with disabilities.

Hope Worldwide SA

For more than 30 years, Hope Worldwide SA has supported vulnerable children, households, and communities. The organisation focuses on ECD programmes that support children, especially those between the ages of zero and six.

Hope Worldwide SA operates in seven of the nine provinces in South Africa: Gauteng, KZN, Mpumalanga, Limpopo, Free State, Eastern Cape and Western Cape.

During this year, Hope Worldwide SA partnered with other NPOs to host a play date with caregivers in Tzaneen, Limpopo. The purpose of the event was to empower caregivers on practical ways to engage with learners.

Rare Diseases South Africa

One in every 15 South Africans is affected by rare diseases. By mobilising the South African community through connecting with stakeholders, Rare Diseases South Africa aims to ensure that all rare disease patients receive access to treatment and supportive care for improved quality of life. The organisation supports individuals and families affected by rare diseases through advocacy, research and engagements.

Animal Anti-Cruelty League (AACL)

South Africa’s second-largest independent animal welfare organisation, AACL, has been protecting and caring for animals since 1956.

AACL supports the well-being of animals by providing shelter for abandoned animals, promoting an efficient adoption programme, prosecuting animal cruelty cases, running welfare hospitals in underprivileged communities and creating awareness about animal welfare challenges.

AACL’s Johannesburg Pawcademy educates staff and volunteers to train animals that are in the care of the organisation. This includes teaching dogs basic obedience skills and teaching volunteers the basic handling skills for dogs and cats.

SA Red Cross

The SA Red Cross is a member organisation of the International Federation of the Red Cross and Red Crescent Societies, the world’s largest volunteer-driven organisation. The SA Red Cross’ programmes support communities by providing humanitarian support, including healthcare and disaster management.

During the year, the SA Red Cross partnered with the KZN Provincial Disaster Management to launch a seasonal disaster awareness campaign in parts of the province. The purpose of the campaign was to help communities weather the cold winter season.

Gift of the Givers Foundation

Gift of the Givers Foundation is the largest disaster response NGO in Africa that is also founded in Africa. Its primary focus areas include disaster response, hunger alleviation, healthcare, water provision, education and human development.

In 2022, Gift of the Givers supplied aid such as water, food and blankets to vulnerable communities affected by the KZN floods and civil unrest in KZN and Gauteng in July of the same year. Since it was established in 1992, Gift of the Givers has provided R6 billion in aid across 47 countries.

Endangered Wildlife Trust

The Endangered Wildlife Trust (EWT) is dedicated to conserving threatened species and ecosystems in southern and east Africa.

Its work in sub-Saharan Africa includes projects that benefit communities, such as the Wildlife Poisoning Response Training. EWT has trained thousands of people across 17 countries to respond to and manage wildlife poisoning incidents.

ADOPT-A-PROJECT

In the Adopt-a-Project programme, Telkom Foundation seeks to support innovative projects led by Telkom employees and utilise technology in addressing South Africa’s socio-economic challenges. The programme enables the Telkom Foundation to enhance the support and reach of its programme focus areas, reaching communities that it would not ordinarily reach.

Telkom employees recommend and support the projects within the Telkom Foundation’s focus areas, including ICT training, appropriate ICT infrastructure provision, psycho-social support, and support for unemployed youth.

Through Adopt-a-Project, Telkom senior executives can adopt and support a project of their choice through grant funding, skills and other support. This year, 4 799 learners and 98 teachers benefitted from the programme through the following projects:

