



Telkom SA Limited

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

[Read full terms of disclosure](#)

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C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☒ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☒ ZAR

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☒ Publicly traded organization

(1.3.3) Description of organization

Telkom is a leading digital infrastructure and technology services provider in South Africa. We offer end-to-end information and communications technology (ICT) solutions, including high-speed fibre, mobile and data services, information technology (IT) services, property management. Our purpose is to seamlessly connect our customers to a better life. Our vision is to lead in the converged ICT market through deep and credible relationships and a distinctive customer experience by leading the provision of converged solutions; providing a quality network with a reach that is unmatched; offering end-to-end digital solutions in the business community; creating innovative and pervasive broadband consumer services; being the wholesale provider of choice; and being the best place to work for committed and accountable people. Telkom comprises of four productive business units namely: 1) Openserve (a wholesale infrastructure connectivity provider with the largest open-access network across South Africa), 2) Telkom Consumer (a converged communications provider through high-speed broadband), YEP (which forms part of Telkom Consumer), 3) BCX (provides ICT solutions and integrated portfolio of technology solutions), and 4) Gyro (which manages the property portfolio of Telkom that are currently utilised for operations, including real estate management services). For this reporting period, Telkom has incorporated Swiftnet in the reporting. However, the sale of Swiftnet was completed with an effective date of 31 January 2025. It is being excluded from Telkom's operating model going forward. Telecommunication companies are generally considered to have a low environmental impact. However, we recognise the critical role businesses play in helping South Africa reduce emissions, and we are committed to supporting national sustainability initiatives. As a responsible corporate citizen, Telkom is dedicated to understanding and minimising our environmental footprint across the value chain. We aim to grow our business sustainably, prioritising the use of renewable energy to power our

infrastructure and services. In FY2025, Telkom Group reported total operating revenue of R 44 572 million, a 3% increase from R 43 230 million in FY2024. The number of permanent employees in FY2025 was 9 509, a 4% decrease from 9 877 in FY2024.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	03/30/2025	Select from: ☒ Yes	Select from: ☒ No

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

44572000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☒ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ Yes

(1.6.2) Provide your unique identifier

ZAE000044897

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☒ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☒ South Africa

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☒ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☒ Upstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☒ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☒ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Suppliers play a critical role in our value chain and have a direct impact on equipment, material, and other input costs. We have completed a thorough mapping of our supply chain and are in the process of developing a comprehensive strategy to assess and incorporate environmental factors. This strategy includes categorizing suppliers and establishing a segmentation framework to embed Environmental, Social, and Governance (ESG) criteria. In FY2024, we successfully engaged with suppliers representing 70% of our spend. Additionally, we conducted a survey to assess ESG awareness among our suppliers: 30% indicated an understanding of ESG issues, while another 30% expressed the need for support in ESG integration. Building on the progress made in FY2024, we convened a Supplier Day in FY2025 to communicate the Group's emissions reduction targets and promote collaboration. Moving forward, we will finalise our sustainable procurement strategy with a focus on addressing Scope 3 emissions. In FY2026, we plan to onboard key high-impact suppliers onto our ESG reporting platforms to enable ongoing monitoring of their performance and ensure alignment with the Group's sustainability goals.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

☒ No, and we do not plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

☒ Other, please specify :Not material

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

In our direct operations, we do not generate plastic waste, with the exception of the minor plastic waste produced by our employees, which represents a very small fraction of our total waste output. The plastic waste originating from our value chain is largely attributed to the small plastic wraps used to package the devices sold by our Consumer division, which also constitutes a minimal quantity.
[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

A short-term time horizon for risk assessment and management is essential as it allows our organization to promptly identify, realize, and address immediate threats and opportunities, ensuring operational stability and quick responses to emerging issues. Our enterprise risk and opportunity management approach is used to determine where financial resources are to be allocated, i.e. financial planning. Once the risk and opportunity assessment procedure (described in 2.2.2) is completed and reported to the board, a financial assessment process is undertaken to determine the financial resources required to carry out our risk and opportunity management plans. This assessment process considers annual budgets, tax and compliance costs, direct costs, capital allocation, capital expenditures, and savings opportunities, among others. The short to medium-time horizons are considered for direct operating cost elements. Nevertheless, these may change depending on the risk and opportunity under consideration.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The medium-term time horizon bridges the gap between our immediate concerns and long-term planning. It supports strategic and financial planning by identifying trends and shifts in environmental conditions. This enables more informed decision-making that balances our current needs with future sustainability objectives. Our enterprise risk and opportunity management approach is used to determine where financial resources are to be allocated, i.e. financial planning. Once the risk and opportunity assessment procedure (described in 2.2.2) is completed and reported to the board, a financial assessment process is undertaken to determine the financial resources required to carry out our risk and opportunity management plans. This assessment process considers annual budgets, tax and compliance costs, direct costs, capital allocation, capital expenditures, and savings opportunities, among others. In the instance of assets, capital allocation and expenditure elements, the time horizon considered during financial planning is typically medium- to long-term, while short- to medium-term horizons are considered for direct operating cost elements. Nevertheless, these may change depending on the risk and opportunity under consideration.

Long-term

(2.1.1) From (years)

5

(2.1.2) Is your long-term time horizon open ended?

Select from:

☒ No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The long-term time horizon is used to guide our strategies, ensuring long-term viability, alignment with sustainability goals, and risk mitigation prior to critical issues. This proactive approach sustains environmental stewardship and enhances strategic planning. Our enterprise risk and opportunity management approach is used to determine where financial resources are to be allocated, i.e. financial planning. Once the risk and opportunity assessment procedure (described in 2.2.2) is completed and reported to the board, a financial assessment process is undertaken to determine the financial resources required to carry out our risk and opportunity management plans. This assessment process considers annual budgets, tax and compliance costs, direct costs, capital allocation, capital expenditures, and savings opportunities, among others. In the instance of assets, capital allocation and expenditure elements, the time horizon considered during financial planning is typically medium- to long-term, while short- to medium-term horizons are considered for direct operating cost elements. Nevertheless, these may change depending on the risk and opportunity under consideration.

[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☒ Yes	Select from: ☒ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☒ Yes	Select from: ☒ Both risks and opportunities	Select from: ☒ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☒ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☒ Dependencies

☒ Impacts

☒ Risks

☒ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☒ Direct operations

☒ Upstream value chain

☒ Downstream value chain

(2.2.2.4) Coverage

Select from:

☒ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☒ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- ☒ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- ☒ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

- ☒ Short-term
- ☒ Medium-term
- ☒ Long-term

(2.2.2.10) Integration of risk management process

Select from:

- ☒ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- ☒ Site-specific
- ☒ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

- ☒ COSO Enterprise Risk Management Framework
- ☒ Enterprise Risk Management
- ☒ ISO 31000 Risk Management Standard

Other

- ☒ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- ☒ Drought
- ☒ Flood (coastal, fluvial, pluvial, ground water)
- ☒ Heavy precipitation (rain, hail, snow/ice)
- ☒ Tornado

Chronic physical

- ☒ Changing precipitation patterns and types (rain, hail, snow/ice)
- ☒ Changing temperature (air, freshwater, marine water)
- ☒ Increased severity of extreme weather events

Policy

- ☒ Carbon pricing mechanisms

Market

- ☒ Other market, please specify :Digital technology opportunity

Reputation

- ☒ Other reputation, please specify :Scrutiny from investors, customers, and value chain partners on our ESG and climate-change activities

Technology

- ☒ Transition to lower emissions technology and products

Liability

- ☒ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- ☒ Customers
- ☒ Employees
- ☒ Investors
- ☒ Regulators
- ☒ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- ☒ No

(2.2.2.16) Further details of process

Climate change-related risks are integrated into our risk identification and management processes, as well as assurance processes. Our risk management approach is based on a board-approved enterprise-wide risk management (ERM) methodology and philosophy to ensure effective risk management across the group. The ERM Framework aims to provide a standard approach to managing risks across the group, ensuring consistency. On an annual basis, we identify and assess regulatory, reputational, and physical risks, and consider associated future risks. Our Group Integrated Assurance Framework is utilized to identify, assess, monitor, and report the group's complex risks and opportunities. As part of our annual material themes determination process, we assimilate a set of material risks and opportunities by reviewing our operating environment, ERM procedures, stakeholder engagement and board and committee discussions. Management's materiality determination process and material themes are approved by exco and the joint audit and social and ethics committee. The Board of Directors, through the Risk Committee, oversees risks and ensures compliance. Executive Committees advise the Board on risk and compliance matters. Telkom is committed to an enterprise risk management process aligned with the King IV Report, JSE Listing Requirements, COSO Integrated Enterprise Risk Management Framework, and ISO 31000:2018 Risk Management Guidelines and COBIT. In FY2025, addressing climate change and extreme weather remained a priority for Telkom. Climate-related risks and opportunities are initially managed within the business functions from which they are identified. However, all major climate-related risks have response plans which specify the trigger thresholds (related to the severity of the impact) at which higher levels of management involvement occur. Risks that significantly impact business-as-usual and the execution of Telkom's strategy (i.e., the highest trigger threshold) are managed by our Group Emergency Management Team structure which reports to the Telkom Group exco. In the reporting year, we continued to strengthen Telkom's ability to respond to disasters including extreme weather (i.e., effects of storms and floods on the network) as part of our risk and compliance transformation journey towards a risk intelligent group.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☒ Yes

(2.2.7.2) Description of how interconnections are assessed

Our organization is exposed to physical risks as a consequence of our reliance on weather conditions and water resources. The increasing frequency and severity of extreme weather events, such as heatwaves, heavy rainfalls, storms, lightning, and floods, pose a substantial threat to our infrastructure. In response, we embarked on a disaster risk assessment project nationally to unpack extreme weather threats and impacts on employees, operations, infrastructure and network performance. We foresee this risk continuing and have also placed it on our list of emerging risks. Water supply challenges due to drought in various municipal areas also pose a potential threat to our operations and employees. We make use of regional assessments to establish the extent of this risk and identify plans to proactively manage it. The environmental impacts of our business activities include emissions from fuel and electricity. Consequently, our business is at risk of carbon pricing mechanisms such as the carbon tax regulation in South Africa. Phase 1 of the Carbon Tax Act, 15 of 2019 commenced during FY2020, prompting us to engage an external service provider to assess whether Telkom's operations exceed the electricity and heat production capacity of 10 MW installed thermal capacity (the threshold for carbon tax under fuel combustion activities). Our business activities, products, and services also lead to high volumes of e-waste, such as batteries, copper cabling, phones, electric equipment, etc. The increased availability, affordability and consumption of electronic products lead to increased volumes of e-waste. This is the largest growing waste stream in South Africa. It is also our most environmentally impactful waste stream, internally and within the value chain. This presents significant opportunities for us to decrease the negative impact through recycling end-of-life products, such as SIM cards.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☒ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☒ Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

☒ Other sensitive location, please specify :Ecology sensitive area

(2.3.4) Description of process to identify priority locations

In our project planning, preparation, and implementation, we prioritise conservation and management of biodiversity to prevent habitat destruction, the decline of species including flora, and potential extinction of species. Telkom conducts the Environmental Impact Assessment (EIA) screening process prior commencement of any proposed activity as per project description. Recently we have conducted the Specialist studies as per outcomes of the screening process and preparation for Environmental Authorization (EIA) application which includes biodiversity assessments.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☒ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☒ Qualitative

☒ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☒ EBITDA

(2.4.3) Change to indicator

Select from:

☒ % decrease

(2.4.4) % change to indicator

Select from:

☒ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☒ Frequency of effect occurring

☒ Likelihood of effect occurring

(2.4.7) Application of definition

When identifying or assessing climate-related risks, a 'substantive' financial impact would be regarded as a major or critical financial consequence if there is a decrease in earnings before interest, tax, depreciation and amortisation (EBITDA). From a strategic perspective, an impact that results in widespread and extensive disruptions to the continuity of service delivery for more than week, or an incident that prevents the achievement of most business objectives within a financial year, would be considered a 'substantive' strategic impact. 'Substantive' financial or strategic impacts can occur on our direct operations (operational impacts), or from poor customer service stemming from acute and chronic weather conditions resulting in customer migration to different network service providers (reputational and strategic impacts). In the reporting period, the group's EBITDA target was R11 900 million and the actual performance was R11 792 million (adjusted EBITDA). Hence, an impact would be considered substantive if it resulted in a 5% decrease in the EBITDA target.

Opportunities

(2.4.1) Type of definition

Select all that apply

☒ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☒ Frequency of effect occurring

☒ Likelihood of effect occurring

(2.4.7) Application of definition

From the qualitative opportunities perspective, there is an ESG Programme which is within the ESG team. From our perspective, possible opportunities can be the following:

- Implementation of EY CAP tool to identify hazards relating to climate for proactive mitigation can reduce infrastructure repair and replacement costs but still can't quantify the costs.*
- Regional disaster risk assessment outcomes can assist with enhancing business preparedness and Telkom's resilience programme.*
- Use of proactive alerts and reports from National Disaster Management Advisory Forum can assist with proactive business planning and response to ensure minimised disruptions and critical service continuity.*
- Availability of historical information on chronic weather conditions (e.g. Floods in KZN) in different regions assists with proactively minimising the impact to network availability, customer service etc to acceptable level*
- Adopting drought-resistant and energy efficient cooling technology, reinforcing existing infrastructure and waterproofing critical assets to prevent damage from extreme weather events and ensure service continuity, which will result in cost saving and build resilience along the supply chain.*

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☒ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Evaluation in progress

(3.1.3) Please explain

In FY2024, we conducted our value chain mapping and identified the key players in our value chain. However, we are currently in the process of developing an engagement strategy that will guide the implementation of our ESG engagements across our value chain.

Plastics

(3.1.1) Environmental risks identified

Select from:

☒ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☒ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

In our direct operations, we do not generate plastic waste, with the exception of the minor plastic waste produced by our employees, which represents a very small fraction of our total waste output. The plastic waste originating from our value chain is largely attributed to the small plastic wraps used to package the devices sold by our Consumer division, which also constitutes a minimal quantity.

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☒ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ South Africa

(3.1.1.9) Organization-specific description of risk

South African Parliament enacted the Carbon Tax Act No.15 of 2019, effective 1 Jun 2019, to meet 2015 Paris Climate Agreement commitments and reduce greenhouse gas emissions in line with the National Climate Change Response Policy and National Development Plan. The tax covers emissions from stationary fuel combustion (e.g. diesel generators, boilers), fugitive emissions (e.g. refrigerant leaks), and industrial processes. The carbon tax rate increased from R190 per tonne CO₂e in 2024 to R236 per tonne CO₂e effective 1 Jan 2025, with various tax-free allowances reducing the effective rate. The tax is being implemented in phases. Phase 1 (2019–2025) covers Scope 1 emissions from facilities with thermal capacity over 10MW. Telkom is not currently subject to carbon tax. Its emission sources include fleet fuel combustion, generator fuel use, and refrigerant leakage. Fuel taxes are applied at source, so these are indirect, pass-through costs. Eskom's generation was excluded from additional carbon pricing during Phase 1. The Carbon Tax Discussion Paper for Phase 2 was released on 13 Nov 2024. Phase 2 begins Jan 2026 with revised tax rates, updated allowances, and changes to electricity price neutrality. Electricity (86% of Telkom's emissions) poses a financial risk under potential Scope 2 tax. The tax will replace the Enviro Levy, retaining the renewable energy premium. Gradual implementation and power plant benchmarks aim to ease cost pass-through from Eskom, neutrality may decline.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ More likely than not

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Medium

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

46703980

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

80249200

(3.1.1.25) Explanation of financial effect figure

In 2025 the carbon tax rate was R236/tCO₂e. The carbon tax rate is expected to increase to approximately R308/tCO₂e by 2026. From 2026 onward, during Phase 2 of the carbon pricing mechanism in South Africa, the carbon tax rate is intended to increase more rapidly, whereby in 2030 it is anticipated that the carbon tax rate will be approximately R462/tCO₂e. During Phase 1, tax-free allowances can be applied to a maximum total allowance of 95% while the basic applicable threshold is 60%. Going forward, the basic tax-free allowance (60%) is expected to reduce and it is expected that the total maximum allowance may also reduce. Telkom is liable for carbon tax on diesel and petrol consumed by the fleet and stationary emissions due to fuel combustion in standby generators. However, the financial liability has been deducted at source. Assuming that the basic tax-free allowance reduces to 48% in 2026, the indirect carbon tax paid in the carbon fuel levy is estimated to be R 2 957 382. Further, assuming the total allowance reduces to 73% in 2026, the indirect carbon tax passed through by the national utility (Eskom) is estimated to be R43 746 598. This results in Telkom's total indirect carbon tax liability to be estimated at R46.7 million in 2026. In 2030, alongside the increase in the carbon tax rate, it is anticipated that the basic allowance will reduce to 0% and the assumed total allowance will reduce to 20%. As such, making use of Telkom Scope 1 and 2 emissions in FY25, it is estimated that our indirect carbon tax paid in carbon fuel levy will be R1 950 000 and our indirect carbon tax passed through by Eskom will be R 55 200 000. We therefore estimate that in 2030, Telkom's total indirect carbon tax liability will be R80.2 million. Thus, the minimum combined cost of the carbon tax on Telkom for 2026 is estimated to be R46 703 980 and the maximum combined cost of the carbon tax for 2030 is estimated to be R80 249 200.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

116222770

(3.1.1.28) Explanation of cost calculation

Telkom constructed a Solar PV Plant at its Head Office (cost: R88.4 million), a solar PV Park in Belville (cost: R1.9 million), and an additional 1 MW solar PV plant to the existing 3 MW plant at Telkom Park in Centurion (cost: R18.6 million). Total estimated cost for the three Solar PV Plants is R108.9million. The increased renewable energy will reduce carbon liability in Phase 2 by reducing reliance on the national electricity grid. Telkom also implemented LED lighting at many sites, including BCX facilities. The estimated cost of implementing LED lighting is R7 337 149 however there was no capital expenditure for LED lighting in FY2025. Only warranty and, corrective work was performed. These initiatives will continue to reduce Scope 2 emissions and potential pass-through carbon tax liability in Phase 2. Telkom aims to implement ongoing energy-efficiency initiatives to reduce the carbon footprint in FY25. Total response cost is R116.2 million (R108.9m + R7.3m).

