



Listen attentively

Listening attentively when our customers, communities and business partners engage with us fosters trust, collaboration and mutual respect, and maintains our social licence to operate. It also allows us to clearly understand the perspectives, needs and aspirations of these stakeholders in our value chain, and harness this valuable insight to allocate our capital resources in a responsible manner that aligns with their expectations.

In addition, leveraging stakeholder perceptions about how we operate is a catalyst for change, informing improvements in our corporate practices and decision-making, and enabling the identification, prevention and mitigation of risks that could negatively impact profitability, reputation, customer satisfaction and the wellbeing of communities and the natural environment.

Covered in this section:

ESG across our value chain.

Economic growth and digital inclusion.

Customer experience.

Responsible project development.

Responsible sourcing.

Community wellbeing and upliftment.

This section should be read together with the stakeholder engagement section starting on page 55.

This section answers issues raised by the following stakeholders:



Highlights for the year

Liquid South Africa achieved **Cisco Gold Certification**, supporting superior customer service.

Launched a new responsible sourcing initiative and the sustainable business pledge that encourages our business partners to do business responsibly.

Developed a **Group CSIR policy** and improved the collection of detailed information on **CSI initiatives** from across the Group.

FY24 PERFORMANCE¹

HSE project assessments

565

Environmental and social impact assessments

9

Business partner audits

579

Corporate social investment

USD2.2 million

STANDARDS AND FRAMEWORKS ADOPTED

- ▶ IFC Performance Standards: 1, 2, 4, 5 and 8.
- ▶ World Bank Environmental and Social Framework.
- ▶ World Bank Operational Policy 4.12: Involuntary Resettlement.
- ▶ UNESCO Convention on the Protection of World Cultural and Natural Heritage.
- ▶ ICOMOS² Guideline on Heritage Impact Assessment.
- ▶ ISO 22301: business continuity.
- ▶ ISO 27001: information security.
- ▶ B-BBEE in South Africa.

UN SDGs



¹ KPIs are being identified as we develop our Group sustainability strategy.

² International Council on Monuments and Sites.

ESG across our value chain

We are committed to good societal and environmental governance that is mindful of the needs and interests of our current stakeholders as well as those of future generations. This fuels our efforts to apply ESG principles in our everyday business activities as well as across our value chain, comprising our customers and the communities who benefit from our products, services and investments (downstream entities) and our business partners with whom we work to bring our products and services to the market (upstream entities). Successful ESG integration that effectively tackles socioeconomic and environmental challenges at scale requires an inclusive and collaborative approach based on strong partnerships, and open and honest communication with stakeholders.

We listen carefully to our customers, and potential customers in new markets, so that we are able to deliver products and services that are relevant, and that meet their pricing and quality expectations. Valuable local knowledge and expertise also helps to inform the development of new products and services, enabling the Group to anticipate emerging trends and respond to evolving customer needs, supporting our growth strategy. Increasingly, customers are demanding products and services that support responsible consumption and production. As such, we must engage more robustly with our business partners on sustainability issues and, where we can, influence positive change in our supply chain and help business partners to advance their own sustainability performance.

How we manage ESG in the value chain

Responsibility and reporting

In terms of our infrastructure project development, subsidiary CEOs, regional HSE managers and project managers are responsible for project risk screening and assessment to identify potential operational, financial, social and environmental risks. Where projects require land acquisitions and community resettlements, all compensation payments for affected stakeholders are approved through the Group's Delegation of Authority Framework to ensure they are fair and adequate.

Managing the environmental and social impacts of a project is a dual responsibility between the subsidiary and our business partners. Our HSE teams oversee the management of HSE and security impacts through regular audits and site inspections throughout a project's lifecycle. Adherence to the Group Contractor Health, Social and Environmental Specification is the responsibility of the principal contractor who manages the project's day-to-day activities.

Each subsidiary is responsible for effectively engaging with the communities affected by its operations or infrastructure projects, to identify their social development needs and implement the right initiatives to address concerns and grievances relating to our projects. In line with our Stakeholder Engagement Framework, specific operational engagement plans are in place for most subsidiaries.

Our Procurement departments are responsible for the implementation of our newly developed ESG assessment programme for the supply chain, which ensures we appoint responsible and ethical business partners. A Responsible Sourcing Working Committee, comprising representatives from HSE and Procurement teams across the Group, and monthly meetings between Procurement teams, HSE managers and the Group Executive: Environmental and Social Governance support the programme's implementation.

Our subsidiaries have allocated the management of CSI to various departments, ranging from the Human Resources departments or HSE teams in some subsidiaries to Marketing and Procurement departments in others. We recognise the need for a more formal approach to CSI reporting and governance at operational level; however at present, CSI initiatives and budgets, as mandated by the Group Corporate Social Responsibility and Investment (CSRI) Policy, are overseen by subsidiary CEOs. Going forward, annual CSI budgets will be reviewed and approved by Group Finance as part of the annual budget cycle.

[Governance of sustainability: page 45.](#)

[Key frameworks, policies and procedures: page 50.](#)

Performance indicators

Data is gathered monthly, quarterly and annually, depending on the type of data, from all subsidiaries and relevant business partners.