Executive	Organisation	Project name	Number of beneficiaries	Amount allocated	Project description	Area
Ayanda Ceba	Monde Primary School	Monde Primary School	1443 learners 37 teachers	R100 000	Digital Classrooms, training of learners and teachers on ICT skills.	Katlehong, Gauteng
Alfie Ngubo	Mogoda Primary School	Mogoda Primary School	899 learners 25 teachers	R100 000	Security and alarm system, laptops, printers, Wi-Fi router and HD projector	Richmond, KZN
Shafika Isaacs	Chrysalis Academy	Agile Well-being Educators (Awesome Wellness Leaders)	Unemployed youth annual estimate of 50	R100 000	Digital skills training through dialogue and play.	District Six Western Cape
Linda Vilakazi	Good Governance Africa	Africa In Fact: The Girl Child in Africa	150	R100 000	Using ICT as an enabler, the organisation will produce a special publication themed around the lives and challenges faced by Africa’s girl children.	Gauteng
Pat Mazibuko	Inkuthu Primary School	Inkuthu Primary School, Ladysmith, 3370	513 learners 14 teachers	R100 000	Improvement of the delivery of education by acquiring furniture for classrooms and teachers’ rooms, desktops, and Wi-Fi routers.	Ladysmith, KZN
Selby Khuzwayo	AJ Mvelase Secondary School	AJ Mvelase Secondary School Computer Project	644 learners 22 teachers	R100 000	The provision of computers will enable the school to expand its syllabus by introducing IT, CAT, and coding subjects at the high school level. It will go a long way to break the historical legacy and promote equal education beyond economic class.	
Dirk Reyneke	NEMATO IT Project	NEMATO IT Project	350	R100 000	Community internet cafés are used to study, pursue a career, and gain computer skills. Professional IT assistance to learners and educators.	Nelson Mandela Township Port Alfred Eastern Cape
Gugu Mthembu	Youth Leadership and Entrepreneurship Development	YLED 2022 Programme	150	R100 000	ICT skills development leadership, interpersonal and entrepreneurship skills honed through four different skills models (Leadership, career, financial and entrepreneurship)	Mulbarton, Gauteng
Mmaki Jantjies	Mafikeng Digital Innovation Hub	4IR in rural communities: Technology Skills Hackathon for rural-based high schools	250	R100 000	ICT Hackathon to promote technology skills.	Mahikeng, North-West Province
Sarah Mthintso	Sindizana Foundation	ICT support for counselling	100	R100 000	Coaching, counselling, training and mentorship training resources: training manuals	Kensington, Gauteng
Beauty Apleni Izaak Coetzee	Zifundiseni ICT Foundation	Grade 11 Learners Basic ICT Training Ndzondelelo & Khwezi Lomso High Schools	200 learners	R100 000	Basic ICT training.	Zwide Location Gqeberha Eastern Cape
Robyn Cote	Walter Sisulu Primary School	Walter Sisulu Primary School	50 learners	R27 800	Handing over school uniforms and tracksuits.	Olievenhoutbosch Township Gauteng



Governance

THE BOARD OF TRUSTEES

The Telkom Foundation’s Board of Trustees consists of three external Trustees and four Telkom Trustees. The Telkom Trustees are not appointed under service contracts, and their remuneration is not tied to Telkom’s financial performance. The roles of the Chairman and the Foundation Head are separated, and an external Trustee chairs the Board.

The Trustees bring a wide range of experience, diversity, insight, and independence of judgment on strategy, performance, resources, and standards of conduct. The Trustees play a critical role in overseeing the Foundation’s strategic direction.

The Board is also responsible for risk management, corporate governance, and a sound internal control system. The Board is expected to act in the best interests of the Foundation and is responsible for timely and transparent reporting. The Board sits at least four times yearly and more frequently if necessary.

BOARD COMMITTEES

The Board has two Committees to assist it in discharging its duties. A combined Financial, Audit and Risk Management Committee (FARMC) and the Programme Analysis Strategy and Support Committee (PASS).