(3.1.1.29) Description of response

In the FY2024 reporting period, we developed an energy strategy focused on critical asset classes where business interruption could significantly impact contractual obligations and customer experience. The strategy has three key objectives: improving resilience, reducing cost, and lowering emissions. Proposed solutions include:

- On-site mature generation technologies such as solar PV and batteries*
- Energy efficiency interventions like lighting retrofits, smart meters, free cooling retrofits, and HVAC optimisation*
- Off-site generation via wheeling and virtual wheeling options supplying clean energy through the Eskom grid*

The short-term intervention plan aims to reduce reliance on grid power by using solar and battery systems as primary sources, supplemented by the grid. We've also committed to achieving carbon neutrality by 2035 and net zero emissions by 2040, targeting reductions in emissions from purchased electricity, which currently makes up 94% of our operational greenhouse gas emissions. In FY2025, our Telkom Park 3 MW and Bellville 168 kWp solar PV plants became fully operational. Telkom Park's additional 1 MW project was completed and went live in July 2024. Energy efficiency measures, including LED retrofits and smart meter installations, also continued. Despite a 1.5% increase in electricity consumption due to higher operational activity, our Scope 1 and 2 emissions dropped by 11%. We anticipate reduced risk exposure under Phase 2 of the South African Carbon Tax, where the benefits of our energy strategy will become more pronounced. Phase 2 may broaden the tax base to include Scope 2 emissions and reduce tax-free allowances. As such, we are leveraging the Phase 1 window to implement a long-term carbon tax response strategy that mitigates current risks and prepares us for the more stringent requirements anticipated in Phase 2.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☒ Heavy precipitation (rain, hail, snow/ice)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ South Africa

(3.1.1.9) Organization-specific description of risk

In recent years, our business has experienced a notable increase in the frequency and intensity of extreme weather events, which have had a material impact on our operations. This has led us to recognize the acute physical risk posed to our network by these unpredictable weather events, in turn affecting our strategic goal of developing operational superiority for a competitive advantage. Specifically, these climate risks have the potential to cause damage to our infrastructure, resulting in increased network faults and repair requirements, ultimately leading to higher operating costs and a negative impact on service delivery and customer experience. In the reporting period, we completed our first climate scenarios analysis. The findings highlighted that across the 2030 and 2050 timeframes there is potentially going to be a flooding risk to 29 assets, potentially damaging infrastructure and increasing service disruptions and maintenance costs.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ More likely than not

(3.1.1.14) Magnitude

Select from:

☒ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Medium

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

5000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

427700

(3.1.1.25) Explanation of financial effect figure

In FY2025, severe weather conditions—including heavy rainfall, strong winds, and hailstorms—struck the eastern and southern regions of South Africa, with KwaZulu-Natal being the most severely affected. Several Telkom sites sustained damage as a result: 1. La Lucia Exchange: The guard hut roof was blown off, incurring an estimated repair cost of R5 000 2. Matatiele Exchange: Storm winds loosened galvanized roof sheets, allowing water to enter the building. Estimated repair cost: R20 000. 3. Scottburgh Exchange: Water leakage through the rooftop caused internal damage to the building, with repair costs estimated at R250 000. In addition to structural damage, network infrastructure in various parts of KwaZulu-Natal—such as optical fibre cables and wooden or concrete poles—was also

impacted. These incidents were addressed through operational channels, with the total estimated cost of network-related damage amounting to approximately R152 700.

(3.1.1.26) Primary response to risk

Engagement

☒ Engage in multi-stakeholder initiatives

(3.1.1.27) Cost of response to risk

5000000

(3.1.1.28) Explanation of cost calculation

Telkom has a Disaster Fund budget that can be used in emergency situations, these emergency situations however, are not specific to climate-related events. The Board can make the decision to expand the budget, if necessary, given the extent and number of emergency events experienced within the reporting period. In the case of a disaster, emergency finance of R5 million can be accessed from the Disaster Fund, due to the budget for 2025 being set to R5 million.

(3.1.1.29) Description of response

In response to the increasing severity of acute physical climate risks, we maintain ongoing collaboration with South Africa's National Disaster Management Centre (NDMC) through the National Disaster Management Advisory Forum (NDMAF), which meets quarterly. These sessions help us stay informed about expected climate and weather trends, enabling proactive preparation for potential disaster scenarios. The NDMC plays a key role in helping Telkom identify, monitor, and respond to climate-related events that could disrupt operations or strategic goals. During these engagements, our risk management team receives updates from the South African Weather Service, including seasonal risk profiles, quarterly electricity grid forecasts, and national water status. In anticipation of disruptions to infrastructure or systems, relevant business units are placed on alert. When a "disaster" threshold is triggered, our Business Continuity Plans are activated, with clear response levels based on severity and structured governance oversight. These plans also include proactive preparation for escalation to higher response levels, ensuring the availability of resources and systems. If higher thresholds are met, the Telkom Group Emergency Management Team (GEMT) is activated. During rainy seasons, our teams and service providers adjust work hours and stock additional materials to reduce delays. To date, we have developed group-level climate response plans for Drought and Water Shortage, Adverse Weather, Tornadoes and Cyclones, Fire, Flooding, and an Earthquake Framework.

Climate change

(3.1.1.1) Risk identifier

Select from:

☒ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☒ Increased partner and stakeholder concern or negative partner and stakeholder feedback

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☒ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☒ South Africa

(3.1.1.9) Organization-specific description of risk

Telkom recognises that ESG practices and disclosures are becoming increasingly important to investors. During the reporting year, we observed a growing focus on ESG issues, driven by rising awareness of climate change and the broader importance of sustainability. We identified that heightened scrutiny of ESG performance could affect Telkom's financial resilience, reputation, and ability to access future opportunities. Our Remuneration Committee also acknowledged increasing pressure to incorporate ESG targets into both short-term and long-term incentive structures, in line with evolving international best practices. In response, Telkom recognised the need for a comprehensive strategy to formalise our approach across all ESG dimensions. We have also seen a significant rise in investor demand for enhanced climate-related financial disclosures. As investors are increasingly influenced by how effectively companies manage climate-related risks and opportunities, improving our ESG disclosures will directly support investor confidence and decision-making.

(3.1.1.11) Primary financial effect of the risk

Select from:

☒ Decreased access to capital

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☒ More likely than not

(3.1.1.14) Magnitude

Select from:

☒ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Medium

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☒ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

50500000

(3.1.1.25) Explanation of financial effect figure

We are unable to accurately calculate the financial impact of how increased stakeholder concern and pressure may impact Telkom; however, we are able to estimate a figure based on publicly available knowledge. Telkom's issued share capital at FY25 year end was valued at R5 050 million. If shareholder sentiment towards

Telkom shifts by 1% due to Telkom not meeting investor expectations on ESG, climate change and emission commitments, we are at risk of losing approximately R50.5 million in share capital value.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

777383

(3.1.1.28) Explanation of cost calculation

The cost of responding to this risk can be quantified based on the cost of development of the emissions reduction initiatives. Currently, Telkom has developed an ESG Strategy as well as the approximate amount spent on the SBTi validation process (\$9 500, which converts to R177 383). Thus, the final cost of response is $R600\,000 + R177\,383 = R777\,383$. Telkom has a Disaster Fund budget that can be used in emergency situations, these emergency situations however, are not specific to climate-related events. The Board can make the decision to expand the budget, if necessary, given the extent and number of emergency events experienced within the reporting period. In the case of a disaster, emergency finance of more than R5 million can be accessed from the Disaster Fund.

(3.1.1.29) Description of response

In order to address our stakeholders' growing concerns, Telkom developed an ESG Strategy which includes defined roles and responsibilities and details the way in which Telkom aims to achieve our 2035 and 2040 net zero targets. In October 2021, we embarked on the process of formalising the ESG Strategy and in March 2022, the Board approved the first ESG strategy and implementation roadmap. The ESG Strategy provides key emissions reduction targets and associated timelines, which has been made publicly available in our Integrated Report 2024. The ESG Strategy is practical, measurable and implementable. It includes and builds on current initiatives (e.g., energy and water initiatives) and is aligned to the SDGs that Telkom can impact and influence. Telkom aims to integrate ESG risks into the ERM framework and implement the Group ESG Strategy with defined roles and responsibilities.

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☒ Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☒ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

55000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☒ 31-40%

(3.1.2.7) Explanation of financial figures

The outcomes of our climate change scenario analysis indicated that 40% of our assets have very high vulnerability to physical climate change risks such as flooding and extreme weather events.

[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☒ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☒ South Africa carbon tax

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

South Africa carbon tax

(3.5.3.1) Period start date

03/31/2024

(3.5.3.2) Period end date

03/30/2025

(3.5.3.3) % of total Scope 1 emissions covered by tax

63

(3.5.3.4) Total cost of tax paid

1950000

(3.5.3.5) Comment

Telkom is liable for carbon tax on diesel and petrol consumed by the fleet and stationary emissions due to fuel combustion in standby generators. However, the financial liability has been deducted at source. The Telkom Grop indirect carbon tax paid in the carbon fuel levy less 60% basic free allowance is estimated to be R 1 950 000.
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Telkom utilises a comprehensive risk and compliance management system to ensure alignment with South Africa’s Carbon Tax Act. This system is fully embedded in daily operations and is underpinned by the enterprise-wide Enterprise Risk Management (ERM) framework. Each business unit is accountable for implementing the compliance strategy, which includes maintaining risk and compliance registers, identifying mitigation controls, executing action plans, and supporting assurance forums. Ahead of the Carbon Tax Act’s implementation in FY2020, Telkom’s Group Head Office appointed an external service provider to assess potential exposure to the tax. The engagement focused on: · Evaluating the likelihood and impact of carbon tax risks, · Identifying sources of exposure, and · Initiating the adaptation of business practices to manage both financial and compliance risks. The findings from this assessment, along with Telkom’s ERM framework, were used to establish a Carbon Tax Compliance Risk Register. This register outlines: · The scope and objectives of the Carbon Tax regulations, · The implications of non-compliance, · Assigned roles and responsibilities for carbon tax reporting and management, · Inherent and residual risk ratings (likelihood and impact), and · Mitigating controls to manage the identified risks. During Phase 1 of the carbon tax, which covers Scope 1 emissions, Telkom’s liability remained low. The primary sources—diesel and petrol—are taxed upstream, resulting in limited direct exposure. In response, we continue to monitor our installed thermal capacity to ensure compliance should regulatory thresholds be exceeded. Scope 2 emissions, primarily from electricity consumption, account for approximately 94% of Telkom’s emissions. While electricity is not taxed in Phase 1, it is expected to be included in Phase 2, which may significantly increase Telkom’s exposure to carbon pricing. As a proactive measure, the risk and compliance teams closely monitor regulatory developments relating to Phase 2 to ensure timely and effective responses. In anticipation of stricter future regulations, Telkom has implemented several initiatives to reduce carbon emissions and potential tax liability. The company also explores regulatory allowances that could help mitigate financial impacts. Renewable energy initiatives are well underway, with solar PV plants operational in Bellville and Telkom Park. Additionally, a 1 MW solar facility in Centurion was commissioned in July 2024. Energy efficiency projects include the installation of 613 smart energy meters, with 552 installed at the top 500 highest-consuming sites. Furthermore, bulk diesel monitoring meters are being rolled out at 478 locations, with 325 of these integrated into an IoT platform. The remaining 153 sites are scheduled to be connected to the IoT platform by FY2028. On the governance front, Telkom’s Board oversees group-wide risk and compliance, promoting an integrated governance approach aligned with the company’s operating model. The Risk and Social and Ethics Committees provide oversight and guidance on compliance-related matters, including adherence to laws, regulations, and the carbon tax. To support effective compliance management, we have established integrated governance, risk, and compliance (GRC) committees. These bodies help reduce regulatory risk by fostering awareness and accountability regarding applicable legal and regulatory requirements. Additionally, the ERM Forum brings together risk and compliance practitioners across the Group to share knowledge, best practices, and to review key risks and mitigation strategies.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	Select from: ☒ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☒ Shift toward decentralized energy generation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ South Africa

(3.6.1.8) Organization specific description

Telkom actively tracks, manages, and reduces the Group's carbon emissions, recognising energy efficiency as a key driver in lowering operational costs and mitigating climate change. To address rising energy use and emissions, we identified the installation of solar photovoltaic (PV) systems at high-energy-use sites as a strategic opportunity. The initiative is expected to:

- Lower electricity consumption and energy costs, reducing building operating and life cycle expenses*
- Decrease our carbon footprint, enhancing Telkom's environmental credibility*
- Mitigate risks tied to carbon taxes and evolving environmental laws by building long-term regulatory resilience*
- Unlock potential carbon tax offsets to reduce future tax liabilities*
- Improve energy security and resilience against climate-related disruptions through diversified energy sources*
- Support national energy goals by easing pressure on South Africa's electricity grid*

To support these goals, Telkom

commissioned three solar PV plants to supplement grid electricity: • A 168 kWp plant in Bellville • A 3 MW plant at Telkom Park • An additional 1 MW facility at Telkom Park, commissioned in July 2024 These installations mark a significant step toward a more sustainable and cost-efficient energy model for the Group.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ More likely than not (50–100%)

(3.6.1.12) Magnitude

Select from:

☒ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

9285339

(3.6.1.23) Explanation of financial effect figures

For FY2025, the 3MWp solar plant at Telkom Park has generated a total of 3 786 607 kWh. This has resulted in total savings of R7.9 million. Further, the 1MW PV at Telkom Park generated a total of 749 664 kWh, resulting in a total savings of R1.13 million. Lastly, the renewable energy generated by the Belville solar PV plant was approximately 170 226 kWh, which translates to an estimated cost saving of R255 339. The total combined potential financial impact from the two solar projects is therefore R8 155 389 (R7 900 000 + 1 130 000+ R255 339).

(3.6.1.24) Cost to realize opportunity

108800000

(3.6.1.25) Explanation of cost calculation

The three solar PV plants have the following associated costs: • The cost of installation of the Telkom Head Office solar park was R88.4 million. • The cost of installation of the Belville solar PV plant was R1.9 million. • The cost of installation of the 1 MW solar PV plant was R18.5 million. The combined estimated costs for the three Solar PV Plants total to R108.8 million.