WHAT WE CURRENTLY MEASURE

Environmental and social project screening

- ▶ HSE project assessments.
- ▶ Environmental impact assessments.
- ▶ Social impact assessments.

Supply chain

- ▶ Active business partners.
- ▶ Total procurement spend.
- ▶ Active business partners audited.

Community

- ▶ B-BBEE scorecard rating for South African businesses.
- ▶ CSI spend and project type.

Related indicators reported in other pillars

- ▶ Environmental audits: [Page 65.](#)
- ▶ Health and safety audits: [Page 81.](#)
- ▶ Stakeholder reports and grievances: [Page 113.](#)

Economic growth and digital inclusion

The ICT sector is a key driver of economic growth. Communication and the transfer of data by electronic means drives innovation, efficient business practices and productivity growth across all sectors of an economy. Technology and connectivity are also powerful equalisers, improving social mobility through job creation and platforms to learn new skills, and stimulating economic diversification and inclusion through local partnerships, innovative solutions and the sharing of ideas between businesses and communities. They also enable entrepreneurs to access the information and services they need to run and grow successful businesses. In addition, digital innovation within ICT has the power to assist the decarbonisation of industries.

Cassava provides fast and reliable internet access in Africa, essential for economic development and regional integration. With the largest fibre network on the continent – stretching across borders to connect people locally, nationally and internationally – we provide affordable connectivity for those in the smallest rural communities to solutions that support the digital transformation of industries. Our strategic investments in cutting-edge infrastructure and innovative solutions demonstrate our long-term commitment to Africa's prosperity, and support the national development strategies of African governments to drive economic growth.

While the digital revolution has the power to transform societies for the better, in many instances, technology has also resulted in a widening of long pre-existing social and economic disparities. Our belief that access to the internet is a human right, drives our vision to create a digitally connected future that leaves no African behind.

We use our core capabilities, impactful innovation and technology to create commercially viable solutions that simultaneously address critical social and economic needs and disparities faced by the countries in which we operate – from equitable, meaningful and safe access to the internet (Vaya) to affordable access to financial services (Sasai Fintech) and renewable energy (DPA). We also drive initiatives that build the knowledge and skills needed to think, act, embrace and thrive in a digital world, both for our employees and broader societies.

Key challenges relating to digital inclusion

- ▶ While substantial progress has been made toward digital transformation in Africa, many countries still face challenges such as underdeveloped digital infrastructure, lack of accessible and affordable connectivity, unreliable energy supply, limited skills for digitally enabled industries, and inadequate regulatory and policy environments.

Partnerships and new solutions in FY24

During FY24, ADC signed a USD300 million deal with the US Development Finance Corporation as part of its expansion plans to invest USD500 million in data centres across Africa. Already underway is the building of a new data centre in Nairobi, adding five times more capacity to our existing facility. Plans are also in place to build a first-of-its-kind data centre in Accra, Ghana. The collaboration between ADC and the US Development Finance Corporation is a pivotal milestone that will enhance digital connectivity and economic progress on the continent.

In another key partnership, Liquid joined Microsoft's Airband Initiative to connect 20 million under-served Africans by the end of 2025. The collaboration will initially target regions such as the DRC, Tanzania and Zambia, and will increase the proliferation of high-speed connectivity to the farthest parts of Nigeria, Kenya and South Africa.

Liquid Zambia launched their Azure Stack offering, helping businesses (particularly SMEs) access affordable cloud solutions that meet local compliance requirements. The solution levels the playing field for local businesses. We are also working with the Zambian Government to digitise government services, contributing to Zambia's transition to a digital economy.

At Angola's leading international technology, communications and innovation event (AngoTIC), Liquid Dataport met with businesses and ministers to discuss connectivity and digital transformation in the region and the long-term growth of Angola's and Zambia's economies. In Kenya, we sponsored the Connected Summit, a platform to foster dialogue and collaboration to drive youth education and employment in the digital ecosystem as well as the Smart Government Summit to advocate for the adoption of innovative technologies and practices in public service delivery. We also subsidised Very Small Aperture Terminal¹ (VSAT) connectivity to help bridge the digital divide in under-served areas in Kenya and for an NGO in Zambia.



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¹ VSAT is a two-way earth station that receives and transmits data, voice, and video signals via a satellite communication network.

Other key advances made to support digital transformation in Africa:



Launched terrestrial fibre connectivity between Angola, DRC and Zambia.

Installed a subsea cable connecting Mauritius and South Africa, increasing the availability of high-speed and reliable internet for Indian Ocean islands.



Launched BreezeAIR AXE – a groundbreaking wireless solution that provides unrivalled performance and reliability.



Expanded its cross-border money transfer solution into Lesotho, enabling communities to send money home to their loved ones – securely, swiftly and conveniently.

Connecting schools and enhancing technology and digital skills

Cassava invested

USD1.9 million

in education and youth development in FY24.

In Botswana, we donated and installed fibre for the Camphill Trust School for the disabled and the Muzinda Hub to support STEM¹ education and development. We also financially supported a coding programme for the University of Botswana's Computer Science Department, and sponsored a six-month Cyber Security Training programme across 50 secondary and senior secondary schools.

