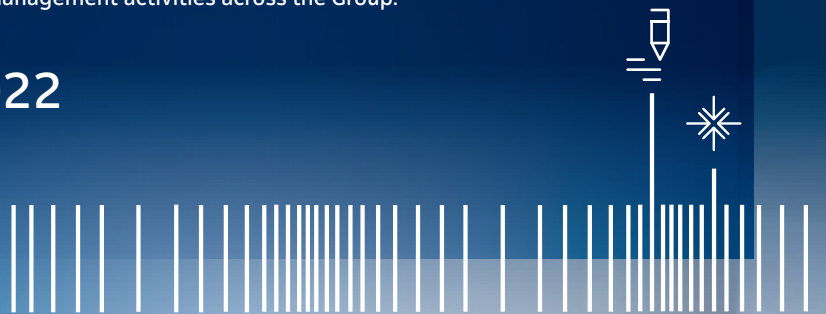


Telkom SA SOC Ltd

Independent Assurance Report

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

2022



Telkom

Independent Assurance Statement

to the management and stakeholders of Telkom SA SOC Ltd

Introduction

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Telkom SA SOC Limited (Telkom) to conduct an independent third-party assurance engagement in relation to selected sustainability information in its Integrated Report (the Report) for the financial year that ended 31 March 2022.

Assurance standard applied

This assurance engagement was performed in accordance with AccountAbility’s AA1000AS v3 (2020) (AA1000AS) and was conducted to meet the AA1000AS Type II moderate level requirements.

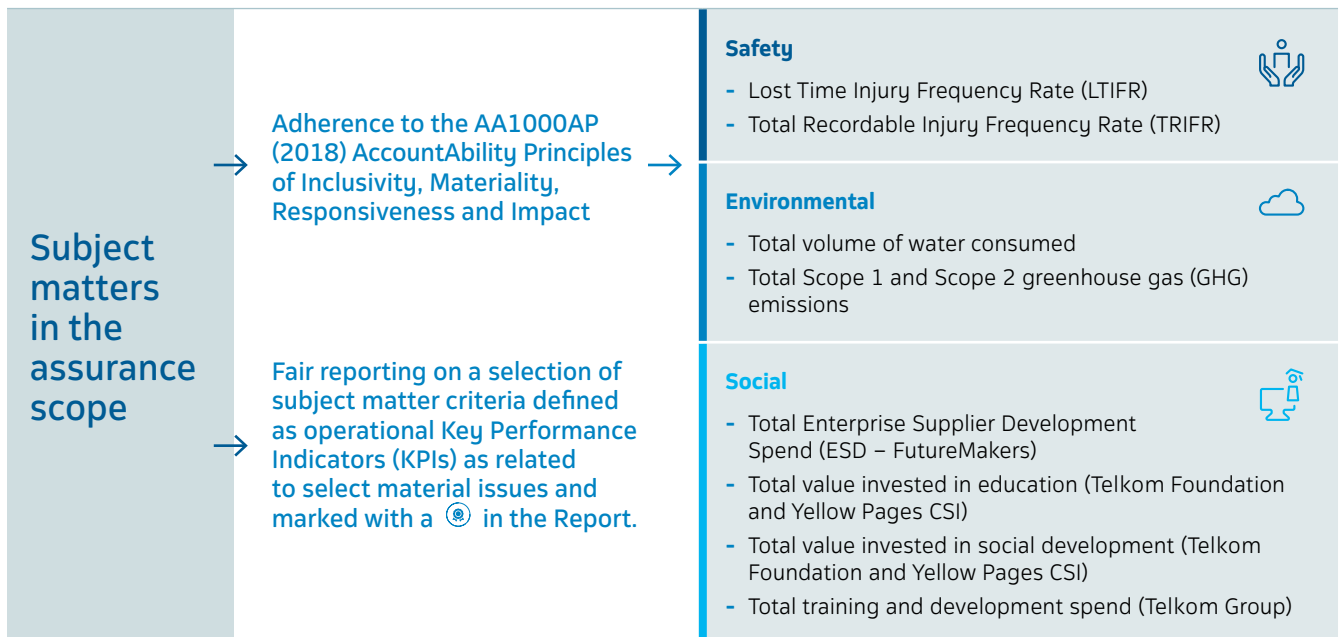
IBIS independence and competence

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Bongani Machabe and Ibrahim Akoon. Petrus Gildenhuys is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years’ experience in sustainability performance measurement involving both advisory and assurance work.