(3.6.1.26) Strategy to realize opportunity

We have established a 3 MWp solar PV energy farm at Telkom Park and a solar PV plant in Bellville to reduce reliance on grid electricity and mitigate potential future carbon tax exposure from indirect emissions. We remain committed to implementing energy efficiency initiatives, including the deployment of solar PV systems, at our facilities wherever feasible.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

- ☒ Move to more energy/resource efficient buildings

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- ☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- ☒ South Africa

(3.6.1.8) Organization specific description

We have identified an opportunity to roll out energy-efficient measures and technologies across our operations to reduce our carbon footprint and achieve cost savings through improved energy efficiencies. Telkom's main electricity source is municipal (94%), with diesel for back-up generators and solar PV. To realise this opportunity, an energy expert conducted site surveys at selected Telkom offices, retail sites, data centres, and access network sites. Key areas identified for improvement included smart meter installations, power factor correction, and deployment of lithium-ion batteries and solar panels. A total of 613 smart meters were installed, including 552 at the top 500 sites. Diesel monitoring meters were also installed at 478 sites, with 325 connected to an IoT platform. BCX implemented energy management initiatives such as smart electricity meters, occupancy sensors in meeting rooms and passages, lighting automation in the canteen, LED lighting, and motion sensors at BCX headquarters. Occupancy sensing was introduced for Air Handling Units, and approval is pending for LED lighting and motion sensors in the basement parking and warehouse. BCX also adopted more efficient power systems, making its building significantly more energy-efficient compared to conventional buildings.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- ☒ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☒ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

0

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

7337149

(3.6.1.23) Explanation of financial effect figures

Telkom's lighting and sensors initiative across 104 sites, Telkom Office Park and Belville Office Park, has resulted in an energy savings of 3 730 879 kWh, which translates to R5.9 million saved, in FY25. The basement parking and warehouse LED lighting initiative planning to be undertaken by BCX will result in an energy saving of 350 915 kWh (which results in a R820 750 financial saving). The power factor correction project has resulted in a saving of R616 399. The electricity smart

metering project data will be used to analyse energy consumption patterns and identify energy efficiency and saving opportunities, therefore the initiative will result in indirect financial savings. The total energy savings is therefore R7 337 149.

(3.6.1.24) Cost to realize opportunity

32276373

(3.6.1.25) Explanation of cost calculation

The cost of implementation of the initiatives are: BCX-related costs associated with increasing the energy efficiency is R576 373. Installation of LED lighting at Telkom Park, Bellville and 104 sites is R 24 million. Installation of smart electricity meters is R4.3 million. Power factor correction installation is R3.4 million. The total cost of these initiatives is R32 276 373 (R576 373 + R24 million + R4.3 million+ R3.4million).

(3.6.1.26) Strategy to realize opportunity

We have identified various energy efficiency initiatives towards achieving this opportunity that we started implementing throughout our operations in the past two years: • Ongoing installation of more efficient LED lighting to replace inefficient lighting. • Installation of smart electricity meters in the pursuit of an online energy management system for real-time energy consumption monitoring. Over 350 smart meters have been installed and an additional 300 smart meters are expected to be installed in Phase 3 of this initiative. • Power factor correction installation at high-consuming sites nationwide to stabilize energy demand. • Installation of motion sensors and day-night switches.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☒ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☒ Reduced water usage and consumption

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☒ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☒ South Africa

(3.6.1.8) Organization specific description

Telkom primarily relies on municipal water, making the business vulnerable to supply disruptions that could impact operations and infrastructure. Water-based cooling systems could fail, risking IT equipment, while limited access may affect employees. To reduce reliance and improve resilience, we've implemented water efficiency measures such as low-flow regulator taps and smart water meters for real-time monitoring. Site surveys at high-consumption locations—including offices, data centres, and retail sites—identified opportunities to harvest, recycle, and reticulate water. Technologies explored include wastewater recycling, plumbing reticulation for toilet flushing, stormwater and HVAC water harvesting, and air-to-water systems. A water audit across 55 Eastern Cape sites in FY23 led to further recommendations: additional water storage, rainwater and borehole solutions, and upgrades such as leak detectors and dual-flush toilets. At Telkom Park, a phased infrastructure upgrade includes installing a freshwater tank (reservoir) to supply tanks at The Nexus, Core, and Hub buildings. The total storage capacity will equal three days of supply, or 500 m³. BCX has already implemented water-saving technologies, including dual-flush toilets, rainwater harvesting tanks, metering taps, and water regulators on all basins.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☒ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☒ Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☒ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☒ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Medium

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☒ Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

0

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

1888600

(3.6.1.23) Explanation of financial effect figures

Based on the audit completed in the Eastern Cape sites, the implementation of the recommended initiatives can result in the following savings: • The use of boreholes at three sites is expected to result in a 21 000 kl saving annually. • Rainwater harvesting at five sites can result in a 2 300 kl saving per year. • Increasing water storage by 15 tanks can result in a total 155 kl/year saving. • Implementing 37 low flow regulators, resulting in a total of 547 kl/year saving potential. • Implementing 34 dual flush toilets with a total of 827 kl/year saving potential. • Implementing two leak detectors with a total of 3 932 kl/year saving potential. The above initiatives were proposed to ensure security; however the potential water and cost savings is an added benefit. In total, the potential water savings identified based on the proposed initiative is estimated to be at 28 715 kl/year. Meaning, we could save up to R956 200 annually. The potential cost saving from Telkom Park's water-saving initiatives including the capturing of stormwater and the water treatment plant water is estimated at R932 400 (based on a water saving of 28 000 kl). The total financial impact figure is therefore R1 888 600 (= R956 200 + R932 400).

(3.6.1.24) Cost to realize opportunity

5000250

(3.6.1.25) Explanation of cost calculation

To reduce our water consumption, Telkom proposed a number of water initiatives (i.e., boreholes, rainwater harvesting and storage tanks). However, the earmarked rainwater harvesting in the Nelson Mandela Region are being revised, and the Telkom Park rainwater harvesting project is being postponed to FY2026 due to budget constraints. As for the BCX facilities, BCX estimated quotes for the implementation of rainwater harvesting tanks, grey water system, bathroom efficiency solutions and water-on-demand technology initiatives would approximate to R5 000 250.

(3.6.1.26) Strategy to realize opportunity

Water management is part of our ESG strategy, and we are committed to a 50% reduction in water usage by 2030. The following water-saving initiatives will enable Telkom to reduce water consumption in future years: •Borehole installation completed at two sites in the Eastern Cape (Linton Grange and Sidwell) • Rainwater harvesting projects in the Nelson Mandela Region. However, this activity is being revised as some sites will be sold or terminated • The Telkom Park rainwater harvesting project. The implementation of this was postponed to FY2026 due to budget constraints.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☒ CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

141660280

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☒ 1-10%

(3.6.2.4) Explanation of financial figures

Emissions source	Activity data requested	Units	Stationary diesel	Quantities of diesel consumed in generators.	litres	Mobile diesel	Quantities of diesel
consumed in company-owned vehicles.		litres	Stationary petrol	Quantities of petrol consumed in generators	litres	Mobile petrol	Quantities of petrol
consumed in company-owned vehicles.		litres	Refrigerant use	Amount of refrigerant refill used in air conditioners.	Kilograms	Electricity	Amount of grid
electricity purchased.	kWh						
[Add row]							

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☒ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☒ Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☒ Executive directors or equivalent

☒ Non-executive directors or equivalent

☒ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☒ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

The Board Diversity Policy promotes equity and inclusion at board level, recognizing diversity as a driver of business success. A diverse board enhances credibility, competitive advantage, and risk management. The policy requires the Board to consider a range of factors when determining its composition, including skills, expertise, experience, race, gender, age, and industry knowledge. The goal is to build an inclusive Board that reflects the Company and its stakeholders. The Board is committed to fair, balanced representation and will actively promote diversity when filling vacancies. In FY2025, we met our target of 35% women in leadership. We continue to monitor progress, with a goal of 50% female leadership between 2027 and 2029. This policy aligns with King IV and the JSE Listings Requirements,

supporting sound governance and inclusive leadership. The Nominations Committee oversees Board composition and ensures diversity objectives are met. The Board Charter and Nomination Policy guide the process, incorporating diversity targets and selection criteria. Annually, the Committee reviews the Board's structure, skills, and diversity. A skills matrix supports this by mapping future needs, assessing current competencies, identifying gaps, and recommending candidates who align with the Board's strategic goals.

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

☒ No, but we plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☒ No standardized procedure

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Currently, our organization does not have board-level oversight dedicated specifically to biodiversity, as our operations within the ICT sector are not assessed to have a material impact on biodiversity or sensitive ecosystems. However, we acknowledge the importance of biodiversity conservation and are committed to incorporating related considerations into our environmental management practices. Over the next two years, we aim to develop more structured biodiversity initiatives. In the interim, we continue to monitor the potential environmental impacts of our operations to ensure alignment with broader sustainability objectives. As part of our ongoing efforts, we increased e-waste recycling from 6 458 tonnes in FY2024 to 8 276 tonnes in FY2025. Further, we are selling recovering cabling to a leading recycler and are expanding our reuse initiatives by launching trade-in packages and promoting repair and extended warranty options for devices. Telkom remains

focused on reducing e-waste through reuse, resale, and recycling of network and operational waste. These efforts contribute to biodiversity protection by minimizing the ecological damage caused by improper disposal. Responsible e-waste management reduces the risk of toxic substances contaminating soil and water, thereby helping preserve plant and animal life.

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- ☒ Director on board
- ☒ Chief Executive Officer (CEO)
- ☒ Other, please specify :Social and Ethics Committee (SEC)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- ☒ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- ☒ Board Terms of Reference
- ☒ Individual role descriptions
- ☒ Other policy applicable to the board, please specify :Social and Ethics Committee (SEC) Terms of reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- ☒ Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- ☒ Overseeing the setting of corporate targets
- ☒ Monitoring progress towards corporate targets
- ☒ Overseeing and guiding major capital expenditures
- ☒ Monitoring the implementation of the business strategy
- ☒ Monitoring the implementation of a climate transition plan
- ☒ Overseeing and guiding the development of a business strategy
- ☒ Overseeing and guiding the development of a climate transition plan
- ☒ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

The Board of Directors holds overall responsibility for overseeing risk and compliance across the Group, including climate-related matters. Since 2022, climate change has been a standing item on the Board agenda. Oversight of climate-related issues is delegated to the Social and Ethics Committee (SEC), as well as the Audit and Risk Committees. These committees monitor progress on climate initiatives, provide strategic guidance, and ensure alignment with Telkom's broader ESG and corporate objectives. The highest level of accountability for climate-specific matters lies with the SEC and, where relevant, the Risk Committee. The SEC monitors Telkom's performance in organisational ethics, responsible corporate citizenship, ESG, sustainable development, and stakeholder engagement. This includes taking into account applicable legislation, evolving codes of best practice, health, safety and environmental issues (including climate change), and increasing stakeholder expectations relating to ESG disclosures. The Risk Committee comprises both executive and non-executive directors, including the Group CEO, while the SEC is made up exclusively of non-executive directors. In FY2025, we strengthened our climate governance by formally incorporating climate-related risks into the Enterprise Risk Management (ERM) framework. This ensures that climate risks are assessed alongside strategic and financial risks. Example: In FY2021, the SEC and Risk Committee jointly developed Telkom's ESG strategy, which was formally approved in FY2022 by the Board, Group Executive Committee, and SEC. A key element of the strategy is Telkom's commitment to achieving net zero emissions by 2040. Recognising the operational, reputational, and strategic implications of climate change, it was declared a material business theme in FY2021 and remains so in FY2025. This status followed extensive engagement across Board Committees, the Executive Committee, and the Group Audit Committee, with the latter ultimately recommending our designation as a material theme to the Board. The SEC also played a key role in Telkom's adoption of the Task Force on Climate-Related Financial Disclosures (TCFD) framework in FY2021. The SEC is responsible for oversight and monitoring of TCFD implementation, while the Risk Committee manages TCFD-related risk assessment and mitigation. The SEC meets quarterly, with climate change risks and opportunities forming a standing agenda item. Its responsibilities include: • Approving and/or updating the sustainability framework and climate policy for health, safety and environmental (HSE) management, and monitoring implementation; • Reviewing quarterly environmental performance, including trends in energy and water usage; • Reporting material climate-related outcomes to the Board; • Considering regulatory and technical developments (e.g., South Africa's carbon tax) and advising on an appropriate response; • Supporting the Board by ensuring effective stakeholder relations

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☒ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- ☒ Consulting regularly with an internal, permanent, subject-expert working group
- ☒ Engaging regularly with external stakeholders and experts on environmental issues
- ☒ Integrating knowledge of environmental issues into board nominating process
- ☒ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- ☒ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- ☒ Executive-level experience in a role focused on environmental issues

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☒ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☒ No standardized procedure

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

No standardized procedure Currently, our organization does not have board-level oversight dedicated specifically to biodiversity, as our operations within the ICT sector are not assessed to have a material impact on biodiversity or sensitive ecosystems. However, we acknowledge the importance of biodiversity conservation and are committed to incorporating related considerations into our environmental management practices. Over the next two years, we aim to develop more structured biodiversity initiatives. In the interim, we continue to monitor the potential environmental impacts of our operations to ensure alignment with broader sustainability objectives. As part of our ongoing efforts, we increased e-waste recycling from 6,458 tonnes in FY2024 to 8,276 tonnes in FY2025. Telkom remains focused on reducing e-waste through reuse, resale, and recycling of network and operational waste. These efforts contribute to biodiversity protection by minimizing the ecological damage caused by improper disposal. Responsible e-waste management reduces the risk of toxic substances contaminating soil and water, thereby helping preserve plant and animal life.

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☒ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- ✓ Assessing environmental dependencies, impacts, risks, and opportunities
- ✓ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- ✓ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ✓ Managing engagement in landscapes and/or jurisdictions
- ✓ Managing public policy engagement related to environmental issues
- ✓ Managing supplier compliance with environmental requirements
- ✓ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ✓ Monitoring compliance with corporate environmental policies and/or commitments
- ✓ Measuring progress towards environmental corporate targets
- ✓ Measuring progress towards environmental science-based targets
- ✓ Setting corporate environmental policies and/or commitments
- ✓ Setting corporate environmental targets

Strategy and financial planning

- ✓ Developing a climate transition plan
- ✓ Implementing a climate transition plan
- ✓ Conducting environmental scenario analysis
- ✓ Managing annual budgets related to environmental issues
- ✓ Implementing the business strategy related to environmental issues
- ✓ Developing a business strategy which considers environmental issues
- ✓ Managing environmental reporting, audit, and verification processes
- ✓ Managing acquisitions, mergers, and divestitures related to environmental issues
- ✓ Managing major capital and/or operational expenditures relating to environmental issues
- ✓ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☒ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☒ Quarterly

(4.3.1.6) Please explain

The highest level of management responsibility for climate change within Telkom lies with the Risk Committee (where applicable) and the Social and Ethics Committee (SEC). These committees oversee Telkom's climate-related activities and consider relevant legislation, as well as established codes of best practice in areas such as health, safety, environment, and climate change. Both committees are composed of non-executive members, including the Group CEO. The Risk Committee is specifically responsible for overseeing the governance of risks—climate-related risks and opportunities included—through the Group's Enterprise Risk Management (ERM) framework and its system of internal controls. In addition, Telkom's Group governance framework defines clear roles and responsibilities, supporting effective decision-making and ensuring strategic compliance. This framework is also applied to the management of climate-related risks.