In a three-year partnership with the Protestant University of Lubumbashi in the DRC, we will provide the facility with high-quality connectivity, supporting education, and in Zambia we have provided internet connectivity to the computer laboratories of 90 public secondary schools against a target of 1,291 schools.

We have partnered with UNICEF on its initiative to connect schools across the world to the internet. We have introduced high-speed internet at schools across Kenya, providing students and teachers with the digital tools that support quality education. This includes connecting special needs schools to ensure that students living with disabilities have equal access to educational opportunities.

We are also piloting an innovative business model where schools serve as a hub for community internet access. Participating schools receive a discount on their connectivity fees for every household that subscribes to Liquid's services, ensuring the school's sustainable access to the internet and at the same time extending digital inclusion in the area and growing our customer base.

As part of its CSI, ADC South Africa has donated around USD4,287 worth of laptops to SA Kings Hope Development Foundation to teach destitute and abused women basic computer literacy skills and prepare them for employment.



¹ Science, technology, engineering and mathematics.

Customer experience

MM ✓ We place our customers at the centre of our business and decision-making processes as we strive to deliver the best communications technology and powerful end-to-end solutions in internet connectivity, data and cloud management, digital platforms, cyber security, financial services and renewable energy. Our flexible and dynamic business model keeps us at the forefront of telecoms innovation and power solutions, ensuring that we provide a positive and valuable customer experience.

Part of our sustainability commitment is to ensure that our products and services do not cause harm to our customers. Our business continuity plans focus on delivering reliable and resilient infrastructure¹ that is protected against factors that may impede its optimal performance. This is particularly important for our customers who rely on connection to the internet, secure solutions and our solar PV systems to provide critical medical, schooling, security and protection, and banking services. In addition, we ensure that we protect the private information of our customers and other stakeholders as well as our own intellectual property.

Key customer experience challenges

- ▶ Unreliable service and connectivity disruptions may arise due to the insufficient capacity of certain African power grids, political or social unrest (delay on infrastructure projects and risk for our employees, business partners and assets), and extreme weather events.
- ▶ Cybercrime and data breaches continue to increase as cyber criminals remain agile and up to date with technological advances and innovations, and seek to exploit vulnerabilities. A digital intrusion or data breach could disrupt business operations, and result in financial loss and/or a contravention of privacy laws.
- ▶ A need to constantly reinforce cyber security awareness to ensure that our employees continue to adhere to the basic rules that protect data.

The Liquid Group measures customer satisfaction annually using the net promoter score (NPS). The survey measures how customers perceive the value created for them in terms of our marketing, sales process, products, feedback and response times, account management, service management, and network availability, reliability and speed, among others. NPS targets per operation are reviewed annually and aim to achieve continuous improvement. Targets consider the extent of investment in customer-focused improvement initiatives for the year and resource availability.

Infrastructure resilience

MM ✓ We maintain and safeguard our digital and physical infrastructure to secure business continuity. ISO 22301 certification, scenario training, condition surveys for critical equipment and infrastructure assessments are key activities undertaken to mitigate against potential failures. Our quality audits score our infrastructure and operations against business continuity risks.

Examples of other initiatives to guard against disruptions include continuously updated maintenance plans for our data centres, and redundancy links with alternative routing and sufficient capacity to keep critical services and applications running with ease when disruptions occur. ADC works with local utility companies on securing electricity, and pursues utility-approved infrastructure where power supply is limited. We also leverage DPA's products and services that provide reliable power to digital infrastructure and data centres.

The draft Group Physical and Environmental Security Policy together with our climate change strategy will provide the foundation for resilient infrastructure development plans to protect our premises, network infrastructure and data centres from natural and man-made disasters, and climate change threats. The climate change strategy will identify climate change scenarios for our subsidiaries which, in turn, will inform their infrastructure resilience plans.

[Climate change strategy: page 72.](#)

Data protection and cyber security

MM ✓ We handle private information with care. To meet our legal obligations across jurisdictions, we implement the necessary safeguards and procedures to prevent the unauthorised use and theft of commercially sensitive and proprietary information as well as the private information of our employees, customers and business partners.

The draft Group Physical and Environmental Security Policy establishes the rules to grant, control, monitor and remove physical access to our information resource facilities. We protect digital personas, systems and networks from attack, and regular system and control assessments ensure that any weaknesses are quickly identified and addressed. Our employees attend compulsory monthly data protection and cyber security training, and we monitor cyber risks such as phishing, vishing and malware fraud to ensure we keep abreast of new cyber threats. The audit and risk assessment process provides additional assurance that our data is well protected from external threats.

Some of our business partners have access to our systems and data. The Supplier Code of Conduct prohibits them from sharing our information unless authorised to do so by the Group or compelled to do so by law. To reduce our exposure to data breaches, business partner and customer contracts require that appropriate actions are taken to protect our information from misuse and improper disclosure, and to comply with local regulations regarding data protection and privacy.

¹ Our digital infrastructure comprises fibre broadband and digital networks, data centres and renewable energy solutions.