FARMC responsibilities:

- + Monitor the integrity of the Foundation’s financial statements
- + Review the Foundation’s internal financial control system
- + Monitor and review the effectiveness of the Foundation’s internal audit function
- + Make recommendations to the Board of Trustees concerning the external auditor’s appointment and approve the external auditor’s remuneration and terms of engagement following the appointment

- + Monitor the effectiveness of the external auditor’s performance and their independence and objectivity
- + Develop and implement policy on external auditors’ engagement to supply non-audit services
- + Monitor the effectiveness of the controls over the assets of the Foundation
- + Review financial information and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements and accounting standards
- + Provide oversight of the performance of the internal audit function and the external auditors

PASS responsibilities:

- + Guide and control the overall direction of the Foundation’s business and act as a medium of communication and coordination between the Board, Telkom, relevant business units, Telkom subsidiaries, and relevant stakeholders during meetings of the Board.
- + As mandated by the Board, take decisions within the Board policy framework and policy recommendations for Board recommendation.
- + Review and ensure alignment between strategy, business models and structure.
- + Review the operations of the Foundation.

The Company Secretary of the Foundation attends the Committee meetings. The external and internal auditors are permanent invitees to the FARMC and have unrestricted access to the Committee and its chairperson.

Board meeting attendance

Meeting dates	4 May 2022	28 July 2022	27 September 2022	30 November 2022
Ms S Isaacs	P	P	P	P
Mr R Garach	P	P	A	P
Ms L Vilakazi	P	P	P	P
Ms B Apleni	P	P	*	
Ms M Lekota	P	A	P	P
Ms T Moyo	P	P	P	P
Ms M Jantjies	P	P	A	A
Ms M Mabaso				P**

P = Present, A = Apologies

* Resigned September 2022.

** Appointed September 2022.

FARMC meeting attendance

Meeting dates	20 April 2022	25 July 2022	19 September 2022	19 November 2022
Ms T Moyo	P*	P	P	P
Mr R Garach	P	P	P	P

P = Present, A = Apologies

* Invitee.

PASS meeting attendance

Meeting dates	21 April 2022	19 July 2022	16 September 2022	22 November 2022
Ms M Lekota	P	P	P	A
Ms S Isaacs	P	P	P	P
Ms L Vilakazi	P	P	P	P
Ms B Apleni	A	P	*	
Ms M Jantjies	P	P	A	A
Ms M Mabaso				P**

P = Present, A = Apologies

* Resigned September 2022.

** Appointed September 2022.

INDEPENDENT TRUSTEES

Non-executive trustees as of 31 March 2023

Dr Shafika Isaacs (Chairman)

Appointed to the Board of Trustees	1 July 2015
Appointed Chairman	1 October 2017 (1st term) 1 October 2018 (2nd term) 30 November 2020 (3rd term)
Qualification	Doctor of Philosophy in Education, Executive Master of Business Administration, Masters of Science
Committees	Board PASS
Other directorships	Lewis Foundation, Bridge, GreenMatter
Expertise	<p>Shafika Isaacs specialises in promoting equitable, quality education through the appropriate digital technologies from a social justice perspective. She is an independent digital learning specialist and Associate Professor of Practice at the University of Johannesburg. She works with the United Nations Educational, Scientific, and Cultural Organization and the African Union Development Agency – New Partnership for Africa’s Development on remote and digital learning and skills development interventions in Africa.</p> <p>She consults with the Commonwealth of Learning on smart education policy and practice with the National Education Collaboration Trust on its remote and digital learning programme. She is a member of the Advisory Committee on Artificial Intelligence and Children for the United Nations Children’s Emergency Fund. In 2017, she was awarded Women of Stature Women of the Year and the South African Education Research Association award for the most outstanding Doctor of Philosophy Education in 2020.</p>

Linda Vilakazi

Appointed to the Board of Trustees	1 July 2015 (1st term) 1 July 2018 (2nd term) 30 November 2020 (3rd term)
Qualification	Human Resource Management Programme, Finance for non-financial managers, Teaching Diploma
Committees	Board PASS
Other directorships	Thebe Foundation Trust (Chair) SAIDE (Trustee) UNDP COVID-19 Rapid Emergency Needs Assessment and South Africa’s Future Economic Outlook 2020 (Sounding Board Member) UNESCO (Education Sector Committee Member)
Expertise	Linda Vilakazi is a Visiting Associate at the Wits School of Education, where she co-founded the Executive School Leadership Programme. She has broadened her skills and knowledge in various fields as a teacher by profession. Her work profile includes teaching and senior positions at the Centre for Scientific and Industrial Research (CSIR), Thebe Investment, The African Leadership Group, City of Johannesburg, Bridge, and others. She is a UNIFEM award winner, an Aspen Global Leadership Network Fellow, an ENSP graduate, and past President of the Rotary Club of Johannesburg. Her worldview is driven by the need to provide social justice for all.