IBIS applies a strict independence policy and confirms its impartiality to Telkom in delivering the assurance engagement. This assurance engagement is the sixth consecutive assurance engagement conducted for Telkom by IBIS.

Assurance objectives

The objective of the assurance engagement was to provide the Directors of Telkom with an independent moderate level assurance opinion on whether the Report meets the following objectives:



Respective responsibilities

Telkom

The Directors of Telkom are responsible for ensuring the integrity of Telkom’s Integrated Report. They satisfy themselves that there is an adequate and effective control environment, which supports the integrity of information used in and the preparation and presentation of sustainability information within the Report.

This responsibility includes the identification of stakeholders and stakeholder requirements, material issues and commitments with respect to sustainability performance, as well as for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

IBIS

IBIS’ responsibility is to the Directors of Telkom alone and in accordance with the scope of work and terms of reference agreed with Telkom.

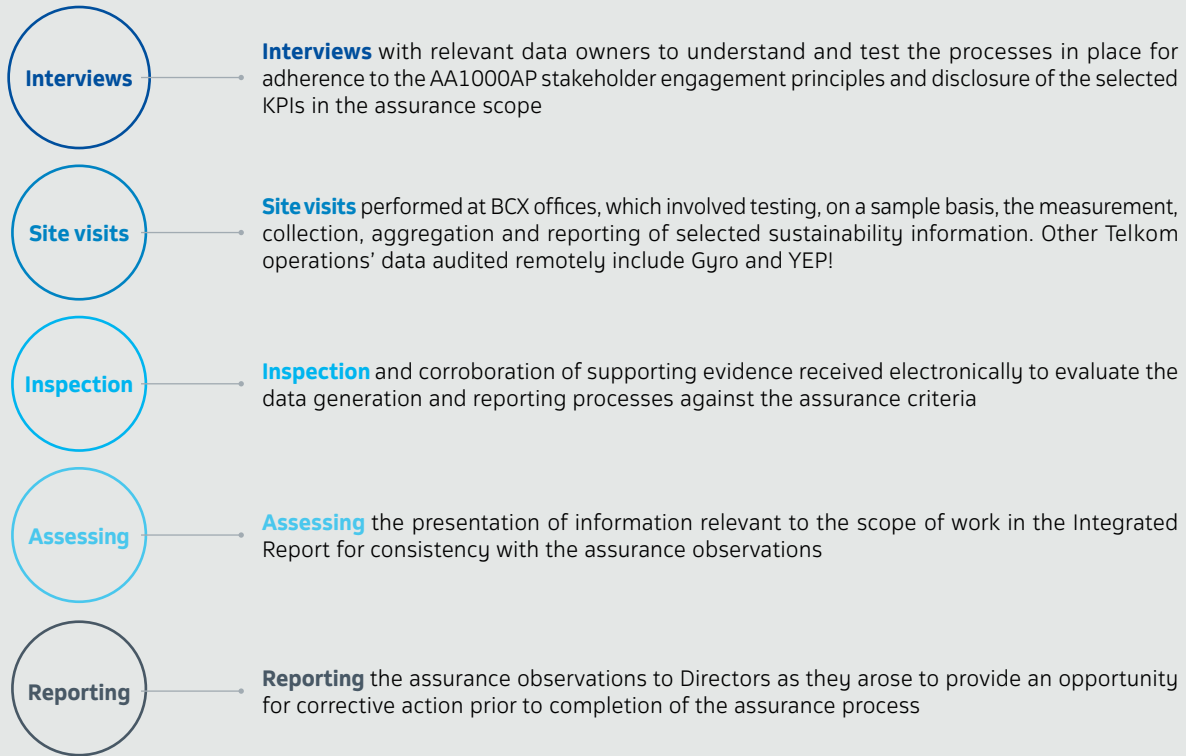
Assessment criteria

The following assessment criteria were used in undertaking the work:

AA1000AP (AccountAbility Principles)	Telkom’s Sustainability Reporting Guideline	Greenhouse Gas Protocol
AA1000AP (2018) AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact	A sustainability manual that specifies definitions and guidance for reporting sustainability information	Greenhouse Gas Protocol: Revised Edition (WRI & WBCSD, 2004) (GHG Protocol)

Assurance procedures performed

Our assurance methodology included:



Engagement limitations

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for a moderate level of assurance in accordance with AA1000AS.