Customer experience in FY24

Customer satisfaction

Pleasingly, Liquid South Africa achieved Cisco Gold Certification, one of only a few businesses in Africa to achieve this milestone. The certification reflects Liquid South Africa's commitment to meeting the highest industry standards in customer service and support capabilities. Our customers will benefit from higher levels of expertise, access to advanced technologies, comprehensive support, and the assurance that they are working with a business that has a proven track record in delivering Cisco solutions. The certification is underpinned by an extensive evaluation process, and ensures that our customers are supported by a team of ISO quality-level personnel proficient in delivering network and managed services.

Liquid net promoter score

February 2024

242
completed
interviews

NPS score

+26.4

Telecommunications benchmark: **+31**
Technology benchmark: **+33**

We are satisfied with the NPS result, with Liquid South Africa exceeding its target. Areas for improvement differ between operations but mostly pertain to feedback and response times, billing and invoicing, service delivery and the sales process.

Launching the LinkedIn learning platform with the Customer Love Programme

The LinkedIn learning platform was launched in April 2023 with the Customer Love Programme, which equips employees with the tools to deliver exceptional customer service. A total of 11 courses were delivered – one a month until February 2024 – through the programme, which included beginner through to advanced courses on customer service. Topics included leading a customer centric culture, quality standards, measuring the value of customer service, problem solving and trouble shooting, and creating customer value, among others.

We are honoured to have received a number of awards during the year, which indicate that we are meeting and, in some cases, exceeding customer expectations.

Business continuity

During the year, a lot of work was done to enhance business continuity management in South Africa. This included compulsory training on business continuity management for all relevant employees, with around 270 attendees at year-end.

The Group maintained the following business continuity certifications through a monitoring system of external surveillance and certification audits:

- ▶ **Liquid South Africa:** ISO 22301 certified by BSI.
- ▶ **ADC:** ISO 22301 certified by BSI, ISO 27001 certified by BSI and PCI Data Security Standard certified.

As part of its business continuity initiatives, Liquid Dataport collaborated with Intelsat in FY24, one of the world's largest satellite services providers, to secure better availability of fast and reliable connectivity in Africa during power disruptions.

Data breaches

Liquid South Africa reported minor non-compliances with the Protection of Personal Information Act (POPIA) to the information regulator, with no fines incurred. The nature of these incidents was mostly theft of laptops.

Data protection and cyber security

The cyber security training programmes listed below were rolled out to all employees during the year.

- ✔ Staying safe when banking online
- ✔ Password security
- ✔ Key logger standards
- ✔ Phishing
- ✔ Staying safe from whaling attacks
- ✔ Clues for spotting a phishing attack
- ✔ Social engineering Part 1
- ✔ Social engineering Part 2
- ✔ Safe web browsing
- ✔ Email security evaluation
- ✔ Cyber security when out of office

Liquid C2 partnered with Google Cloud in Africa to further enhance its cloud and cyber security offerings to businesses, which can now be tailored to meet customer needs. Liquid C2 also launched its third Cyber Security Fusion Centre, this one located in Zambia. The other two centres are located in Kenya and South Africa.

Driving data protection cyber security awareness

Liquid Kenya sponsored the East African Internet Governance forum in FY24, which focused on safe, inclusive and accessible digital environments through the development of enhanced internet governance and cyber security frameworks.

At the Nigerian Peering and Interconnection Forum held in Lagos, Liquid Nigeria spoke to delegates about cyber security with a specific focus on the Distributed Denial of Service (DDoS) cyberattack, of which there were over 4.4 million in 2021 alone. It also shared the best practice lessons learnt from Liquid's expansion strategies and efforts to bridge the digital divide.

Liquid Zimbabwe held a Cyber and Data Protection Act workshop for the public sector, attracting top government organisations. The workshop explained the provisions of the Act, recently introduced to regulate the use of technology in business, and showcased some of the solutions that could be adopted to support compliance.

Key customer experience objectives for FY25

Top priorities to improve customer experience in the coming year are to:

- ▶ Roll out improved business continuity management across the Group using the same methodology that was applied to the South African operation.
- ▶ Drive further employee learning through the Customer Love Programme.
- ▶ Enhance our cyber security and data protection processes.

Responsible project development

A key aspect of our corporate responsibility is to protect, and improve where possible, the health, safety and social conditions of the communities close to or directly impacted by our infrastructure projects, and the natural environment in which they live. When designing infrastructure projects, and prior to construction, potential environmental and social risks are identified and mitigation measures designed to preferably avoid negative impacts, and where this is unavoidable, to minimise them, and appropriately compensate the people and communities affected.

All local legislative requirements are adhered to in our infrastructure builds. This includes applying for the necessary environmental and social authorisations and permits. Where no such law exists, the Group's requirements (aligned to international best practice) take precedent. Where projects trigger cross-border displacement, we agree the legislation that is to be applied with all governments concerned.

When undertaking large fibre and infrastructure projects, we notify affected communities about how they may be impacted, and provide them with information on the job opportunities available, our emergency response plans, drills and site safety requirements, and our external grievance procedures. Project progress meetings are held with relevant community members, when required.

 Stakeholder engagement: page 55.

Key challenges relating to digital inclusion

- ▶ Our infrastructure development projects may require the acquisition of occupied land or cause inconveniences which could:
 - Separate communities from sites of cultural or religious significance.
 - Disrupt normal daily life as well as community support systems and networks.
 - Temporarily restrict access to land, roads and resources.
 - Permanently damage private property or assets.
 - Result in the loss of land and natural resources and require physical relocation.