Rakesh Garach

Appointed to the Board of Trustees	12 March 2013 (1st term) 1 April 2016 (2nd term) 1 April 2019 (3rd term) 30 November 2020 (4th term)
Qualification	Bachelor of Commerce, Post-graduate Diploma in Accounting DipAcc, South African Chartered Accountant
Committees	Board FARMC
Other directorships	The National Empowerment Fund (Chairman)
Expertise	<p>Rakesh is a qualified Chartered Accountant and a seasoned business executive, with experience in the banking & financial services industry and at several global organisations.</p> <p>He assumed an executive director position in August 2019 at Grindrod Bank Limited as Chief Financial Officer responsible for the financial, governance and operations of the Bank. This also included joint responsibility on all strategic and business matters. Rakesh was integrally involved in the disposal process of the entity to African Bank Group and was appointed to role of joint acting CFO for the Group in December 2022. In his current role, Rakesh serves as CFO for the Business Banking division within the African Bank Group and is integrally involved in driving the IPO processes.</p> <p>Rakesh is also a Business Consultant and independent non-executive director, having served as Chairman on Board of Directors of National Empowerment Fund, HCI Limited and trustee of Telkom Foundation.</p> <p>In previous roles, Rakesh was a partner at Ernst & Young and COO at Deutsche Bank.</p>



Table of Contents

Administration	40
Trustees’ Responsibility for the Annual Financial Statements	41
Report of the Trustees	42
Independent Auditor’s Report	44
Statement of Comprehensive Income	46
Statement of Financial Position	47
Statement of Cash Flows	48
Statement of Changes in Reserves	48
Notes to the Annual Financial Statements	49

Financials

The Telkom Foundation Trust
Registration No. IT5262/02
Financial Statements
for the year ended
31 March 2023

Administration

Trustee	Date appointed
Mr. R Garach	12 March 2013
Ms. L Vilakazi	1 July 2015
Ms. S Isaacs (Chairperson)	30 September 2018 as Chairperson
Ms. M Lekota*	1 April 2017
Ms. B Apleni*	1 October 2018
Ms. T Moyo*	3 January 2022
Ms. S Mthintso* (ex officio)	1 January 2017

* Telkom Trustee (Telkom group employee)

Trustees’ Responsibility for the Annual Financial Statements

The trustees are responsible for monitoring the preparation of and the integrity of the financial statements and related information included in this annual financial statement.

In order for the trustees to discharge their responsibilities, management has developed and continues to maintain a system of internal controls. The trustees have ultimate responsibility for the system of internal controls and review its operation on an ongoing basis.

The internal controls include a risk-based system of accounting and administrative controls designed to provide reasonable but not absolute assurance that assets are safeguarded and that transactions are executed and recorded in accordance with generally accepted business practises and the Trust’s policies and procedures.

The financial statements are prepared in accordance with International Financial Reporting Standards and incorporate disclosure policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees have made an assessment of the Trust’s ability to continue as a going concern and have no reason to believe that the Trust will not be a going concern in the year ahead.

The external auditor is responsible for independently auditing and reporting on the financial statements. The financial statements have been examined by the trust’s external auditor and their report is presented on pages 49 to 53.

The Operational expenses are 16% and projects 84% of the overall expenses for the Financial Year 2023.

The annual financial statements for the year ended 31 March 2023 set out on pages 49 to 53 were approved by the trustees on the 18/08/2023 and are signed on their behalf by:

S Isaacs
Chairperson of the Trust

T Moyo
Chairperson of the FARMC

G Prinsloo
Company Secretary

Report of the Trustees

For the year ended 31 March 2023

BUSINESS AND OPERATIONS

The principal activity of the Telkom Foundation Trust is a non-profit making organisation contributing to the upliftment of disadvantaged communities in the Republic of South Africa through sustainable development programmes.