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Other

☒ Other, please specify :Social and Ethics committee

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☒ Assessing environmental dependencies, impacts, risks, and opportunities

- ✓ Assessing future trends in environmental dependencies, impacts, risks, and opportunities
- ✓ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- ✓ Managing engagement in landscapes and/or jurisdictions
- ✓ Managing public policy engagement related to environmental issues
- ✓ Managing supplier compliance with environmental requirements
- ✓ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- ✓ Monitoring compliance with corporate environmental policies and/or commitments
- ✓ Measuring progress towards environmental corporate targets
- ✓ Measuring progress towards environmental science-based targets
- ✓ Setting corporate environmental policies and/or commitments
- ✓ Setting corporate environmental targets

Strategy and financial planning

- ✓ Developing a climate transition plan
- ✓ Implementing a climate transition plan
- ✓ Conducting environmental scenario analysis
- ✓ Managing annual budgets related to environmental issues
- ✓ Implementing the business strategy related to environmental issues
- ✓ Developing a business strategy which considers environmental issues
- ✓ Managing environmental reporting, audit, and verification processes
- ✓ Managing acquisitions, mergers, and divestitures related to environmental issues
- ✓ Managing major capital and/or operational expenditures relating to environmental issues
- ✓ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

- ✓ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☒ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☒ Quarterly

(4.3.1.6) Please explain

The highest management-level responsibility for climate change at Telkom rests with the Risk Committee (where applicable) and the Social and Ethics Committee (SEC). These committees oversee Telkom's climate-related activities, considering relevant legislation and codes of best practice across health, safety, environment, and climate change. Both committees include non-executive members and the Group CEO. The SEC focuses on organisational ethics, responsible corporate citizenship, ESG matters, sustainable development, and stakeholder engagement. The Risk Committee ensures an effective risk management process is in place, enabling the identification and monitoring of key risks in an integrated and timely manner. It governs all risk matters, including climate-related risks and opportunities, through the Group's Enterprise Risk Management (ERM) framework and internal control systems. Climate change is a standing item on the SEC's agenda, with quarterly reporting on climate-related issues included under a dedicated ESG agenda item. In FY2022, the Board, SEC, and Group Executive Committee approved Telkom's ESG Strategy, which includes a commitment to achieve carbon neutrality by 2035 and net zero emissions by 2040. The SEC also led Telkom's adoption of the Task Force on Climate-related Financial Disclosures (TCFD) framework and is responsible for monitoring and overseeing its implementation. The Risk Committee supports this by monitoring and assessing TCFD-related risks. Both committees have received training to support effective oversight of the ESG Strategy and its execution.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☒ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

5

(4.5.3) Please explain

Our ESG approach was advanced by embedding a more data-driven model for performance and decision-making. This required a cultural shift and an expanded set of KPIs aligned with global and local frameworks. Greater accountability is supported through the integration of ESG into both short- and long-term incentive structures, initiated in FY2023. In July 2024, a Group scorecard was cascaded to business units and individuals to align efforts with Group targets. Scorecards are tailored by role, business context, and level, ensuring clear accountability. Executive Directors' scorecards emphasise strategic execution, leadership, and the achievement of financial and non-financial outcomes. Climate change-related responsibilities – focused on annual CO2 emission reduction – carry a 5% weighting in the CEO and CFOs scorecards, reinforcing leadership accountability in delivering climate change objectives. Other ESG objectives are also considered within the group scorecards, these account for 10%

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

☒ Shares

(4.5.1.3) Performance metrics

Targets

- ✓ Progress towards environmental targets
- ✓ Achievement of environmental targets
- ✓ Reduction in absolute emissions in line with net-zero target

Emission reduction

- ✓ Increased share of renewable energy in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- ✓ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

Our ESG objectives are integrated into our remuneration strategy framework to ensure accountability for achieving these objectives within the Group. Telkom uses the decision tree (formerly JE Manager) to assess the jobs necessary to achieve our strategic goals. Management-level employees, Executive Directors, and Group Prescribed Officers are eligible for STIs and LTIs. The Committee approved the FY20-25 SBTi plan in 2024 in accordance with key policy principles, which includes a 10% weighting for the reduction of annual CO2 emissions reduction scope 1 and 2 emissions over the next three years as per our ESG strategy. Our LTI includes a 10% weighting for scope 1 and 2 emission reduction in line with our ESG strategy. Additionally, the increased use of renewable energy sources had a 5% impact on our Group scorecard in FY25.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The Group Executive Committee, Risk Committee, and Social and Ethics Committee (SEC) support the Board by monitoring and advising on climate change-related matters. The SEC holds the highest level of responsibility for climate-specific issues, with the Risk Committee also playing a key role where applicable. Both committees comprise executive and non-executive directors, including the Group CEO. To support the delivery of our ESG strategy, performance incentives are applied across various employee levels, encouraging contributions towards key objectives such as reducing our carbon footprint, increasing renewable energy adoption, and conserving natural resources. ESG-linked incentives are integral to driving progress against our ESG metrics by embedding a culture of sustainability throughout the organisation. The inclusion of ESG performance measures in both the Short-Term Incentive (STI) and Long-Term Incentive (LTI) schemes influences remuneration decisions, enhances employee engagement, and aligns individual performance with the Group's broader sustainability goals, amplifying our collective environmental impact.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Chief Financial Officer (CFO)

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

☒ Shares

(4.5.1.3) Performance metrics

Targets

☒ Progress towards environmental targets

☒ Achievement of environmental targets

☒ Reduction in absolute emissions in line with net-zero target

Emission reduction

☒ Increased share of renewable energy in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

Our ESG objectives are integrated into our remuneration strategy framework to ensure accountability for achieving these objectives within the Group. Telkom uses the decision tree (formerly JE Manager) to assess the jobs necessary to achieve our strategic goals. Management-level employees, Executive Directors, and Group Prescribed Officers are eligible for STIs and LTIs. The Committee approved the FY20-25 SBTi plan in 2024 in accordance with key policy principles, which includes a 10% weighting for the reduction of annual CO2 emissions reduction scope 1 and 2 emissions over the next three years as per our ESG strategy. Our LTI includes a

10% weighting for scope 1 and 2 emission reduction in line with our ESG strategy. Additionally, the increased use of renewable energy sources had a 5% impact on our Group scorecard in FY25.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The Group Executive Committee, Risk Committee, and Social and Ethics Committee (SEC) support the Board by monitoring and advising on climate change-related matters. The SEC holds the highest level of responsibility for climate-specific issues, with the Risk Committee also playing a key role where applicable. Both committees comprise executive and non-executive directors, including the Group CEO. To support the delivery of our ESG strategy, performance incentives are applied across various employee levels, encouraging contributions towards key objectives such as reducing our carbon footprint, increasing renewable energy adoption, and conserving natural resources. ESG-linked incentives are integral to driving progress against our ESG metrics by embedding a culture of sustainability throughout the organisation. The inclusion of ESG performance measures in both the Short-Term Incentive (STI) and Long-Term Incentive (LTI) schemes influences remuneration decisions, enhances employee engagement, and aligns individual performance with the Group's broader sustainability goals, amplifying our collective environmental impact.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

☒ Shares

(4.5.1.3) Performance metrics

Targets

☒ Progress towards environmental targets

☒ Achievement of environmental targets

☒ Reduction in absolute emissions in line with net-zero target

Emission reduction

☒ Increased share of renewable energy in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

Our ESG objectives are integrated into our remuneration strategy framework to ensure accountability for achieving these objectives within the Group. Telkom uses the decision tree (formerly JE Manager) to assess the jobs necessary to achieve our strategic goals. Management-level employees, Executive Directors, and Group Prescribed Officers are eligible for STIs and LTIs. The Committee approved the FY20-25 SBTi plan in 2024 in accordance with key policy principles, which includes a 10% weighting for the reduction of annual CO2 emissions reduction scope 1 and 2 emissions over the next three years as per our ESG strategy. Our LTI includes a 10% weighting for scope 1 and 2 emission reduction in line with our ESG strategy. Additionally, the increased use of renewable energy sources had a 5% impact on our Group scorecard in FY25.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

The Group Executive Committee, Risk Committee, and Social and Ethics Committee (SEC) support the Board by monitoring and advising on climate change-related matters. The SEC holds the highest level of responsibility for climate-specific issues, with the Risk Committee also playing a key role where applicable. Both committees comprise executive and non-executive directors, including the Group CEO. To support the delivery of our ESG strategy, performance incentives are applied across various employee levels, encouraging contributions towards key objectives such as reducing our carbon footprint, increasing renewable energy adoption, and conserving natural resources. ESG-linked incentives are integral to driving progress against our ESG metrics by embedding a culture of sustainability throughout the organisation. The inclusion of ESG performance measures in both the Short-Term Incentive (STI) and Long-Term Incentive (LTI) schemes influences remuneration decisions, enhances employee engagement, and aligns individual performance with the Group's broader sustainability goals, amplifying our collective environmental impact.

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☒ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☒ Bonus - % of salary

☒ Shares

(4.5.1.3) Performance metrics

Targets

☒ Progress towards environmental targets

☒ Achievement of environmental targets

☒ Reduction in absolute emissions in line with net-zero target

Emission reduction

☒ Increased share of renewable energy in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☒ Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

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(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

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[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☒ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☒ Climate change

(4.6.1.2) Level of coverage

Select from:

- ☒ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- ☒ Direct operations

(4.6.1.4) Explain the coverage

Our environmental policy outlines our commitment to achieve net zero emissions by 2040, Continuously improve our environmental activities through managing and reducing our environmental footprint including conservation initiatives to minimise the impact on the natural environment as well as promote environmental responsibility.

(4.6.1.5) Environmental policy content

Environmental commitments

- ☒ Commitment to a circular economy strategy
- ☒ Commitment to take environmental action beyond regulatory compliance
- ☒ Other environmental commitment, please specify :Actively managing and reducing our environmental footprint through conservation initiatives and actions that minimise our impact on the natural environment.

Climate-specific commitments

- ☒ Commitment to net-zero emissions
- ☒ Other climate-related commitment, please specify :Manage material impacts relevant to ICT, including climate change, GHG emissions, energy & water usage, and electronic waste. Telkom is committed to full compliance with all applicable environmental legislation & regulations in SA & other countries.

Additional references/Descriptions

- ☒ Other additional reference/description, please specify :we encourage the development and adoption of environmentally sustainable technologies.

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☒ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☒ Publicly available

(4.6.1.8) Attach the policy

Environmental_Policy_Statement.pdf

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☒ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☒ RE100

☒ Science-Based Targets Initiative (SBTi)

☒ Task Force on Climate-related Financial Disclosures (TCFD)

(4.10.3) Describe your organization's role within each framework or initiative

Telkom is committed to adopting the TCFD Recommendation to clearly communicate our climate-related risk exposure to the market. We recognize the need to enhance our understanding of long-term climate-related risks and opportunities. We have integrated TCFD disclosure recommendations concerning risk, strategy, and governance in FY2021. Additionally, we have embraced the metrics and targets in the disclosures in FY2022 and aim to produce a standalone TCFD report by FY2025. We have also demonstrated our commitment to ambitious climate action by setting a net zero target in accordance with a 1.5°C future, through our participation in the Science-Based Target initiative (SBTi). In line with this, we have pledged to establish science-based targets to reduce our carbon footprint. In

FY2025 we have developed our net zero pathway outlining clear decarbonisation initiatives aligned with our net zero emissions by 2040 target. As part of this, we submitted our net zero targets for validation under the SBTi framework.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☒ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☒ No, but we plan to have one in the next two years

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☒ Unknown

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Telkom's Stakeholder Engagement Framework and Policy provide a structured approach to managing stakeholder relationships and influencing policy both directly and indirectly. Engagements are actively tracked through our Stakeholder Management Programme, which includes identifying key stakeholders, engaging with them, understanding their expectations, and aligning these with Telkom's strategic and operational objectives. In relation to climate policy, our publicly available Corporate Citizenship Policy, Environmental Policy, and Climate Change Policy Statement outline Telkom's position and commitments on climate change and environmental sustainability. The climate change policy shows our commitment to become carbon neutral by 2035 and to achieve Net Zero Emissions by 2040 but outlining our goals informed by the SBTi. Further, these documents ensure that our stance is clearly communicated to stakeholders and provide guidance to employees and

leadership across all divisions and regions, enabling consistent and aligned engagement. Oversight of stakeholder engagement lies with the Board-level Social and Ethics Committee (SEC), supported by the Group CEO. The SEC ensures that strategic stakeholder relationships are effectively governed. The Group Executive Committee (Exco) regularly reviews the stakeholder engagement profile and is responsible for implementing the engagement process, including the approval of the framework and policy. Individual Exco members are assigned responsibility for specific stakeholder groups to ensure focused and effective interaction. Operational implementation of stakeholder engagement rests with management. In addition to the engagement framework, we have embedded mechanisms within our risk and compliance function to ensure consistency in engagement on policy matters. These include mandatory employee training and awareness on relevant legislation and policies, a comprehensive compliance management framework, ongoing regulatory risk assessments, control measures, and compliance monitoring. Policy-related activities that may affect business risks or opportunities are tracked and recorded quarterly, at a minimum, using our risk management systems. This ensures that all climate-related engagement activities across business units are strategically aligned and consistent with Telkom's broader climate change strategy.

[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Africa

☒ Business Unity South Africa (BUSA)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Business Unity South Africa (BUSA) is committed to supporting a just transition toward a low-carbon, climate-resilient, and environmentally sustainable economy and society. Through its research, BUSA has demonstrated that South Africa's economic sectors are capable of achieving decarbonisation by 2050 in a way that enhances climate resilience and fosters the development of new industries, income streams, and employment opportunities. However, given South Africa's high levels of inequality and unemployment, and the economy's significant reliance on fossil fuels, BUSA acknowledges that this transition must be inclusive and equitable—ensuring no one is left behind. The goal is to shift the country onto a more sustainable and just development path, focused on reindustrialisation and the creation of green industries, value chains, and jobs, underpinned by a coherent and supportive industrial policy. BUSA has committed the business sector to supporting an ambitious emissions reduction agenda. Telkom aligns with BUSA's stance on climate change and, as such, does not seek to influence or alter its position.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

☒ Indirect engagement via a trade association

(4.11.2.4) Trade association

Africa

☒ Other trade association in Africa, please specify :Africa

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☒ Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☒ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☒ No, we did not attempt to influence their position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The GSMA recognises climate change as one of the most significant threats facing humanity and acknowledges the mobile industry's critical role in addressing this global challenge. To promote transparency in climate-related emissions, the GSMA has developed an industry-wide Climate Action Roadmap, aligned with the Paris Agreement, with the goal of achieving net-zero emissions by 2050. The GSMA's climate action efforts are guided by three key pillars: reducing direct carbon emissions; enabling emissions reductions across the value chain through digital technologies; and leveraging mobile networks to support climate adaptation and resilience in the face of extreme weather and climate-related impacts. A dedicated Climate Action Working Group leads this work across the industry. Telkom's position on climate change aligns with that of the GSMA. As such, we do not seek to influence or alter their stated position.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

0

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☒ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☒ Paris Agreement

[Add row]

(4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☒ Yes

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

- ☒ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

- ☒ GRI
☒ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- ☒ Climate change

(4.12.1.4) Status of the publication

Select from:

- ☒ Complete

(4.12.1.5) Content elements

Select all that apply

- | | |
|---|--|
| ☒ Strategy | ☒ Value chain engagement |
| ☒ Governance | ☒ Other, please specify :Other metrics |
| ☒ Emission targets | |
| ☒ Emissions figures | |
| ☒ Risks & Opportunities | |

(4.12.1.6) Page/section reference

Sections 4-6

(4.12.1.7) Attach the relevant publication

telkom-integrated-report-2025_Optimized.pdf

(4.12.1.8) Comment

None

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☒ Yes

(5.1.2) Frequency of analysis

Select from:

☒ Not defined

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 4.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Reputation

☒ Technology

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

☒ 2030

☒ 2040

☒ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☒ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

☒ Consumer sentiment

Regulators, legal and policy regimes

☒ Methodologies and expectations for science-based targets

☒ Other regulators, legal and policy regimes driving forces, please specify :South Africa's National GHG Emission Reporting Regulations and the Carbon Tax Act

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

RCP4.5 assumes the implementation of some climate policies/mitigation efforts and does not represent a most likely "business as usual" outcome, which would result in higher emissions and warming. This scenario assumes earlier and more consistent adoption of mitigation efforts, which may lead to more gradual and manageable economic and social transitions. Moderate physical impacts are anticipated, including altered precipitation patterns and increased frequency of extreme weather events. Some transition impacts are expected as economies shift towards renewable energy and lower-carbon technologies, and carbon pricing is introduced. Reduced reliance on fossil fuels compared to higher emission scenarios, but not as aggressive as lower scenarios like RCP2.6.