Environmental and social risk assessment

Our Group Environmental and Social Screening and Risk Categorisation Tool outlines our processes to identify, evaluate, manage and monitor potential adverse environmental and social impacts on communities throughout a project's lifecycle, including project sign-off and the start of operational activities. It also ensures that all legal requirements and standards are adhered to, particularly the IFC Performance Standards, and that stakeholder concerns are identified and adequately addressed. With a specific focus on environmental and social risks, the procedure strengthens our management of relevant risks. Once identified, these risks are then managed according to the Group Risk Management Policy.

Project screening is undertaken during the project planning stage to identify potential environmental and social risks early, and this information is used to inform project design. Projects identified as having potential moderate to high social and environmental impact, or where required by legislation, undergo an environmental and/or social impact assessment.

Projects that will take longer than 12 months to complete or have an investment amount larger than USD50,000 are classified as either low (minimal or no adverse impacts), medium or high risk. Medium-risk projects are those where the adverse environmental and/or social impacts can be identified with a reasonable degree of certainty, and addressed through applying best practice procedures, mitigation measures and stakeholder engagement. High-risk projects are those that could potentially have a significant or irreversible adverse environmental and/or social impact, or raise significant concerns among affected communities during our engagement with them. These impacts may involve loss of biodiversity, ecosystem disturbance, human rights issues and loss of income or cultural resources etc. If the majority of risks identified have either a low or moderate significance with only one risk having a high significance, the project is categorised as a high-risk project. The magnitude and extent of the risks identified may result in the discontinuation of a project.

The Group Environmental and Social Screening and Risk Categorisation Tool also applies in our due diligence for new company and land acquisitions.

Over and above impact assessments, our responsible sourcing (see page 101), environmental management plans and stakeholder engagement (see page 55) also guard against environmental degradation and adverse social impacts that could affect communities.



Project screening is undertaken during the project planning stage to identify potential environmental and social risks early, and this information is used to inform project design.



Land acquisition

Where communities are voluntarily or involuntarily displaced from their homes, farms and businesses as a result of our infrastructure builds, we adequately and equitably compensate them for the losses they incur. This includes loss of land and/or rights to land, loss of income and/or assets, temporary relocation of people and/or assets, damage to existing properties or infrastructure, and damage to existing crops and plants. Most often, the acquisition of land for our infrastructure development projects results in temporary displacement. Inconvenience suffered such as dust, noise and restriction of access to land as a result of project activities are also compensated as a measure of goodwill. At the start of each project, we identify all eligible persons' affected.

Our Land Acquisition and Compensation Guideline standardises our compensation procedures across different countries of operation for the various types of loss and damage associated with our projects. This aims to reduce reputational risks, ensure project success, allay stakeholder fears and build community trust.

When acquiring land and rights we adopt a collaborative, open, honest and inclusive approach, ensuring that:

- ▶ We meaningfully and adequately engage with affected people and communities early in the planning process on the acquisition and associated compensation, and continue this engagement throughout the project lifecycle. This includes respecting language preferences as well as levels of education, cultural and religious practices.
- ▶ Compensation covers the full replacement cost of assets and other help needed to restore or improve living standards or conditions, and that compensation is fair and received within a reasonable timeframe.
- ▶ The needs of vulnerable people and communities, who do not have formal legal rights to the land and assets they occupy and use, are identified and addressed.

We consult extensively with affected communities, particularly when displacement is involuntary, providing them with the information they need to understand the justification for the land acquisition and the compensation negotiation process. We also provide them with sufficient time to adequately consider the compensation offer and raise any concerns, and we offer support to help them understand their rights and the legal and financial implication of the acquisition.

Where the land in question is subject to a land claim, lodged but not yet awarded, we deal with this in a sensitive and fair manner, aiming to avoid conflict among the interested parties.

Cultural chance finds

Effectively managing and preserving the rich cultural legacies of communities protects their unique identities, sense of belonging and pride, in turn, building social cohesion. The Group Archaeological Chance Find Procedure guides our employees and business partners on the procedures to be implemented when historical structures and public monuments; archaeology; palaeontological fossils, burial grounds and graves; or any other find that arouses an emotional connection to the past, are discovered during an infrastructure development project. The procedure is adapted per country of operation to comply with local legislation and address local customs. Country-specific Chance Find Procedures are included in all business partner agreements.

All activities in the immediate vicinity of a cultural chance find must cease immediately upon discovery and the site secured with controlled access. The find is reported through our HSE governance structures and to relevant local authorities as well as community or traditional leaders, as required. Local legislative procedures that preserve heritage sites are adhered to.

Where the discovery is deemed to be a major find, our preferred option is to avoid further disturbance through project redesign or relocation. Appropriate protection measures, in consultation with heritage and scientific communities, are used to avoid further damage. Where avoidance is not feasible due to design, financial and time constraints, an emergency excavation procedure, approved by the Group Executive: Environmental and Social Governance, is implemented with measures to maintain the integrity of the find's contextual data.