FINANCIAL RESULTS

The results of the Trust and the state of its affairs are set out in the attached financial statements and do not, in our opinion, require further comments.

TRUST FUNDING

The Trust has no share capital. The operations of Telkom Foundation Trust are largely financed by Telkom, through donations to the Trust.

TRUSTEES AND SECRETARY

Particulars of the present trustees and secretary are given on page 36.

In terms of the Trust Deed, the Board of Trustees consists of four Telkom employees and three public trustees.

USE OF SURPLUS FUNDS

In accordance with the Trust deed, all surplus funds retained are carried forward for exclusive use by the Trust in the promotion of the Trust's mission and objective.

GOING CONCERN

The Trust's ability to continue as a going concern is dependent on the continued support from Telkom. Telkom agreed to continue to support the Trust for the next twelve months. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of assets, or to the amounts and classification of liabilities that might be necessary if the Trust is unable to continue as a going concern.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period. Refer to Note 1.15

SUB-COMMITTEES

Telkom Foundation Board has two sub-committees, namely the Finance, Audit and Risk Management Committee (FARMC) and Programme Analysis Strategy and Support Committee (PASS)

Name	Committee
Mr. R Garach	FARMC & BOARD
Ms. L Vilakazi	PASS & BOARD
Ms. S Isaacs (Chairperson of the Board)	PASS & BOARD
Ms. M Lekota* (Chairperson – PASS)	PASS & BOARD
Ms. B Apleni* (Resigned 1 September 2022)	PASS & BOARD
Ms. M Jantjies*	PASS & BOARD
Ms. T Moyo* (Chairperson – FARMC)	FARMC & BOARD
Ms. S Mthintso* (Permanent Invitee)	PASS & BOARD & FARMC
Ms. M Mabaso (Appointed 1 September 2022)	PASS & BOARD

* Telkom Trustee (Telkom group employee)

The attendance of meetings:

	Board	PASS	FARMC
Mr. R Garach	3/4	N/A	4/4
Ms. L Vilakazi	4/4	4/4	N/A
Ms. S Isaacs	4/4	4/4	N/A
Ms. M Lekota	3/4	3/4	N/A
Ms. B Apleni*	2/2	1/2	N/A
Ms. M Jantjies	2/4	2/4	N/A
Ms. T Moyo	4/4	N/A	4/4
Ms. M Mabaso**	1/2	1/2	N/A
Ms. S Mthintso	4/4	4/4	3/4

* Resigned 1 September 2022

** Appointed 1 September 2022

Independent Auditor’s Report

To the Trustees of Telkom Foundation Trust

OUR OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of Telkom Foundation Trust (the Trust) as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

Telkom Foundation Trust’s financial statements set out on pages 49 to 53 comprise:

- + the statement of financial position as at 31 March 2023;
- + the statement of comprehensive income for the year then ended;
- + the statement of changes in reserves for the year then ended;
- + the statement of cash flows for the year then ended; and
- + the notes to the financial statements, which include a summary of significant accounting policies

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Trust in accordance with the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards).

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the document titled “The Telkom Foundation Trust Financial Statements for the year ended 31 March 2023”. The other information does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE TRUSTEES FOR THE FINANCIAL STATEMENTS

The trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Trust’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- + Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- + Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control.
- + Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- + Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Trust to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers Inc.