(5.1.1.11) Rationale for choice of scenario

The RCP4.5 scenario is an intermediate emissions scenario leading to global warming ranging from below 2.5 degrees Celsius above pre-industrial levels by the end of the century. RCP4.5 is used by the IPCC as a "stabilization scenario" representing a pathway where emissions peak around mid-century and then decline. Under this scenario, physical risks are less severe compared to higher emission scenarios like RCP8.5 but more severe compared to lower emission scenarios like RCP 2.6. Transition Risk implications are moderate compared to other scenarios.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☒ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☒ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☒ Qualitative

(5.1.1.4) Scenario coverage

Select from:

☒ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☒ Policy

☒ Market

☒ Reputation

☒ Technology

☒ Acute physical

☒ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☒ 1.5°C or lower

(5.1.1.7) Reference year

2024

(5.1.1.8) Timeframes covered

Select all that apply

- ☒ 2030
- ☒ 2040
- ☒ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ☒ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

- ☒ Consumer sentiment

Regulators, legal and policy regimes

- ☒ Methodologies and expectations for science-based targets
- ☒ Other regulators, legal and policy regimes driving forces, please specify :South Africa's National GHG Emission Reporting Regulations and the Carbon Tax Act

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

This scenario assumes a continuation of current emission trends without significant mitigation efforts, leading to global warming of more than 4 degrees Celsius. Extreme physical impacts are expected, such as widespread changes in precipitation and droughts, coupled with severe heatwaves, water stress and increased frequency and intensity of extreme weather events. Very low transition impacts due to maintained reliance on fossil fuels.

(5.1.1.11) Rationale for choice of scenario

RCP 8.5 is used by the IPCC as a "very high baseline emission scenario" representing the 90th percentile of a no-policy baseline scenario. RCP 8.5 does not represent a most likely "business as usual" outcome. Physical Risks are most severe compared to other scenarios. Transition Risk implications are lower compared to other scenarios because this scenario assumes late adoption of mitigation efforts.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☒ Risk and opportunities identification, assessment and management

(5.1.2.2) Coverage of analysis

Select from:

☒ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Given the nature of Telkom's operations and asset structure, the exposure to physical climate hazards was assessed, with drought, precipitation, temperature, flood, fire, and extreme weather being the most prevalent. High vulnerability to floods, heatwaves, fire, and drought risks was assessed in conjunction with qualitative factors to identify Telkom's specific vulnerability, resulting in medium to high vulnerability to physical risks to operations which could result in potential financial losses. Implications: Drought, Flood, Extreme weather, and Precipitation: • Telkom's operations, though not heavily water-dependent like mining or agriculture, still require water, especially for cooling data centers and network infrastructure. • Flooding could damage Telkom's infrastructure, causing service disruptions and repair delays due to restricted technician access. Mitigation could include elevating infrastructure and installing flood barriers. • Increased water scarcity could raise operational costs and, given Telkom's reliance on Eskom's water-intensive, coal-based electricity, could lead to energy supply disruptions. Additionally, water stress could impact the production of electronic components, essential to Telkom's supply chain, due to their high water usage. • Telkom could also experience negative media coverage if the company is perceived to be inadequately prepared for or responsive to impacts from droughts or fires. There could be potential loss of customer trust if droughts or fires occur more frequently and not managed effectively. Temperature and fire: • Operational Continuity is at risk from both fire and temperature impacts, necessitating proactive infrastructure and risk management measures. • Increased Costs are a potential outcome of both hazards, through direct damage repair, enhanced cooling needs, and preventive infrastructure investments. • Resilience Building involves strategic planning to mitigate these climate related risks, ensuring Telkom's service delivery remains uninterrupted. Telkom further incorporated the outcomes of the scenario analysis to better understand the physical risks across out locations, this entailed additional physical risk assessments.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☒ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☒ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☒ Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

In FY2025 Telkom developed a net zero pathway outlining our decarbonisation initiatives aligned with our target of net zero emissions by 2040. Further, by 2035 Telkom aims to be carbon neutral. To meet these goals, Telkom is planning to mitigate from fossil fuels. To do so, the following goals have been made: 1. 100% reduce in Scope 1 and 2 emissions by 2035 2. Fossil fuels to comprise only 50% of energy use by 2030 3. 100% of energy use from renewable sources by 2035 4. Mitigate from R22 refrigerant gases by 25% in 2025 and 100% by 2035, from 2016 baseline.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☒ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

Telkom continuously monitors and tracks performance against stakeholder expectations, creating opportunities to revise plans, collect feedback and adapt to evolving needs to ensure alignment. The feedback mechanism is guided by our formal framework and policy. Our Stakeholder Management programme focuses on identifying and engaging with key stakeholders, understanding their challenges and expectations. We engage regularly through relevant and effective channels.

(5.2.9) Frequency of feedback collection

Select from:

☒ Annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

There were a number of general assumptions that underpin the development of our net zero pathway towards 2040. These were the following:

- The total group electricity and fuel consumption and Scope 1 and 2 emissions are assumed to be a true reflection of reality
- Due to the highly integrated business units and operations, the DAM model utilised is assumed to reflect the most accurate allocation of data at the given time the data was recorded.
- EY assisted in the development of the pathway. EY made use of a database developed by Bidvest Facilities Management company and it was assumed that the database is an accurate reflection of 13 732 sites.
- The Business-as-usual (BAU) emission scenario assumed that FY2024 Scope 1 and 2 emissions level will be maintained up to FY2040, with an expected 1% business growth per year not coupled with emissions increase.
- It is assumed that Scope 3 emissions will decrease once we have been able to change our Scope 3 emissions calculation methodology to take actual embedded emissions into account.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

In FY2025, Telkom decreased its Scope 1 emissions by ongoing diesel optimisation and implementation of energy efficiency measures. Further, redundant legacy equipment continues to be decommissioned. The Telkom Park 1 MW solar PV project has generated 749 664 kWh of green energy since installation, with additional solar rooftop installation underway. Lastly, we met our R22 refrigeration gases reduction target of 31.5 tonnes by reducing the consumption to 30.7 tonnes at the end of 2024.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Net Zero Emissions Journey.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☒ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☒ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- ☒ Products and services
- ☒ Upstream/downstream value chain
- ☒ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Telkom's purpose is to seamlessly connect our customers to a better life; thus, customer experience is a core strategic objective. Climate change-induced changes such as changing rainfall patterns and increasing temperatures (resulting in heat stress) are considered in our risk identification process as these negatively affect our service delivery capabilities and customer experience. At present, the effect of climate-related risks and opportunities on our products and services are considered in the short-term (although scenario analysis is planned for FY2025 which may extend consideration into the medium- and long-term). The most prominent example of the climate-related influence on our products and services is our response to network backlogs created during the winter rainy season in the Western Cape. This response has been put in place to adapt to the heavy rainfall events experienced across the province. Telkom relocates staff from the unaffected regions to the affected regions during the rainy winter period to service the network from faults due to prolonged periods of rainfall, and to assist with the higher workload. If the affected regions are still unable to cope, Service Provider resources and Openserve technicians are allocated from other unaffected regions to assist with the

workload. The additional support staff are paid relocation stipends for the inconvenience of working away from their homes. These additional costs are already built into the backlog plans operational expenditure.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Although Telkom is not a significant water user, we recognise the scarcity of this resource and the potential risks linked to water shortages—particularly regarding our water-cooled IT equipment and the wellbeing of our employees. Water is primarily used across the Group for cooling, drinking, catering, hygiene, and landscaping, with municipal supply serving as our main source. Due to our national presence, Telkom is broadly exposed to the risk of water supply disruptions. Our response to this risk is twofold: engaging with suppliers and reducing our dependence on external water supply. For example, Telkom supported the Western Cape Government during the severe drought in 2018 by contributing to a basic business continuity plan guideline as part of their disaster management efforts. This document provided guidance on: • Developing an operational water plan to improve water use practices during rationing; and • Creating a business continuity plan to ensure ongoing operations during short or extended water outages that could disrupt normal business activity. To reduce dependency, we are improving water efficiency at key sites. In FY2020, an external resource expert conducted water-use assessments at selected Telkom offices, retail locations, data centres, and access network sites that showed high water consumption. As part of our ESG strategy, Telkom has committed to a 50% reduction in water usage by 2030. Several initiatives are underway to support this goal: • Boreholes have been installed at two sites in the Eastern Cape. • Sites initially earmarked for rainwater harvesting in the Nelson Mandela Bay region are being reassessed due to changes in site ownership or lease status. • The Telkom Park rainwater harvesting project has been postponed to FY2026 due to budget constraints. Additionally, site surveys recommended energy efficiency improvements that align with our broader operational sustainability goals. These initiatives contribute to both environmental stewardship and one of our key financial objectives: long-term cost management.

Operations

(5.3.1.1) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- ☒ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Sustainable cost management is a key strategic objective at Telkom. One of the mechanisms for achieving this is enhancing operational efficiencies through energy efficiency initiatives, among others. To achieve this objective, we have appointed an energy expert to develop and implement an energy management strategy and invested (and continue to invest) in various energy efficiency projects. 613 smart energy meters were installed, with 552 installed at the top 500 sites. Further, bulk diesel monitoring meters are being installed at 478 sites. This includes meters on an IoT platform for 325 sites. A further 153 sites will be completed on the IoT platform by FY2028. These energy saving activities are further supported by issues relating to power outages. Solar PV power presents us with an opportunity in this regard. We have developed a model at Group level to manage essential and critical services if it is faced with power outages. The GEMT is used to ensure that the Telkom Core Network remains running during power outages. Standby / backup generators have been installed at various equipment sites which assisted in ensuring that there were minimal disruptions to operations and service delivery to customers. As a result, there were no significant impacts on the business operations.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

- ☒ Direct costs
- ☒ Capital expenditures
- ☒ Capital allocation

(5.3.2.2) Effect type

Select all that apply

- ☒ Risks
- ☒ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

- ☒ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

The Telkom Board provides strategic direction and ensures the right operating model and resources—including financial capital—are in place to meet current and future business needs. Financial planning is guided by our enterprise risk and opportunity management framework, which informs resource allocation. Following our risk assessment process (see Module 2) and Board reporting, a financial evaluation is conducted to determine funding needs for response plans. This considers the annual budget, tax and compliance obligations, capital allocation, capital expenditure (capex), and cost-saving opportunities. For climate-related planning, key financial elements include direct operational costs, capex, capital allocation, and investments in physical assets. Capital planning focuses on medium- to long-term horizons, while direct costs are typically assessed over shorter periods, depending on the risk or opportunity. A notable example is the 3 MWp solar PV farm at Telkom Park, our head office. Aimed at reducing reliance on grid electricity and lowering emissions, the project required R88.4 million in capital and has an estimated payback period of 20 to 25 years. It is expected to enhance the site's asset value. Other investments include R1.9 million in a solar plant in Bellville and R18.5 million in a 1 MW installation, reinforcing our sustainability commitment. The Board approved Telkom's ESG strategy and roadmap in the prior year, including targets to reach carbon neutrality by 2035 and net zero by 2040. Direct costs remain the most material financial element linked to climate risk. Effective cost management is a priority, with energy efficiency and consumption reduction key focus areas. Our Smart Metering Project supports this, with 613 smart electricity meters installed—552 at our top 500 energy-consuming sites. Diesel monitoring meters are being deployed at 478 sites, with 325 connected to an IoT platform. The remaining 153 will be completed by FY2028. These measures also support resilience to power outages, which pose service delivery risks. A Group-level model ensures continuity of critical services, with the GEMT used to keep the Core Network operational. Backup generators installed at key sites have helped prevent major disruptions. Combined with limited loadshedding, these efforts reduced diesel costs to R62 million—achieving R378 million in savings.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	<i>Select from:</i> ☒ Yes	<i>Select all that apply</i> ☒ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☒ Other, please specify :Capital expenditure on climate transition activities

(5.4.1.5) Financial metric

Select from:

☒ OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

3300000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

0.01

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Telkom engaged an external service provider to develop a capital investment scenario aimed at supporting the achievement of our emission reduction commitments. The scenario planning process is aligned with our broader sustainability objectives, which include improving energy and water efficiency, optimising costs, and reducing dependence on grid-supplied electricity. Baseline data is being utilised to inform the analysis. The following key factors are being considered in the development of financial scenarios and business cases:

- Site-specific electricity consumption and expenditure.
- Opportunities for renewable energy generation, power factor correction, energy-efficient lighting, building management systems, and improved air-conditioning.
- Existing energy efficiency measures and initiatives to ensure electricity supply security.
- The potential for renewable energy procurement from third-party providers, considered under operating expenditure (OPEX).
- Financial assumptions within the model, including anticipated OPEX savings from energy efficiency and on-site renewable generation, tariff escalation, cost increases, and inflation rates.

Sustainability opportunities will be identified through on-site audits and progressed through the development and approval of detailed business cases.

[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:

☒ No, and we do not plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:

☒ Not an immediate strategic priority

(5.10.4) Explain why your organization does not price environmental externalities

We are committed to reducing our environmental impact through energy efficiency and renewable energy investments. While we recognise the role of internal carbon pricing, it is not a current strategic focus, and we do not plan to implement it in the next two years. Our immediate priority is on direct emission reduction and improving operational sustainability. Environmental metrics, including Scope 1 and 2 emission reduction targets, are embedded in our Short-Term and Long-Term

Incentive schemes to align performance with our ESG goals. We are monitoring regulatory developments, including potential carbon pricing. Under South Africa's Carbon Tax Act Phase 1, only Scope 1 emissions are taxed. Telkom is not currently liable, as our diesel and petrol use is taxed at source. We continue to track our thermal capacity to ensure compliance if thresholds are exceeded. Our compliance team is preparing for Phase 2 of the Act, expected from 2026, which may expand to include Scope 2 emissions. We aim to stay flexible and ready to adapt to changes that could impact our operations.

[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ Yes

(5.11.2) Environmental issues covered

Select all that apply

☒ Climate change

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☒ No standardized procedure

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

At the moment, we are not actively involving our customers in discussions about climate change. However, we acknowledge the increasing significance of this issue and plan to start doing so within the next two years. We highly value our customers and recognize their role in promoting sustainable practices. As we refine our approach to addressing climate change, we are dedicated to fostering open communication and cooperation with our customers to tackle environmental challenges together. In FY2024, we set a Scope 3 target for the Group, which was validated by the SBTi. Our targets will include the use of sold products by our customers amongst other categories.

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ Yes

(5.11.2) Environmental issues covered

Select all that apply

☒ Climate change

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☒ Yes

(5.11.2) Environmental issues covered

Select all that apply

☒ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	<i>Select from:</i> ☒ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☒ No, we do not prioritize which suppliers to engage with on this environmental issue

(5.11.2.3) Primary reason for no supplier prioritization on this environmental issue

Select from:

☒ Other, please specify :We have identified the suppliers to engage with, currently developing an implementation strategy framework which our committee will oversee its implementation in FY2026.

(5.11.2.4) Please explain

We have identified the suppliers that we need to engage with on the integration of ESG considerations and support for our Scope 3 emissions targets. However, we are currently in the process of developing an engagement strategy that will guide the implementation of our engagements. We identified these suppliers through a comprehensive mapping of our supply chain. We have identified 70% of our suppliers from a spend perspective. In FY2024, we conducted regular monthly and quarterly reviews with our suppliers to ensure alignment and strengthen partnership.

[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☒ No, but we plan to introduce environmental requirements related to this environmental issue within the next two years

(5.11.5.3) Comment

Currently, we are improving our sustainable procurement practices by developing a group sustainable procurement strategy. However, this strategy is still being implemented within procurement practices.

[Fixed row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☒ Emissions reduction

(5.11.7.3) Type and details of engagement

Information collection

☒ Other information collection activity, please specify :Conducted a survey, including ESG aspects for suppliers and engaged with suppliers about Telkom's revised Supplier Code of Conduct, which includes environmental provisions.

(5.11.7.4) Upstream value chain coverage

Select all that apply

☒ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☒ 26-50%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☒ 1-25%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

In FY2025, Telkom's Board approved the revised stakeholder engagement policy, which outlines Telkom's principles and long-term approach to stakeholder communication and engagement. For our suppliers, we conduct self-assessments and supplier surveys, which enable us to conduct regular reviews with our suppliers and ensure alignment and strengthen partnerships. Further, we also engaged with our suppliers on our emissions reduction targets and initiated steps to embed sustainability into sourcing. Telkom implemented a revised Supplier Code of Conduct and requested a recommitment to the Code by all suppliers. Telkom also held a suppliers day focusing on engagement aspects of the Code, including climate reporting, process enhancement, digitalisation, automation, and encouraged corporate sustainability assessments to be completed.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☒ Unknown

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

- ☒ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

- ☒ Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

- ☒ None

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

- ☒ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

In line with our commitment to engage proactively with shareholders, Telkom engages with its investors as part of our stakeholder engagement framework and policy. Based on the discussion with our investors, various concerns were raised, acknowledged and clarified. The following summarises the key shareholder concerns: 1. Long-term sustainable return on investment. 2. A relationship of trust and transparency, and access to management. 3. Improved ESG and financial disclosures and tracking of performance against goals. Furthermore, chairman roadshows are held annually where we receive comments from our shareholders on the ESG strategy. During FY25, the Board Chairperson and Remuneration Committee Chairperson engaged with the shareholders at the annual governance roadshow to receive feedback from shareholders and investors.