Stakeholder grievances

Our External Grievance Procedure provides a simple means for our stakeholders to express their concerns. We ensure that our grievance mechanisms are accessible, efficient and support effective dialogue and transparent lines of communication. Dialogues with our stakeholders are expected to improve our environmental and social performance over time as we leverage the concerns raised and the feedback received to enhance our activities and those of our business partners.

[Grievance procedures: page 55.](#)

[Stakeholder reports and grievances for the year: page 113.](#)

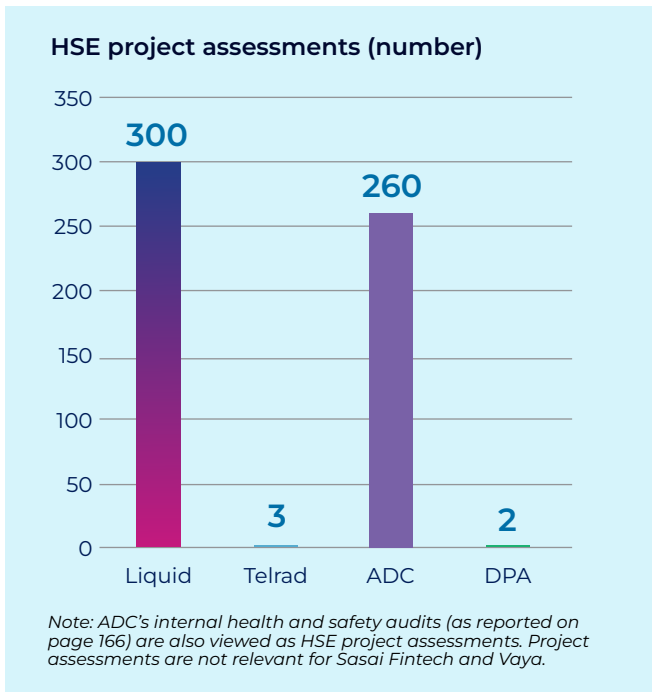
1 Landowners, land users, tenants or any third-party rights holders.

Project development performance in FY24

Environmental and social project screenings

HSE assessments took place on 565 projects during the year (FY23: 317 for Liquid and ADC only). Nine environmental impact assessments were commissioned, four in Zimbabwe for infrastructure, water and energy development projects, four in the DRC for fibre installations, and one for a solar farm to be constructed in South Africa in 2024 (FY23: four for Liquid only). There was no need for any social impact assessment during the year.

In South Africa, ADC is updating its environmental impact assessment on the Midrand project, where the site is expanding its generation and flammable storage facilities.



At present, no Indigenous Peoples are affected by Cassava's operations. During FY24, there were no significant impacts to biodiversity due to our construction activities, and no legally protected biodiverse-sensitive areas were impacted. These issues will continue to be monitored through our project, environmental and social impact assessments.



Our Group Environmental and Social Screening and Risk Categorisation Tool outlines our processes to identify, evaluate, manage and monitor potential adverse environmental and social impacts on communities throughout a project's lifecycle.

Land acquisition and cultural heritage

ADC was the only subsidiary to acquire land in the year. In Ghana, it purchased 5.6 acres of land in Accra and in Morocco it made two land purchases of 3.3 and 1.7 acres each in Sapino Casablanca. Two new land leases were acquired by Liquid South Africa and two by DPA. None of these acquisitions or leases will result in the resettlement of people or require any compensation.

There were no reports of new cultural change finds or incidents of material impacts on cultural heritage in any of our operations.

More detail on our project development performance can be found in our subsidiary reports, starting on page 117.

Project development objectives for FY25

Top priorities for the integration of ESG in project development in the coming year are to:

- ▶ Implement formal stakeholder engagement plans for certain Liquid operations, ADC and DPA.
- ▶ Develop tailored external grievance procedures for certain Liquid operations (DRC, Zambia, Zanzibar and Zimbabwe), Telrad, Sasai Fintech and Vaya; aligned to the Group's overarching procedure.
- ▶ Increase stakeholder awareness around the Group external grievance procedures and whistleblower hotline.



Responsible sourcing

MM ✓ Our business partners enable us to bring our products and services to market, and they play a key role in driving our brand value and customer loyalty. As far as possible, we endeavour to procure goods and services locally to support the economies of the countries in which we operate. Our business partners are therefore widely dispersed with the majority concentrated in Africa.

Our supply chain includes contractors – big construction and maintenance companies working on our projects; service providers who maintain our infrastructure or sites and provide cleaning, security and waste services; and general suppliers who provide the goods and services we need in the day-to-day running of our businesses. Our supply chain also includes small, medium and micro enterprises (SMMEs) for various products, goods and services.

The nature of our relationships with our business partners range from long- to short-term contracts as well as project-based contracts to contracts for goods and services, including consulting and professional services. Products and services procured include customer connections, fault resolution, fibre equipment, warehousing and logistics, electrical installations, maintenance, construction and engineering, security, point-of-sale hardware, payments processing and data encryption, among others.

Key supply chain challenges

- ▶ Acquiring business partner buy-in to our sustainability agenda, particularly in terms of acquiring carbon emissions data.



As an extension of our business activities, our business partners are required to always act ethically and with integrity, and to adopt the same sustainable business practices that the Group adopts.