Director: KJ Dikana

Registered Auditor
Johannesburg, South Africa
31 August 2023

Statement of Comprehensive Income

for the year ended 31 March 2023

	Notes	2023 R	2022 R
INCOME			
		63 803 457	74 312 085
Donations received	1.2	62 664 575	73 661 189
Interest received	1.3	1 138 882	650 896
EXPENSES			
		(65 449 090)	(76 843 636)
Programme expenses	1.12	(55 065 100)	(69 535 713)
Staff Expenditure	1.4	(7 061 469)	(5 999 194)
Office and Administration Expenses	1.11	(3 322 521)	(1 308 729)
Deficit for the year		(1 645 633)	(2 531 551)

Statement of Financial Position

as at 31 March 2023

	Notes	2023 R	2022 R
ASSETS			
Current assets			
Cash and cash equivalents	1.5	18 285 381	19 658 015
Trade and Other receivables	1.6	774 090	1 091 351
Total Assets		19 059 471	20 749 366
RESERVES			
Programme Funds reserves		18 960 936	20 606 569
Total Reserves		18 960 936	20 606 569
Current Liabilities			
Other payables	1.13	98 535	142 797
Total Current Liabilities		98 535	142 797
Total Reserves and Liabilities		19 059 471	20 749 366

Statement of Cash Flows

for the year ended 31 March 2023

	Notes	2023 R	2022 R
Cash flows from operating activities		(1 372 634)	2 731 572
Cash generated from operations	1.7	(2 511 517)	2 080 676
Interest received		1 138 882	650 896
(Decrease)/Increase in cash and cash equivalents		(1 372 634)	2 731 572
Cash and cash equivalents at the beginning of period		19 658 015	16 926 443
Cash and cash equivalents at the end of period		18 285 381	19 658 015

Statement of Changes in Reserves

as at 31 March 2023

	Programme Funds R
Balance at 31 March 2021	23 138 120
Deficit for the year	(2 531 551)
Balance at 31 March 2022	20 606 569
Deficit for the year	(1 645 633)
Balance at 31 March 2023	18 960 936

Notes to the Annual Financial Statements

1.1 ACCOUNTING POLICIES

The principal accounting policies which have been applied in preparing the Foundation's annual financial statements are set out below. These policies have been consistently applied to previous year presented, unless otherwise stated.

Basis of Preparation

The financial statements of the Trust have been prepared in accordance with the International Financial Reporting ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared in accordance with the going concern principle under the historical cost convention, as modified for the revelation of land and buildings, the available-for-sale financial assets, other financial assets, and financial liabilities (including derivative instruments) shown at fair value.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies at the Foundation.

1.1.1 Income

Income from donations is recognised at the value of the cash received or receivable.

Donations in the form of goods or services are recognised at the open market value of the goods or services being received.

Interest is recognised on a time proportion basis that takes into account the effective yield on the asset.

The Trust is registered for VAT, therefore income received is recorded exclusive of VAT (where applicable).

1.1.2 Financial Instruments

Financial instruments are initially recognised when the Trust becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value.

Financial assets, or a portion of financial assets, are derecognised when the Trust loses control of the contractual rights that comprise the financial asset. The Trust loses such control if it realises the rights to benefits specified in the contract, the rights expire, or if the Trust surrenders those rights.

A financial asset is impaired if its carrying amount is greater than its estimated recoverable amount. At each balance sheet date, financial assets are assessed for objective evidence of impairment. If any such evidence exists, the recoverable amount is estimated, and an impairment loss is recognised in accordance with IFRS9.

Subsequent measurement of financial instruments carried on the statement of financial position is on the following basis:

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, cash in banks, short-term deposits and bank overdrafts. These are at amortised cost where fixed maturity dates exist; otherwise these amounts are measured at cost. For cash flow purposes cash equivalents consist of cash at bank and on hand and instruments which are readily convertible to known amounts of cash.

1.1.3 Employee Benefits

The cost of short-term employee benefits (payments within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses and non-monetary benefits such as medical aid), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.1.4 Trade and Other Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method.