(5.11.9.6) Effect of engagement and measures of success

During the engagements concern that Telkom should improve the ESG and financial disclosures and tracking of performance against goals, we have since provided progress on our ESG targets to the investor community and conducted a perception study to identify areas for improvement. Further, ESG KPIs continue to be incorporated within our LTI scheme. ESG incentives play a significant role in advancing our ESG strategy metrics by fostering a culture of sustainability. Including ESG metrics/performance conditions in the Short-Term Incentive (STI) and Long-Term Incentive (LTI) scheme rules influences remuneration decisions, enhancing employee motivation and satisfaction. This also aligns personal performance with the Group's broader sustainability objectives, creating a collective impact on the environment.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☒ Other value chain stakeholder, please specify :National Disaster Management Advisory Forum (NDMAF)

(5.11.9.2) Type and details of engagement

Other

☒ Other, please specify :Climate and weather trends

(5.11.9.3) % of stakeholder type engaged

Select from:

☒ None

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☒ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

In response to the rising physical climate risks identified, Telkom engages on a quarterly basis with South Africa's National Disaster Management Centre (NDMC) through the National Disaster Management Advisory Forum (NDMAF). These engagements provide valuable insights into anticipated climate and weather trends across the country, as well as potential disaster scenarios such as storms, wildfires, and drought conditions. Given that Telkom's operations play a critical role in national communications infrastructure, our collaboration with the NDMAF is mutually beneficial. The NDMC relies on robust telecommunications systems to support disaster risk management efforts, and Telkom's continued service is vital during such events. Engagements typically occur during scheduled quarterly meetings and via advisory alerts. However, communication may become more frequent during periods of active disaster response. Topics discussed in these forums generally include climate watch updates issued by the South African Weather Service, seasonal national risk profiles, grid electricity forecasts, and the national water status.

(5.11.9.6) Effect of engagement and measures of success

Engagement with the NDMAF supports Telkom in identifying potential risks such as extreme storms, flooding, heatwaves, and droughts, which could impact our operations, infrastructure, or supply chains. Access to early warnings through climate and weather monitoring enables timely decision-making, the implementation of risk mitigation measures, and effective disaster preparedness—ultimately helping to minimise potential disruption and ensure continuity of business operations.

[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

	Environmental initiatives implemented due to CDP Supply Chain member engagement	Primary reason for not implementing environmental initiatives
	Select from: ☒ No, but we plan to within the next two years	Select from: ☒ No standardized procedure

[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☒ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Telkom utilizes the operational control approach, accounting for 100% of the emissions from operations for which the company is responsible. This approach aligns with our integrated and financial reporting methodologies, ensuring that the data is actionable. It enables us to prioritize efficiency improvements, optimize energy consumption, and implement effective sustainability initiatives.

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☒ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☒ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

☒ Yes, a change in methodology

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

The methodological change involved Telkom switching from Eskom’s Grid Factor 1 for Scope 2 emissions to South Africa’s National Generation Grid Emission Factor. The Eskom factor was used for FY2024 and previous financial years, while the National factor will be used for FY2025. This change was undertaken to better align our GHG reporting with the South African Greenhouse Gas Emission Reporting System and the compliance requirements of the Carbon Tax Act.

[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

	Base year recalculation
	Select from: ☒ No, because the impact does not meet our significance threshold

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

- ☒ Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019
- ☒ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- ☒ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	<i>Select from:</i> ☒ We are reporting a Scope 2, location-based figure	<i>Select from:</i> ☒ We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure	<i>None.</i>

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☒ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

55466

(7.5.3) Methodological details

Telkom utilises the GHG Protocol's calculation methodology to determine Scope 1 greenhouse gas emissions from its operations. This method applies emission factors to the collected activity data. Activity data for these emission sources is gathered monthly, while the corresponding emission factors are updated on an annual basis. The emission factors employed are obtained from the United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA) Greenhouse Gas

reporting: conversion factors 2024. DEFRA offers a detailed and regularly updated dataset of emission factors. The Scope 1 emissions sources accounted for include diesel, petrol, and refrigerants.

Scope 2 (location-based)

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

797316

(7.5.3) Methodological details

Telkom adopts the calculation approach outlined in the GHG Protocol for estimating GHG emissions from an organisation's operations. The approach includes calculating GHG emissions through the application of emission factors to activity data. Electricity purchased from the grid is our primary source of scope 2 emissions. Grid electricity consumption data is collected every month from our electricity invoices. The grid emission factor is sourced from South Africa's utility provider's (ESKOM) annual integrated report.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

180991

(7.5.3) Methodological details

The annual purchased goods and services procurement expenditure for the financial year 2022 for each business unit was obtained to assess the scope and material sources of value chain emissions across all purchased goods and services. The calculation of emissions for purchased goods was limited to the emissions from the production of purchased e-products (laptops, mobile phones, and routers, among others). Purchased services accounted for include legal, consultants, power, construction, facilities management and auditors' services procured by Telkom in the reporting year.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

10451

(7.5.3) Methodological details

The capital goods included are masts and towers from Gyro, as well as network equipment for fibre installations from Openserve. Procurement spend on capital goods was multiplied by a sector-specific, spend-based emission factor for capital goods.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

269861

(7.5.3) Methodological details

This includes emissions from diesel, petrol, and transmission and distribution (T&D) losses from purchased electricity. All activity data was obtained from the fuel and energy supplier invoices. The GHG protocol recommends that we also include WTT emissions for fuel used in generating electricity. Our previous calculation only included T&D losses from electricity; we updated this.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

294

(7.5.3) Methodological details

The total spend on upstream transportation and distribution data was used to estimate the emissions for this category. Transport spend data was received for Openserve only. In our previous baseline, it was assumed that 4% of the expenditure on purchased goods and services was for transport expenditure. This has been updated to include the purchased transport services in category 1, where a more accurate emission factor was applied. The calculation comprises all transportation and delivery services of Telkom's products to the customer that are paid for by the company.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

387

(7.5.3) Methodological details

Waste generated in our operations includes e-waste and general waste sent to landfills. Emissions data from waste generated in our operations are collected regularly and multiplied by the relevant emission factor sourced from DEFRA. All activity data was obtained from the disposal quantities indicated on the waste disposal supplier invoices.

Scope 3 category 6: Business travel

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

1514

(7.5.3) Methodological details

This calculation includes the emissions from Business flights, car rentals, and hotel stays for employees at Telkom. The flight distance covered, travel class data and number of nights spent in hotels were multiplied by the respective emission factor for that activity. These results were summed to obtain the total emissions from business travel. Emissions activity data was obtained from our travel agent and multiplied by the relevant emission factors sourced from DEFRA.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

13302

(7.5.3) Methodological details

Emissions from this category include commuting to and from work for our full-time employees and those employed through labour brokers. This calculation also includes emissions from telecommuters who dispatch from home, whose work requires them to travel to the client regularly. The annual commuting distance was estimated by multiplying the distance travelled, the number of trips per commuting day and the number of working days in a year. Working from home emissions were previously accounted for under fuel & energy-related activities. The GHG protocol recommends that these are accounted for under employee commuting; our baseline was then updated to align with the GHG protocol.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Telkom leases vehicles from other companies. However, since Telkom has operational control of these vehicles, the emissions from the vehicles are reported in Scope 1.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

These emissions are not applicable to Telkom as the company does not deliver any products whose transportation is paid for by the customer.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

None. Telkom does not produce any intermediate products that need to undergo further processing, this scope 3 category is deemed irrelevant for Telkom given the scope 3 downstream boundaries on intermediate products as defined by the GHG Protocol. Consequently, no emissions have been calculated under this category.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

1191670

(7.5.3) Methodological details

This calculation was limited to energy emissions from the use of sold e-products and the use of sold properties. It also made use of life cycle emission factors as recommended by the GHG Protocol. Sold e-products included devices such as phones and tablets, laptops, optical network terminals (ONT), desktops, and routers. The quantities of sold products were obtained from our records.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

30

(7.5.3) Methodological details

This calculation was limited to emissions from the end-of-life treatment of sold e-products and the use of sold properties. Sold e-products included devices such as phones and tablets, laptops, optical network terminals (ONT), desktops, and routers. The activity data included quantities of sold e-products and the estimated total weight and life cycle of each product in the reporting year. The product of the previous data was then multiplied by the end-of-life emission factor for those products.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

(7.5.3) Methodological details

This category included emissions from energy consumption in our leased towers. The activity data included the total electricity expenditure on our leased infrastructure assets, which was converted to actual electricity consumed using prices on the electricity invoices. This was then multiplied by the appropriate emission factor.

Scope 3 category 14: Franchises

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

10

(7.5.3) Methodological details

Emissions associated with our franchise stores' energy consumption were estimated using the stores' total square meterage.

Scope 3 category 15: Investments

(7.5.1) Base year end

03/31/2022

(7.5.2) Base year emissions (metric tons CO2e)

349

(7.5.3) Methodological details

This category was limited to emissions arising from investments in the reporting year, which were primarily emissions from Telkom's investment in the Future Makers programme.

Scope 3: Other (upstream)

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We have not identified other upstream Scope 3 emissions.

Scope 3: Other (downstream)

(7.5.1) Base year end

03/30/2022

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

We have not identified other upstream Scope 3 emissions.

[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

(7.6.3) Methodological details

Telkom utilises the GHG Protocol's calculation methodology to determine Scope 1 greenhouse gas emissions from its operations. This method applies emission factors to the collected activity data. Activity data for these emission sources are gathered monthly, while the corresponding emission factors are updated annually. The emission factors employed are obtained from the United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA) Greenhouse Gas Reporting: Conversion Factors 2024. DEFRA offers a detailed and regularly updated dataset of emission factors. The Scope 1 emissions sources accounted for include diesel, petrol, and refrigerants.

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO₂e)

541268

(7.7.4) Methodological details

Telkom adopts the calculation approach outlined by the GHG Protocol for estimating GHG emissions from an organisation's operations. The approach involves calculating GHG emissions by applying emission factors to activity data. Electricity purchased from the grid is our primary source of scope 2 emissions. Grid electricity consumption data is collected monthly from our electricity invoices. In previous years, we utilised Eskom's Grid Factor 1 for Scope 2 emissions calculations; however, in FY2025, we adopted South Africa's National Generation Grid Emission Factor to align our GHG reporting with the South African Greenhouse Gas Emissions Reporting System and the compliance requirements of the Carbon Tax Act. Our Scope 2 emissions sources include electricity purchased from the grid.

[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

164885

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The spend-based method estimates emissions by multiplying the monetary value of purchases by industry-specific emission factors. Telkom aggregates expenditure data from its business units, assigning a telecommunications NAICS code. This spend data, covering Corporate Centre, BCX, Openserve, Consumer, and Gyro, is uploaded to Persefoni and filtered by sub-industry to apply appropriate emission factors. The Exiobase (Monetary 3.8.2) factor is used for calculations, including water purchased by the Group.

Capital goods

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

6704

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The spend-based industry method estimates emissions by multiplying the monetary value of capital goods purchased by relevant emission factors. Capital expenditure data for telecommunications assets (e.g., masts, towers, fibre networks) is aggregated and assigned a NAICS code. This covers Openserve and Gyro business units. Spend data is filtered by sub-industry to assign proper emission factors, using the Exiobase (Monetary 3.8.2) factor for calculations.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

220922

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

The calculation uses a fuel-based methodology for upstream purchased fuels, multiplying fuel consumption by upstream well-to-tank emission factors for mobile and stationary combustion. For upstream purchased electricity and T&D losses, an average-data approach applies emission factors to electricity consumption and losses.

Activity data includes quantities of fossil fuel and electricity purchased, matching data used in scope 1 and 2 reporting. Emission factors applied are: upstream and combustion factors for electricity T&D losses from IEA and UK DEFRA; upstream electricity factors from IEA 2022 and UK DEFRA; and fuel-based upstream emission factors for mobile and stationary combustion from UK DEFRA.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

407

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions are estimated using a spend-based industry method that multiplies transportation spend by relevant emission factors. Telkom reports spending on courier and express delivery services related to Consumer product deliveries. Spend data is filtered by sub-industry using NAICS codes to apply accurate emission factors. The Exiobase (Monetary 3.8.2) emission factor is used for calculations.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1799

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

This calculation includes the emissions from the off-site transportation and treatment of all waste disposed of in landfills. Waste generated in our operations includes e-waste and general waste that is sent to landfills. Emissions data from waste generated in our operations are collected regularly and multiplied by the relevant emission factor sourced from DEFRA. All activity data was obtained from the disposal quantities indicated on the waste disposal supplier invoices.

Business travel

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1688

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Business travel emissions cover employee transportation for business activities using vehicles not owned or operated by the company, including commercial air travel, hotel stays, and car rentals. Commercial air travel emissions are calculated using a distance-based method, multiplying miles travelled by a UK DEFRA emission factor that includes indirect non-CO₂ impacts but excludes radiative forcing. Telkom collects detailed trip data from a travel agency with airport codes and seat classifications at the Group level. Hotel stay emissions are estimated by multiplying the number of hotel nights by an average UK DEFRA emission factor. Telkom obtains detailed stay records, including hotel, duration, and country, from Rennies travel agency. Rental car emissions use a distance-based method, multiplying distance travelled by a UK DEFRA emission factor. Telkom tracks distance travelled for rental cars and ride-hailing services at the Group level.

Employee commuting

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

2272

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Telkom uses the total number of employees to estimate commuting emissions, assuming 20% commute five days a week and 80% telework three days a week. Employees work 49 weeks per year, with office commuters travelling an average of 10 km per trip and telecommuters 30 km on office days. A UK DEFRA distance-based conversion factor is applied for both commuting and telework emissions.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Telkom leases vehicles from other companies. However, since Telkom has operational control of these vehicles, the emissions from the vehicles are reported in Scope 1.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

These emissions do not apply to Telkom as the company does not deliver any products whose transportation is paid for by the customer.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

None. Telkom does not produce any intermediate products that require further processing; this Scope 3 category is deemed irrelevant for Telkom, given the Scope 3 downstream boundaries on intermediate products as defined by the GHG Protocol. Consequently, no emissions have been calculated under this category.

Use of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

1250830

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Telkom organises product data by business unit and assigns estimated product lifetimes to avoid assuming a uniform one-year use. Activity data includes types and quantities of sold electronic devices such as phones, tablets, laptops, ONTs, desktops, and routers. Emissions are based on energy consumption during use. Operating hour assumptions are: always plugged-in products (routers, ONTs, servers) consume power 24 hours daily; plugged-in work devices (desktops, printers) eight hours daily; work chargeable devices (laptops) charge four hours per day across 250 workdays annually; personal chargeable devices (phones, tablets) charge two hours daily. The average product lifetime is four years. The calculation uses an IEA International electricity emission factor for direct energy consumption.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

88

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions are calculated by multiplying the total mass of sold products and packaging by the share of waste treated by each method and the corresponding emission factors. Telkom uses product sales data and average product weights. It is assumed all products are landfilled, with no recycling or alternative waste treatments considered. The calculation utilises DEFRA's waste-type-specific emission factors.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

58768

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions are calculated using an asset-specific, market-based method by multiplying Scope 2 emissions from purchased electricity for the leased equipment by the relevant emission factor. Telkom's Gyro unit provides electricity expenditure data, which is converted to consumption. An Eskom grid emission factor is applied for these calculations.

Franchises

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4869

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions are estimated by using the total square meterage of franchise stores to calculate energy consumption, which is then multiplied by emission factors. Telkom's Consumer unit provides store-sized data. A Quantis factor estimates average electricity use, followed by applying Eskom's emission factor to calculate the resulting emissions.