Business partner conduct

Viewed as an extension of our business activities, our business partners are required to always act ethically and with integrity, and to adopt the same sustainable business practices that the Group adopts. Our expectations are set out in the Group's Supplier Code of Conduct, which covers business ethics and compliance (including anti-bribery and -corruption), fair labour practices and human rights, and HSE management. Our business partners are also required to have adequate systems to identify, assess and manage risks, secure data privacy and protection, maintain business continuity and support regular reporting. The Group Contractor Health, Social and Environmental Specification provides further guidance on the management of HSE issues, supporting our objective to achieve the highest possible HSE standards. Both the Supplier Code of Conduct and the Group Contractor Health, Social and Environmental Specification apply to all business partners.

Compliance with the Supplier Code of Conduct is a minimum standard, and business partners are expected to train their employees and subcontractors on its requirements. Compliance to all relevant local laws and regulations is non-negotiable; however, should the Group's Code have stricter requirements, these take precedence. A violation of the Code may result in the termination of the business relationship.

Where unethical conduct is identified, we expect our business partners to deal appropriately with their employees, subcontractors or affiliates concerned.

Use of community labour

The business partners working on our infrastructure development projects are mostly labour-intensive businesses that source employees from local communities. In such cases, our business partners are required to engage with the nearby communities to understand any concerns they may have and mitigate those that may adversely impact the successful completion of a project. Local workers must have employment contracts, and be treated the same as fixed term contract employees and in compliance with all labour regulations. This includes national laws pertaining to basic conditions of employment and mandatory industry standards pertaining to minimum compensation and benefits, regular working hours, overtime hours and the right to representation. Local workers must undergo medical fitness evaluations in line with regulation where this applies, receive induction and HSE training, and be equipped with the correct and properly maintained PPE, equipment and tools.

Business partner vetting and onboarding

We consider ESG aspects when selecting our business partners, vetting their labour practices and their adherence to human rights, their compliance to regulation and the extent to which their management of sustainability issues aligns with the Group's policies and procedures. We also assess the HSE aspects relating to the services we outsource to them and/or the goods we purchase from them. Forensics investigations and media checks are also conducted, depending on the nature of the contract.

Our vetting process covers:

- ▶ A review of HSE management system (policies, procedures, training, medical surveillance programmes etc.) and evidence of implementation, which is audited against the Group Contractor Health, Social and Environmental Specification. Only business partners who achieve a minimum compliance score of 85% are short-listed.
- ▶ All mandatory and legal HSE requirements.
- ▶ A signed declaration from the CEO or Managing Director stating that all HSE requirements will be met and adequately budgeted for.

Upon successful completion of the vetting process, business partners are issued with a mandatory HSE agreement without which no work may be conducted on behalf of Cassava.

Our HSE teams conduct onboarding training for new business partners and annual refresher training for existing business partners. Some subsidiaries host annual conferences to reinforce our HSE requirements among new and existing business partners, and introduce any new or upcoming HSE requirements and initiatives.

Business partner audits

We audit the HSE capability of our business partners as well as their HSE performance to ensure that they and subcontractors are complying with local legislation, adhering to the Group Contractor Health, Social and Environmental Specification, and meeting the contractual specifications agreed upon during the vetting and onboarding process. These audits also serve to ensure that our supply chain management processes are fair.

Audits cover HSE management systems (safety files, reported incidents, data records and business processes) and may include site inspections. We also audit labour practices and compliance with minimum wage requirements in the country of operation, adherence to human rights, compliance to sanction requirements, government approvals, licences, certifications and our Supplier Code of Conduct, and conflicts of interests. The frequency of business partner audits depends on the services they provide and can range from annual to monthly. Audits can occur at any time, and may be scheduled or unscheduled. Should a business partner score less than 85% in an audit, no new work will be allocated to them.

Responsible sourcing performance in FY24

Sustainable sourcing initiative

Going beyond selecting business partners on criteria relating to affordability, efficiency and reliability, we developed new responsible sourcing criteria in FY24 to evaluate our business partners on their management of ESG and their ESG performance¹.

The first step of the initiative was to classify our business partners into three tiers. Tier 1 businesses are those with an annual contract value of over USD1 million, Tier 2 with annual contract values ranging from USD250,000 up to USD1 million, and Tier 3 with annual contract values below USD250,000. Given their key role in project delivery, Tier 1 contractors will be evaluated against a stricter set of ESG criteria, and are required to provide key ESG data and evidence of compliance annually. The initiative will help us to identify the business partners with the most material ESG impacts and understand how they are mitigating negative impacts and amplifying their positive impacts.

Secondly, we developed the Sustainable Business Partnership Pledge, encouraging our current business partners to join us on our sustainability journey, with a good response to date. The pledge is voluntary for FY25 but may become a requirement depending on the new Group sustainability strategy. Where business partners have their own ESG or sustainability commitment, this is accepted in place of the pledge.

Both the responsible sourcing criteria and pledge were rolled out at the start of FY25, and apply to all requests for proposal (RFP) for new business partners and renewal of existing contracts. The Responsible Sourcing Working Committee will develop further criteria and oversee the implementation of the new ESG evaluation process, identify and remedy any challenges that arise, and support our business partners with any pain points they may face. All working committee members received training prior to the roll out of the new initiative.