1.1.5 New Standards and interpretations

The standards and amendments to standards listed below were adopted, effective 1 April 2022, and did not have a material impact on the Group:

Consideration	Effective date
IFRS 9 (Financial Instruments) Fees in the “10 percent” test for derecognition of financial liabilities	Annual periods beginning on or after 1 January 2022
IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) Onerous Contracts – Costs of Fulfilling a Contract	Annual periods beginning on or after 1 January 2022

Standards and interpretations in issue not yet adopted and not yet effective

Consideration	Effective date
IFRS 17 (Insurance Contracts)	Annual periods beginning on or after 1 January 2023
IAS 1 (Presentation of Financial Statements) Amendments regarding the classification of liabilities	Annual periods beginning on or after 1 January 2023
IAS 1 (Presentation of Financial Statements) Amendments regarding the disclosure of accounting policies	Annual periods beginning on or after 1 January 2023

1.1.6 Trade Receivables

Trade Receivables arises when Telkom allocates a budget to donate to the Telkom Foundation. At initial recognition, the trade receivables are recognised at fair value of the amount Telkom has allocated to donate to the Telkom Foundation.

Subsequently, the trade receivables are measured at amortised costs and derecognised when Telkom makes payments on behalf of the Telkom Foundation.

1.2 DONATIONS

All cash & non-cash donations in the current period, were received from Telkom and its subsidiaries.

	2023 R	2022 R
Donations	62 664 575	73 661 189
Donations received from Telkom*	24 813 804	24 172 721
Donations received from BCX	15 226 956	21 000 000
Donations received from Telkom Consumer division	12 720 000	17 828 261
Other donations received**	2 783 178	4 604 387
In kind		
– Services paid by Telkom	7 061 469	5 999 195
– Use of Telkom facilities office space	59 168	56 625

* Payments made to vendors are paid by Telkom on behalf of the Telkom Foundation. The payments are inclusive of VAT. Telkom Foundation subsequently claim the input VAT from SARS on the payments that were paid by Telkom. Therefore, the input VAT is considered to be an additional donation.

** Other Donations received include donations from Executives in Telkom who serve on the board of various external companies. The director fees are paid over to Telkom Foundation as a donation.

1.3 INTEREST RECEIVED

	2023 R	2022 R
Interest received from ABSA Bank	1 138 882	650 896

1.4 STAFF EXPENSES

The Trust does not employ staff in its own capacity. Staff costs represent the cost of employment of Telkom staff dedicated to the activities of the Trust. All benefits are provided by Telkom and are regarded as donations in kind, R7 061 469 for the current financial year and R5 999 195 for the prior (2022) year.

	2023 R	2022 R
Salaries	4 681 697	3 831 541
Allowances	1 615 850	1 317 973
Bonuses	45 007	32 616
Company Contribution	749 284	610 576
Other Benefits*	(30 369)	206 490
Training Cost	–	–
	7 061 469	5 999 195

* Other benefits comprise mainly of Leave provision for the Telkom Foundation. The leave provision in the income statement is the monthly movement of the leave liability. There was an increase in headcount and more leave days were taken in the financial year 2023 than in the financial year 2022.

1.5 CASH AND CASH EQUIVALENTS

	2023 R	2022 R
Foundation Current Account	315 901	205 450
Money Market Call Deposits	17 969 480	19 452 565
	18 285 381	19 658 015

The Money Market Call Deposits are funds invested on behalf of Telkom Foundation by Telkom Treasury. Interest rate in April was 4.15% in April 2022 and increased to 7.15%, as from January 2023.

1.6 TRADE AND OTHER RECEIVABLES

	2023 R	2022 R
Donations receivable Telkom	479 676	–
VAT receivable	294 414	1 091 351
	774 090	1 091 351

Any amount committed to by Telkom but not received is included in Accounts receivable.

1.7 CASH GENERATED FROM OPERATIONS

	2023 R	2022 R
Deficit for the year	(1 645 633)	(2 531 551)
Adjustment for items that must appear on the cash flow		
Interest received	(1 138 882)	(650 896)
Adjustment for non-cash items:		
Non-cash donation received	7 120 637	6 055 820
Non-cash operating expenses	(7 120 637)	(6 055 820)
Decrease in Working capital	272 998	5 263 123
Cash generated from operations	(2 511 517)	2 080 676

1.8 RELATED PARTIES

A related party relationship exists between the Telkom Foundation Trust and Telkom. Through representation on the Board of Trustees, Telkom can exercise significant influence over the financial and operating policy decisions of the Telkom Foundation Trust. In terms of the Trust Deed, the Board of Trustees consists of four Telkom trustees and three public trustees.