Investments

(7.8.1) Evaluation status

Select from:

☒ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

736

(7.8.3) Emissions calculation methodology

Select all that apply

☒ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

Emissions are attributed based on the ratio of the outstanding investment or loan value to the total enterprise value (equity plus debt) of the investee or borrower. For private equity, the outstanding amount is the investor's equity share; for business loans, it is the net debt owed. Financed emissions are calculated by multiplying this attribution factor by the investee's or borrower's emissions. Activity data on investments and loans is provided by Telkom's FutureMakers team, and PCAF emission factors are applied.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

We have not identified other upstream Scope 3 emissions.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☒ Not relevant, explanation provided

(7.8.5) Please explain

We have not identified other downstream Scope 3 emissions.

[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	<i>Select from:</i> ☒ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	<i>Select from:</i> ☒ Third-party verification or assurance process in place
Scope 3	<i>Select from:</i> ☒ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☒ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☒ Moderate assurance

(7.9.1.4) Attach the statement

Telkom Independent Assurance Report FY2025.pdf

(7.9.1.5) Page/section reference

Page 1 to 3

(7.9.1.6) Relevant standard

Select from:

☒ AA1000AS

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☒ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☒ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☒ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☒ Moderate assurance

(7.9.2.5) Attach the statement

Telkom Independent Assurance Report FY2025.pdf

(7.9.2.6) Page/ section reference

Page 1 to 3

(7.9.2.7) Relevant standard

Select from:

☒ AA1000AS

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

- ☒ Scope 3: Franchises
- ☒ Scope 3: Capital goods
- ☒ Scope 3: Business travel
- ☒ Scope 3: Employee commuting
- ☒ Scope 3: Use of sold products
- ☒ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- ☒ Scope 3: Downstream leased assets
- ☒ Scope 3: Purchased goods and services
- ☒ Scope 3: Waste generated in operations
- ☒ Scope 3: End-of-life treatment of sold products
- ☒ Scope 3: Upstream transportation and distribution

(7.9.3.2) Verification or assurance cycle in place

Select from:

- ☒ Annual process

(7.9.3.3) Status in the current reporting year

Select from:

- ☒ Complete

(7.9.3.4) Type of verification or assurance

Select from:

- ☒ Moderate assurance

(7.9.3.5) Attach the statement

Telkom Independent Assurance Report FY2025.pdf

(7.9.3.6) Page/section reference

Page 1 to 3

(7.9.3.7) Relevant standard

Select from:

- ☒ AA1000AS

(7.9.3.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

☒ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO₂e)

937

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

0.15

(7.10.1.4) Please explain calculation

The Telkom Park 1MW solar PV construction was completed and has been operational since July 2024. The Telkom 3 MV and Bellville 168 kWp solar PV plants operated at full capacity during the reporting year. The total electricity generated from our solar plants in FY2025 was 4 706 MWh, which is 27% higher than the 3 700 MWh reported in FY2024. The difference in energy consumption between the two years was 1 006 MWh. To estimate the decrease in emissions from solar power

generation, the South African National Generation Grid Emission Factor, 0.931 tCO₂e/MWh, was applied to the difference, resulting in 1 006 MWh x 0.931 tCO₂e/MWh = 937 tCO₂e. In the previous reporting year, the total scope 1 and 2 emissions were 639 041 tCO₂e. Therefore, the decrease in emissions is calculated as 937 tCO₂e / 639 041 tCO₂e = 0.15%.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO₂e)

31040

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

4.86

(7.10.1.4) Please explain calculation

Several activities contributed to the decrease in emissions, including the installation of energy-efficient LED lights and sensors at Telkom Park, Bellville Park, and 60 other sites. These initiatives resulted in a total energy savings of 3 731 MWh. The emissions reduction due to the use of LED lights and sensors was calculated as follows: 3 731 MWh x 0.931 tCO₂e / MWh = 3 473 tCO₂e. The R22 refrigerant consumption decreased to 30 710.5 kg in the reporting year, from 33 678.9 kg in the previous year, resulting in a 2 968 kg reduction. The emissions decrease from this activity was calculated as follows: 2 968 kg x 1.76 tCO₂e / kg = 5 224.4 tCO₂e. Furthermore, in FY2025, we continued the deployment of lithium-ion batteries and optimised generator use across our network. This initiative led to a decrease in stationary diesel consumption from FY2024 (9.3 million litres). The emission savings from this initiative were calculated as follows: 9.3 million litres x 0.0024 tCO₂e / litre = 22 342 tCO₂e. In total, the emission reductions from these initiatives amounted to 31 040 tCO₂e. The percentage change in emissions value is calculated as 31 040 / 639 041 tCO₂e = 4.86 %, where the total Scope 1 and 2 emissions in the previous reporting year were 639 041 tCO₂e.

Divestment

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No divestments in the reporting year had any material effects on our Scope 1 and 2 emissions.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No acquisitions in the reporting year had any material effects on our Scope 1 and 2 emissions.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

No mergers in the reporting year had any material effects on our Scope 1 and 2 emissions.

Change in output

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

There were no changes related to Scope 1 and 2 emissions due to a change in output.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

39528

(7.10.1.2) Direction of change in emissions

Select from:

☒ Decreased

(7.10.1.3) Emissions value (percentage)

6.19

(7.10.1.4) Please explain calculation

In previous years, Telkom made use of Eskom's Grid Factor 1 for Scope 2 emissions calculations; however, in FY2025, we adopted South Africa's National Generation Grid Emission Factor (NGGEF) to align our GHG reporting with the South African Greenhouse Gas Emissions Reporting System and the compliance requirements of the Carbon Tax Act. The total FY2025 and FY2024 grid electricity consumption amounted to 581 384 MWh and 572 874 MWh, respectively. To estimate the decrease in emissions due to this, the difference between the 2025 grid emission factor (0.931 tCO2e/MWh) and the 2024 grid emission factor (1.00 tCO2e/MWh) was applied to 2024's grid electricity consumption, resulting in a 39 528 tCO2e decrease. The percentage change in emissions value is calculated as $39\,528 / 639\,041 \text{ tCO}_2\text{e} = 6.19\%$, where the total Scope 1 and 2 emissions in the previous reporting year were 639 041 tCO2e.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

None.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☒ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

None.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

350

(7.10.1.2) Direction of change in emissions

Select from:

☒ Increased

(7.10.1.3) Emissions value (percentage)

0.05

(7.10.1.4) Please explain calculation

None.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

8510

(7.10.1.2) Direction of change in emissions

Select from:

☒ Increased

(7.10.1.3) Emissions value (percentage)

1.33

(7.10.1.4) Please explain calculation

Although our Scope 2 emissions decreased from FY2024, our grid electricity consumption increased by 1%. The decrease in emissions was due to the termination and decommissioning of legacy equipment and the change in the grid emission factor. To estimate the impact of the increase in electricity on the emissions, the difference in the grid electricity consumed (8 510 MWh) was multiplied by the 2024 grid emission factor of 1.00 tCO2e/MWh, resulting in 8 510 tCO2e increase in emissions. The percentage change in emissions value is calculated as $8\,510 / 639\,041 \text{ tCO}_2\text{e} = 1.33\%$, where the total Scope 1 and 2 emissions in the previous reporting year were 639 041 tCO2e.

[Fixed row]

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

☒ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

☒ No

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
South Africa	35127	541268	0

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

☒ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	Telkom SOC	33614
Row 2	BCX	1513

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☒ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)
Row 1	Telkom SOC	518773
Row 2	BCX	22496

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

35127

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

541268

(7.22.4) Please explain

Telkom accounts for 100% of the emissions that result from our operations by making use of the operational control approach to calculate our emissions. We have several business units under our direct control, namely: 1) Openserve, 2) Telkom Consumer, 3) YEP (which forms part of Telkom Consumer), 3) BCX, and 4) Gyro and Swiftnet (which comprises the masts and towers). These business units are consolidated as Telkom SOC (Consumer, Gyro, and Openserve) and BCX. The emissions for all our business units are consolidated as Telkom.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

We do not have any associates, joint ventures, or unconsolidated subsidiaries that we report in our annual financial statements.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

☒ No

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☒ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Select from: ☒ Yes
Consumption of purchased or acquired electricity	Select from: ☒ Yes
Consumption of purchased or acquired heat	Select from: ☒ No
Consumption of purchased or acquired steam	Select from: ☒ No
Consumption of purchased or acquired cooling	Select from: ☒ No
Generation of electricity, heat, steam, or cooling	Select from: ☒ Yes

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☒ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

88866

(7.30.1.4) Total (renewable + non-renewable) MWh

88866.00

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

581383

(7.30.1.4) Total (renewable + non-renewable) MWh

581383.00

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

9246

(7.30.1.4) Total (renewable + non-renewable) MWh

9246.00

Total energy consumption

(7.30.1.1) Heating value

Select from:

☒ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

9246

(7.30.1.3) MWh from non-renewable sources

670249

(7.30.1.4) Total (renewable + non-renewable) MWh

679495.00

[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	<i>Select from:</i> ☒ Yes
Consumption of fuel for the generation of heat	<i>Select from:</i> ☒ Yes
Consumption of fuel for the generation of steam	<i>Select from:</i> ☒ No
Consumption of fuel for the generation of cooling	<i>Select from:</i> ☒ No
Consumption of fuel for co-generation or tri-generation	<i>Select from:</i> ☒ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

None.

Other biomass

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

None.

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

None.

Coal

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

None.

Oil

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

None.

Gas

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

None.

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

88866

(7.30.7.3) MWh fuel consumed for self-generation of electricity

37324

(7.30.7.4) MWh fuel consumed for self-generation of heat

51543

(7.30.7.8) Comment

None.

Total fuel

(7.30.7.1) Heating value

Select from:

☒ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

88866

(7.30.7.3) MWh fuel consumed for self-generation of electricity

37324

(7.30.7.4) MWh fuel consumed for self-generation of heat

51543

(7.30.7.8) Comment

None.

[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

46570

(7.30.9.2) Generation that is consumed by the organization (MWh)

46570

(7.30.9.3) Gross generation from renewable sources (MWh)

9246

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

9246

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

South Africa

(7.30.16.1) Consumption of purchased electricity (MWh)

581384

(7.30.16.2) Consumption of self-generated electricity (MWh)

46570

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

627954.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000012932

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

576395

(7.45.3) Metric denominator

Select from:

☒ unit total revenue

(7.45.4) Metric denominator: Unit total

44572000000

(7.45.5) Scope 2 figure used

Select from:

☒ Location-based

(7.45.6) % change from previous year

13

(7.45.7) Direction of change

Select from:

☒ Decreased

(7.45.8) Reasons for change

Select all that apply

☒ Other emissions reduction activities

(7.45.9) Please explain

Similar to the previous year, we implemented various energy interventions and improved the resilience of our mobile and fixed networks; this enabled us to reduce the Telkom Group's GHG emissions. We prioritised technologies that allow us to decarbonise and maximise energy security while optimising utility and diesel costs. As such, we managed to reduce our Scope 1 and 2 emissions by 62 646 tCO₂e, a 9.8% decrease from the previous year. Conversely, our revenue increased by R1 342 000 000, a 3.1% from the previous year.

[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:

☒ Waste

(7.52.2) Metric value

8276

(7.52.3) Metric numerator

E-waste recycled

(7.52.4) Metric denominator (intensity metric only)

1

(7.52.5) % change from previous year

28

(7.52.6) Direction of change

Select from:

☒ Increased

(7.52.7) Please explain

Telkom's business activities, products, and services use large volumes of electronics, resulting in electronic waste (e-waste) such as batteries, copper cabling, devices, electrical equipment, etc. As technology becomes more affordable and more accessible, this would lead to an increase in the consumption of electric products and, consequently, an increase in e-waste generated. E-waste is South Africa's largest growing waste stream, and our most environmentally impactful waste stream, both internally and within our value chain. We managed to reduce our e-waste generation by implementing practices to resell, recycle, or reuse network or other waste generated from our operations. We managed to increase our e-waste recycled by 8% and a combined e-waste/copper recycled by 28% from FY2024, mainly due to the ongoing decommissioning of legacy equipment. We sell the copper recovered from recycling processes on local and international markets, have

launched packages that allow for trade-in, and have educated customers about their repair warranties and extended warranties from original equipment manufacturers.

[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☒ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☒ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Telkom SA SOC Limited - Net-Zero Approval Letter - Wednesday_ 4 September 2024.pdf

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

(7.53.1.6) Target coverage

Select from:

- ☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- ☒ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

- ☒ Scope 1
- ☒ Scope 2
- ☒ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

- ☒ Market-based

(7.53.1.10) Scope 3 categories

Select all that apply

- ☒ Scope 3, Category 1 – Purchased goods and services
- ☒ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)
- ☒ Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

03/30/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

55466

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

797316

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

180991

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

269861

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

1191670

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

1642522.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2495304.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

93

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

95

(7.53.1.54) End date of target

03/30/2040

(7.53.1.55) Targeted reduction from base year (%)

90

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

249530.400

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

66167

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

572874

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

188647

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

215953

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1200180.9

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1604780.900

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2243821.900

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

11.20

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This is a company-wide target that covers 100% of our Scope 1 and 2 emissions, in alignment with the Science Based Targets initiative (SBTi) ambitions. This target aims to achieve an annual Scope 1 and 2 emissions reduction of 4.2% to reach a 90% reduction in Scope 1 and 2 emissions by 2040. We also developed a decarbonisation strategy which includes interventions, that cover all Scopes, that are already operational as of 2025 and some that are in the implementation, feasibility, and concept stages. Of these projects: 3 are already implemented, 7 are already being implemented, 5 are in the feasibility assessment phase and 2 are concepts for future investigation. We have not included any emissions or removals from bioenergy within the target boundary, given that it is not relevant to our business.

(7.53.1.83) Target objective

We are committed to reducing absolute scope 1 and 2 GHG emissions 90% by FY2040 from a FY2022 base year. We also commit to reducing absolute scope 3 GHG emissions from purchased goods and services, fuel and energy-related activities and use of sold products 90% within the same timeframe.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In order to reduce scope 1 and 2 emissions to reach net zero in 2040, Telkom is looking to action the following initiatives: • Responsibly advancing the energy efficiency and renewable initiatives in a phased manner; • Implementing technologies that have a strong business case for achieving energy and emission reductions, and; • Preparing financial plans to best manage capital-operational investments and savings in pursuit of this commitment. Telkom has developed a stepped approach to achieve our target. Scope 2 emissions comprise 89% of our Scope 1 and 2 emissions profile, therefore in order to reduce our emissions significantly, we need to reduce our Scope 2 emissions. The Telkom Park solar PV plant and the Belville solar PV plant are operational and a 1 MW solar PV plant in Centurion was commissioned in July 2024. The increased renewable energy sources will help reduce our Scope 2 emissions and contribute to Telkom achieving a net zero status. Additionally, we are aiming to migrate from fossil fuels to 50% renewable energy by 2030 and 100% renewables by 2035, and migrate from R22 refrigerant gasses by 2035. We have identified initiatives that will be prioritised in order to reach our target. The initiatives below are those whose implementation is already underway (those in pre-implementation phases were not included): 1. Modernising the Network; e.g. decommissioning non-critical properties; 2. Divesting

from Swiftnet; 3. Installing Li-ion batteries and diesel receiver tanks; 4. Implementing smart, remote control of on-site equipment; 5. Installing solar panels for exchange sites smaller than 35 kW; 6. Updating data centre cooling configuration from "Hot Air Containment" to "In-row cooling"; 7. Adding 1 MW to Telkom Pak's existing 3 MW solar capacity; We anticipate that our progress will be linear, given that we have started to implement emissions reduction initiatives and we have additional initiatives in the pipeline. Further, we expect to align with the SBTi's 4.2% annual reduction of GHG emissions.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

Row 2

(7.53.1.1) Target reference number

Select from:

☒ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Telkom SA SOC Limited - Net-Zero Approval Letter - Wednesday_ 4 September 2024.pdf

(7.53.1.4) Target ambition

Select from:

☒ 1.5°C aligned

(7.53.1.5) Date target was set

09/03/2025

(7.53.1.6) Target coverage

Select from:

- ☒ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- ☒ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

- ☒ Scope 1
☒ Scope 2
☒ Scope 3

(7.53.1.9) Scope 2 accounting method

Select from:

- ☒ Market-based

(7.53.1.10) Scope 3 categories

Select all that apply

- ☒ Scope 3, Category 1 – Purchased goods and services
☒ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)
☒ Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

03/30/2022

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

55466

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

797316

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

180991

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

269861

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

1191670

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

1642522.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

2495304.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

93

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

95

(7.53.1.54) End date of target

03/30/2033

(7.53.1.55) Targeted reduction from base year (%)

40

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

1497182.400

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

66167

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

572874

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

188647

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

215953

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

1200180.9

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1604780.900

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

2243821.900

(7.53.1.78) Land-related emissions covered by target

Select from:

☒ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

25.20

(7.53.1.80) Target status in reporting year

Select from:

☒ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This is a company-wide target that covers 100% of our Scope 1 and 2 emissions, in alignment with the Science Based Targets initiative (SBTi) ambitions. This target aims to achieve an annual Scope 1 and 2 emissions reduction of 4.2% to reach a 54.6% reduction in Scope 1 and 2 emissions by 2033. We also developed a decarbonisation strategy which includes interventions, that cover all Scopes, that are already operational as of 2025 and some that are in the implementation, feasibility, and concept stages. Of these projects: 3 are already implemented, 7 are already being implemented, 5 are in the feasibility assessment phase and 2 are concepts for future investigation. We have not included any emissions or removals from bioenergy within the target boundary, given that it is not relevant to our business.