The procedures performed in a moderate assurance engagement vary in nature from and are less in extent than for a high assurance engagement. As a result, the level of assurance obtained for a moderate assurance engagement is lower than for high assurance as per AA1000AS.

The assurance work did not include an examination of the third-party derivation factors, assumptions or data used to quantify performance indicators, in the following instance:

- Independent third-party conversion factors are used to derive emissions and energy used from fuel and electricity consumed. The assurance work did not include an examination of the derivation of those independent factors.

Assurance conclusion

In our opinion, based on the work undertaken for moderate assurance as described, we conclude that the subject matters in the scope of this assurance engagement have been prepared in accordance with the defined reporting criteria and are free from material misstatement in respect of:

- Telkom’s adherence to the AA1000AP Principles of Inclusivity, Materiality, Responsiveness and Impact
- The selected KPIs as identified under the assurance objectives above and as presented in the published and online Report

Key observations and recommendations for improvement

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

In relation to AA1000AP (2018)

Inclusivity: Telkom followed a formal stakeholder engagement framework and policy, which was approved by the Group Exco and the Social and Ethics Committee. The framework and policy set out the objectives, mechanisms and accountabilities for stakeholder engagement. The framework guides the approach for responding to stakeholders and evaluating the effectiveness of responses to stakeholders. Key stakeholder groups were mapped out and updated through a structured workshop process. The means of engagement have been identified, which points to inclusive stakeholder engagement and the acknowledgement of stakeholders' interests in Telkom.

Materiality: Evidence observed has confirmed that Telkom maintained due process in mapping and disclosing its material matters in a transparent and balanced manner. The annual materiality themes determination process was performed in the 2022 financial year. Telkom's materiality determination process and material themes were approved by the Group Exco and the Audit Committee on behalf of the Board. The Report presents material themes with a prioritised view of Telkom's material matters and explains why the identified issues are material. The Report also sets out stakeholders' key concerns and what Telkom's responses related to them are as well as what the key outcomes were.

Responsiveness: Telkom's responses to stakeholder issues observed across different stakeholder groups indicate a level of accountability to stakeholder issues raised. Telkom actively implemented its stakeholder engagement framework by way of developing a formal review process to monitor the implementation of stakeholder management response strategies. Continued implementation of the stakeholder engagement framework is recommended, with balanced levels of response to all stakeholder groups.

Impact: Telkom reports on a range of material environmental, social and governance topics based on its ongoing monitoring, measurement and evaluation of its impacts, both qualitatively and quantitatively. Telkom's shared value strategy aims to enhance the quality of outcomes from its interventions that will add value and offer quantifiable commercial, social and economic returns. The four United Nations Sustainability Development Goals (UN SDGs) which Telkom can materially impact have been adopted and reported on for the 2022 financial year, demonstrating Telkom's impact related to the relevant topics. It is recommended that Telkom continues to report on the progress against the select SDGs as well as monitor and measure the social changes that result from Telkom's activities, and the long-term impacts on its stakeholders and on Telkom's business itself.

In relation to the selected disclosures

The general control environment for sustainability information at Telkom continued to improve year-on-year.

Data inconsistencies identified during the assurance process were subsequently corrected and IBIS is satisfied with the accuracy of the final data in the assurance scope.

It is recommended that Telkom continue with the internal audit programme during FY2023 and focuses on the reporting criteria of those data points and where repeat challenges have been observed.

A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Telkom Directors for consideration.



Petrus Gildenhuys

Director

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd



AA1000
Licensed Report
000-156/V3-BPQ9F

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

Johannesburg,
29 June 2022

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