Related party transactions:

Most of the operations of Telkom Foundation Trust are financed by Telkom and BCX through donations to the Trust. BCX is a wholly-owned subsidiary of Telkom.

1.9 TAXATION

No provision has been made for taxation as the Foundation has been approved as a Public Benefit Organisation in terms of Section 30 of the Income Tax Act, and the receipts and accruals are exempted from Income tax in terms of Section 10(1) (cn) of the Act.

1.10 TRUSTEES' REMUNERATION

These amounts have been included in office and administration expenses. Telkom employees appointed as trustees of the Telkom Foundation Trust do not receive remuneration.

	2023 R	2022 R
Ms. S Isaacs (Chairperson)	138 975	81 750
Mr. R Garach	81 750	57 225
Ms. L Vilakazi	106 275	49 050
	327 000	188 025

1.11 OFFICE AND ADMINISTRATION FEES

	2023 R	2022 R
External audit fees	88 000	92 000
Internal audit fees	201 620	211 600
Trustees' fees	327 000	188 025
Brochure & Printing	119 088	550 575
Consulting fees	2 372 874	102 997
Other Expenses	213 938	163 532
	3 322 520	1 308 729

1.12 PROGRAMME EXPENSES

Focus Area	2023 R	2022 R
Digital Skills (Unemployment Youth)	21 775 028	25 334 079
Education Programme	25 981 703	36 359 977
Social Development	7 308 369	7 841 657
	55 065 100	69 535 713

1.13 OTHER PAYABLES

	2023 R	2022 R
Audit fees	88 000	92 000
Performance pays	10 535	8 822
Payment due to vendor	–	41 975
	98 535	142 797

1.14 GOING CONCERN

The Trust's ability to continue as a going concern is dependent on the continued support from Telkom. Telkom agreed to continue to support the Trust for the next twelve months. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of assets, or to the amounts and classification of liabilities that might be necessary if the Trust is unable to continue as a going concern.

1.15 SUBSEQUENT EVENTS

The trustees are not aware of any other matter or circumstance since the financial year ended 31 March 2023 and the date of this report, or otherwise dealt with in the financial statements, significantly affects the financial position of the trust and the results of its operations.

Glossary

AEC	Alexandra Education Committee
B-BBEE	Broad-Based Black Economic Empowerment
CAPS	Curriculum Assessment Policy Statement
CSI	Corporate Social Investment
DDD	District Data Dashboard
ECD	Early Childhood Development
ESG	Environment, Social, Governance
FARMC	Financial, Audit and Risk Management Committee
GCRA	Gauteng City Region Academy
HSSP	High School Support Programme
ICASA	Independent Communications Authority of South Africa
ICT	Information Communication Technology
ISA	International Standards on Auditing
MICT-SETA	Media, Information and Communication Technologies Sector Education and Training Authority
NPO	Non-Profit Organisation
PASS	Programme Analysis Strategy and Support Committee
STEM	Science, Technology, English, Maths

Administration

TELKOM FOUNDATION

Head of Foundation: ST Mthintso
Nature of business: Charitable trust
Trust registration number: IT5262/02
Non-profit organisation: 130004216
Registration number: 029-558-NPO

COMPANY SECRETARY

Gherdia Prinsloo

FINANCIAL OFFICER

Maggie Joubert

REGISTERED OFFICE

The Hub 61 Oak Avenue, Highveld Park, Centurion, 0157
Private Bag X780 Pretoria 0001 Republic of South Africa

Tel: +27 12 311 2186
Email: telkom.foundation@telkom.co.za
Website address: www.telkomfoundation.co.za

AUDITORS

PricewaterhouseCoopers, Inc.

BANKERS

ABSA Bank Limited