(7.53.1.83) Target objective

We are committed to reducing absolute scope 1 and 2 GHG emissions 54.6% by FY2033 from a FY2022 base year. We also committed to reducing absolute scope 3 GHG emissions from purchased goods and services, fuel and energy-related activities and use of sold products 32.5% within the same timeframe.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In order to reduce scope 1 and 2 emissions to reach our 20 targets, Telkom is looking to action the following initiatives: • Responsibly advancing the energy efficiency and renewable initiatives in a phased manner; • Implementing technologies that have a strong business case for achieving energy and emission reductions, and; • Preparing financial plans to best manage capital-operational investments and savings in pursuit of this commitment. Telkom has developed a stepped approach to achieve our target. Scope 2 emissions comprise 89% of our Scope 1 and 2 emissions profile, therefore in order to reduce our emissions significantly, we need to reduce our Scope 2 emissions. The Telkom Park solar PV plant and the Belville solar PV plant are operational and a 1 MW solar PV plant in Centurion was commissioned in July 2024. The increased renewable energy sources will help reduce our Scope 2 emissions and contribute to Telkom achieving a net zero status. Additionally, we are aiming to migrate from fossil fuels to 50% renewable energy by 2030 and 100% renewables by 2035, and migrate from R22 refrigerant gasses by 2035. We have identified initiatives that will be prioritised in order to reach our target. The initiatives below are those whose implementation is already underway (those in pre-implementation phases were not included): 8. Modernising the Network; e.g. decommissioning non-critical properties; 9. Divesting

from Swiftnet; 10. Installing Li-ion batteries and diesel receiver tanks; 11. Implementing smart, remote control of on-site equipment; 12. Installing solar panels for exchange sites smaller than 35 kW; 13. Updating data centre cooling configuration from "Hot Air Containment" to "In-row cooling"; 14. Adding 1 MW to Telkom Pak's existing 3 MW solar capacity; We anticipate that our progress will be linear, given that we have started to implement emissions reduction initiatives and we have additional initiatives in the pipeline. Further, we expect to align with the SBTi's 4.2% annual reduction of GHG emissions.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☒ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☒ Net-zero targets

☒ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☒ Oth 1

(7.54.2.2) Date target was set

01/19/2016

(7.54.2.3) Target coverage

Select from:

☒ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☒ Absolute

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Resource consumption or efficiency

☒ Other resource consumption or efficiency, please specify :Tonne R-22 Refrigerant Installed

(7.54.2.7) End date of base year

03/30/2016

(7.54.2.8) Figure or percentage in base year

97

(7.54.2.9) End date of target

03/30/2025

(7.54.2.10) Figure or percentage at end of date of target

32.5

(7.54.2.11) Figure or percentage in reporting year

30.7

(7.54.2.12) % of target achieved relative to base year

102.7906976744

(7.54.2.13) Target status in reporting year

Select from:

☒ Underway

(7.54.2.15) Is this target part of an emissions target?

No.

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☒ Other, please specify :Montreal Protocol

(7.54.2.18) Please explain target coverage and identify any exclusions

Telkom owns and operates a large air conditioning portfolio, many of which contain refrigerant R-22. R-22 is an ozone-depleting substance and has been outlawed by the Montreal Protocol, to which South Africa is a signatory. Consequently, a law was passed (Government Gazette 37621 of 8 May 2014) requiring the reduction of the organisation's HCFC base. R-22 was a substance listed for reduction in three phases over 14 years until the gases have been mostly removed. Thus, our target is to reduce refrigerant gases by 25% by 2025 and 100% by 2035, compared to the 2016 baseline. This target will help us achieve our 2035 absolute emissions target and our 2040 net-zero emissions. At year's end, we had 30.7 tonnes of R22 gas in the heating, ventilation and air conditioning system, meeting our 2025 regulatory reduction target of 32.5 tonnes.

(7.54.2.19) Target objective

Reduce our R-22 gas consumption to 32.5% of baseline consumption.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

According to the regulations, the following phase-out schedule for HCFC, with 2016 being the baseline year, was stipulated: • 1 Jan 2016 to 31 Dec 2020: reduce to 65% of baseline consumption; • 1 Jan 2021 to 31 Dec 2025: reduce to 32.5% of baseline consumption, and; • Jan 2026 to 31 Dec 2030: reduce to 2.5% of baseline consumption. From 2016, we have had numerous upgrades and disposed of several properties, and a proactive R22 reduction program is in place to ensure that we meet our required targets. This reduction was achieved through decommissioning sites and replacing old HVAC equipment via an allocated budget. Thus far, we have reduced the R22 usage from the 2016 baseline of 97 tonnes to 30.7 tonnes, exceeding our 2025 target of 31.5 tonnes.

Row 2

(7.54.2.1) Target reference number

Select from:

☒ Oth 2

(7.54.2.2) Date target was set

01/19/2016

(7.54.2.3) Target coverage

Select from:

☒ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☒ Absolute

(7.54.2.5) Target type: category & metric (target numerator if reporting an intensity target)

Resource consumption or efficiency

☒ Other resource consumption or efficiency, please specify :Tonne R-22 Refrigerant Installed

(7.54.2.7) End date of base year

03/30/2016

(7.54.2.8) Figure or percentage in base year

97.0

(7.54.2.9) End date of target

03/30/2030

(7.54.2.10) Figure or percentage at end of date of target

(7.54.2.11) Figure or percentage in reporting year

30.7

(7.54.2.12) % of target achieved relative to base year

70.0845665962

(7.54.2.13) Target status in reporting year*Select from:*☒ Underway**(7.54.2.15) Is this target part of an emissions target?**

No

(7.54.2.16) Is this target part of an overarching initiative?*Select all that apply*☒ Other, please specify :Montreal Protocol**(7.54.2.18) Please explain target coverage and identify any exclusions**

Telkom owns and operates a large air conditioning portfolio, many of which contain refrigerant R-22. R-22 is an ozone-depleting substance and has been outlawed by the Montreal Protocol, to which South Africa is a signatory. Consequently, a law was passed (Government Gazette 37621 of 8 May 2014) requiring the reduction of the organisation's HCFC base. R-22 was a substance listed for reduction in three phases over 14 years until the gases have been mostly removed. Thus, our target is to reduce refrigerant gases by 25% in 2025, and 100% by 2035, compared to the 2016 baseline. This target will help us achieve our 2035 absolute emissions target, as well as our 2040 net zero emissions. At year's end, we had 30.7 tonnes of R22 gas in the heating, ventilation and air conditioning system, meeting our 2025 regulatory reduction target of 31.5 tonnes.

(7.54.2.19) Target objective

Reduce our R-22 gas consumption to 2.4% of baseline consumption

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

According to the regulations, the following phase-out schedule for HCFC, with 2016 being the baseline year, was stipulated: • 1 Jan 2016 to 31 Dec 2020: reduce to 65% of baseline consumption; • 1 Jan 2021 to 31 Dec 2025: reduce to 32.5% of baseline consumption, and; • Jan 2026 to 31 Dec 2030: reduce to 2.5% of baseline consumption. From 2016, we have had numerous upgrades and have disposed of several properties, and a proactive R22 reduction program is in place to ensure that we meet our required targets. This reduction was achieved through decommissioning sites and replacing old HVAC equipment via an allocated budget. Thus far, we have reduced the R22 usage from the 2016 baseline of 97 tonnes to 30.7 tonnes, exceeding our 2025 target of 31.5 tonnes.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☒ NZ1

(7.54.3.2) Date target was set

03/30/2024

(7.54.3.3) Target Coverage

Select from:

☒ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☒ Abs1

(7.54.3.5) End date of target for achieving net zero

03/30/2040

(7.54.3.6) Is this a science-based target?

Select from:

- ☒ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

Telkom SA SOC Limited - Net-Zero Approval Letter - Wednesday_ 4 September 2024.pdf

(7.54.3.8) Scopes

Select all that apply

- ☒ Scope 1
☒ Scope 2
☒ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

- ☒ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

The net-zero target applies to the entire company. Our targets have been validated and approved by the Science Based Targets initiative (SBTi) for our near-term target. Our year-on-year emissions reduction target has been aligned with SBTi methodology, with the aim of achieving a 4.2% reduction in emissions annually. We have a net-zero GHG emissions target by 2040, thus aligning with a 1.5°C world. Our definition of “net zero” aligns with the SBTi Corporate Net-Zero Standard’s definition, and therefore includes Scope 1, 2 and 3 emissions. To reach our net-zero target, we have calculated our Scope 3 emissions and will aim to reduce all GHG emissions. Telkom has also implemented energy efficiency initiatives, and we have additional initiatives in the pipeline, which we believe will help us reach net zero. Telkom encourages the use of recyclable and biodegradable materials, and we aim to reduce our waste-to-landfill by 75% by 2030. We also aim to reduce potable water consumption by 50% by 2030. Telkom is committed to making use of carbon offsets for unavoidable emissions, to ensure that we reach net zero emissions by 2040. Telkom has also set a more near-term target for 2035, where we aim to achieve net zero emissions for all scope 1 and 2 emissions. In order to achieve the 2035 target, Telkom’s goal is to migrate from fossil fuels to 50% by 2030 and 100% by 2035. Therefore, in 2035, we aim to have our energy sources be 100% renewable. We are also currently migrating from R22 refrigerant gases, and our goal is to reduce our R22 use by 25% in 2025 and by 100% by 2035.

(7.54.3.11) Target objective

Our target is to achieve net zero by 2040, in alignment with a 1.5°C world. Our SBTi targets' near-term and net-zero targets aim for a decrease in emissions at a linear annual reduction rate of 4.2% (26 840 tCO₂e). Additionally, by 2030, we aim to encourage the use of recyclable and biodegradable materials, and to have reduced our waste-to-landfill by 75% and our potable water consumption by 50%. Lastly, we are committed to making use of carbon offsets once Group assets are optimised and on-site opportunities are exhausted. We have also set near-term targets for 2035, aiming to shift to 100% renewable energy consumption for our Scope 1 and 2 emissions, with a 50% migration from fossil fuels by 2030 and 100% renewables by 2035. Other 2025 goals include our migration from R22 refrigerant gases, with the aim of reducing them by 25% by 2025 and 100% by 2035.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☒ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☒ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☒ No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

We plan to make use of carbon credits for unavoidable emissions. Currently, we cannot estimate the magnitude of emissions that we plan to offset in the net-zero reporting year. For future reporting periods, we will determine the amount of emissions that will be reduced from our implemented and pipelined emission reduction activities. Once this is determinable, we will be able to estimate unavoidable emissions, which will require carbon credits to offset.

(7.54.3.17) Target status in reporting year

Select from:

☒ Underway

(7.54.3.19) Process for reviewing target

We monitor our net zero targets by comparing our past and current progress against the base year.

[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☒ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e
Under investigation	3	<i>Numeric input</i>
To be implemented	5	10962
Implementation commenced	0	0
Implemented	7	4837
Not to be implemented	0	<i>Numeric input</i>

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☒ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4895

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

9293844

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

112260277

(7.55.2.7) Payback period

Select from:

☒ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ Ongoing

(7.55.2.9) Comment

Telkom Park 3MW and Bellville 168 kWp solar PV plants are fully functional, and our Telkom Park's 1 MW solar PV project has been fully operational since July 2024.

Row 2

(7.55.2.1) Initiative category & Initiative type

Transportation

☒ Other, please specify :Smart control system

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

3880

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☒ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☒ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in 1.2)

616399

(7.55.2.6) Investment required (unit currency – as specified in 1.2)

23008661

(7.55.2.7) Payback period

Select from:

☒ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☒ Ongoing

(7.55.2.9) Comment

We have installed lighting and sensors across 104 sites, and in Telkom Office Park and Bellville Office Park. These initiatives enabled us to save on electricity
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☒ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

None.

Row 2

(7.55.3.1) Method

Select from:

☒ Dedicated budget for energy efficiency

(7.55.3.2) Comment

None.

Row 3

(7.55.3.1) Method

Select from:

☒ Dedicated budget for other emissions reduction activities

(7.55.3.2) Comment

None.

[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☒ No, I am not providing data

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

☒ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☒ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☒ No taxonomy used to classify product(s) or service(s) as low carbon

(7.74.1.3) Type of product(s) or service(s)

Other

☒ Other, please specify :Data Telecommuting Teleconferencing

(7.74.1.4) Description of product(s) or service(s)

We provide several services to our clients, such as data, telecommuting, and teleconferencing software and services, enabling our clients and customers to reduce their emissions related to travel and information sharing. Fixed and mobile videoconferencing allows for reduced air and ground travel, allowing customers to reduce their business and private travel. Additionally, our services allow our customers to work from home, reducing travel frequency to and from work. Thus, we enable the reduction of Scope 1 emissions by providing videoconferencing services to our clients, enabling them to connect and work in different regions and offices. The shift to remote work reduced travel for both our customers and employees, while also decreasing reliance on physical document delivery through postal and courier services. Our robust network infrastructure supports the international and domestic transfer of large datasets. As a result, the demand for paper-based information has significantly declined. While we have not quantified the exact emissions reduction, it is clear that our digital services have contributed to a decrease in carbon footprint by minimising travel and paper consumption.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☒ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

6

[Add row]

(7.79) Has your organization retired any project-based carbon credits within the reporting year?

Select from:

☒ No

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☒ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☒ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	<i>Select from:</i> ☒ Not assessed	<i>None</i>
UNESCO World Heritage sites	<i>Select from:</i> ☒ Not assessed	<i>None</i>
UNESCO Man and the Biosphere Reserves	<i>Select from:</i> ☒ Not assessed	<i>None</i>
Ramsar sites	<i>Select from:</i> ☒ Not assessed	<i>None</i>
Key Biodiversity Areas	<i>Select from:</i> ☒ Not assessed	<i>None</i>
Other areas important for biodiversity	<i>Select from:</i> ☒ Not assessed	<i>None</i>

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☒ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☒ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☒ All data points in module 7

(13.1.1.3) Verification/assurance standard

(13.1.1.4) Further details of the third-party verification/assurance process

The assurance methodology is structured around five key phases to ensure the reliability and accuracy of the subject matter under review: 1. Testing – This phase involves evaluating the processes used for measurement, data collection, aggregation, and reporting. The objective is to verify that systems and controls are in place and functioning effectively to produce accurate and consistent data. 2. Interviews – Discussions are conducted with relevant data owners and key personnel to gain an in-depth understanding of the systems and procedures used to maintain and manage information. These interviews also help validate whether the described processes are implemented and followed as stated. 3. Inspection – Supporting documentation and evidence are reviewed and cross-checked to confirm the validity of the information provided. This step is critical in assessing whether the data generation and reporting procedures align with the predefined assurance criteria. 4.

Assessment – The reported information is analyzed in the context of the agreed assurance scope. This assessment ensures that the presentation of data is consistent with the findings observed during the assurance process and that it accurately reflects the supporting evidence. 5. Reporting – Assurance findings are communicated to management as they emerge, enabling timely corrective actions before finalizing the assurance engagement. This proactive communication helps address potential issues early and supports a more accurate final report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Telkom Independent Assurance Report FY2025.pdf

[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Group Executive – Investor relations

(13.3.2) Corresponding job category

Select from:

☒ Other C-Suite Officer

[Fixed row]