The tables overleaf provide a high level overview of the responsible sourcing initiative and how it applies across the three tiers of business partners.

¹ The responsible sourcing evaluation does not apply to SMMEs.



TIER 1 - Contractors, service providers and suppliers

Annual contract value:
>USD1 million

Information required when tendering:

- ▶ ESG Pledge
- ▶ Tier 1 questionnaire
- ▶ ESG evidence

Additional requirement:

Business partners bidding for large construction or maintenance projects must undergo a detailed pre-qualification assessment.

Tier 1 questionnaire (points out of 100)



Overall RFP contribution: **10%**

TIER 2 - Contractors, service providers and suppliers

Annual contract value:
USD250,000 to USD1 million

Information required when tendering:

- ▶ ESG Pledge
- ▶ Tier 2 questionnaire
- ▶ Limited ESG evidence

Additional requirement:

None

Tier 2 questionnaire (points out of 60)



Overall RFP contribution: **5%**

TIER 3 - Contractors, service providers and suppliers

Annual contract value:
<USD250,000

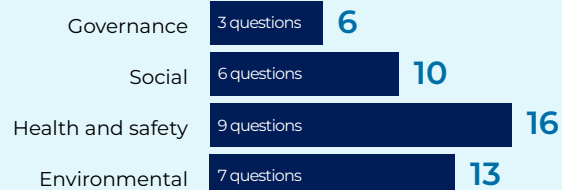
Information required when tendering:

- ▶ ESG Pledge
- ▶ Tier 3 questionnaire
- ▶ ESG evidence is optional

Additional requirement:

None

Tier 3 questionnaire (points out of 45)



Overall RFP contribution: **2%**

The pre-qualification assessment for Tier I business partners includes the submission of additional documentation and information on risk assessment, appointments of key personnel, training, HSE registers and checklists, safety meetings and committees, and subcontractor information.

In addition to the above, specific questionnaires are being developed for high-risk and high-impact products such as the purchasing of motor vehicles, solar panels and industrial chemicals etc. A vehicle assessment questionnaire has already been developed covering carbon emissions, staff safety and wellbeing, vehicle maintenance and servicing, and vehicle condition.

As a result of the work outlined above, we did not achieve our FY24 objective to engage our top 20 suppliers on ESG and human rights; however, our new ESG requirements and increased focus on human rights issues will be addressed in the supplier surveys and/or supplier workshops scheduled to take place in FY25.



Influencing positive change in the supply chain

Our Sustainable Business Partnership Pledge (shown below) communicates our sustainable business expectations to all our business partners and invites them to work with us in becoming drivers of positive change.

Our expectations of our business partners:

Ethical business practices: at all times, conduct business honestly, ethically, responsibly and with integrity.

Human and labour rights: uphold human and employment rights of workers, contractors and other stakeholders, and always treat people with dignity and respect.

Health and safety: provide a safe, healthy and productive working environment for all.

Environmental: operate in an environmentally responsible and sustainable manner to minimise the environmental footprint.

In return we commit to:

Respect and integrity: show respect and integrity, and foster relationships with all our business partners built on trust and cooperation.

Fair and impartial treatment: select business partners fairly, impartially and with transparency.

Confidentiality: strictly observe the confidentiality of all information received from business partners.

Sustainable support: where necessary, provide guidance on how business partners can start their sustainability journeys to achieve positive impacts on society and the environment.

Remuneration: remunerate our business partners fairly.

Our business partners

Number of business partners (estimated)
~4,000

Total procurement spend (estimated)
USD226 million

Estimated share of goods and services purchased locally (averaged)

Liquid South Africa:	70%	ADC:	80%
Liquid Central Africa:	49%	DPA:	20%
Liquid East Africa:	45%	Sasai Fintech:	20%
Telrad:	87%	Vaya:	20%

Note: information not available for Telrad.

Business partner audits

FY24
579
business partners audited
(FY23: 357 for Liquid and ADC only)



Note: DPA's audits cover both their own operations and business partners at the same time (as reported on page 187). Business partner audits are not relevant for Sasai Fintech and Vaya.

More detail on responsible sourcing can be found in our subsidiary reports, starting on page 117.

Responsible sourcing objectives for FY25

Top priorities for responsible sourcing in the coming year are to:

- ▶ Review our current KPIs and identify any new KPIs, if required, to improve how we measure ESG in the supply chain.
- ▶ Adapt our procurement processes to accommodate the new ESG evaluation procedure, and fully implement the new procurement process.
- ▶ Run ESG-related supplier surveys and/or workshops for the Group's top suppliers across all subsidiaries based on spend and impact.
- ▶ Start collecting and reviewing ESG performance data from our business partners, and use this data to improve our own sustainability performance and reporting.

Community wellbeing and upliftment

Our vision to leave no African behind extends to improving equality. In addition to the positive impact our core business makes to communities, our B-BBEE and CSI initiatives contribute to building stronger communities and enhancing sustainable and inclusive economic participation. We aim for a realistic balance between meeting the pressing needs of communities while also deriving value for the Group. Our CSI initiatives are viewed as a strategic business function and investment in our future as they maintain our social licence to operate and build strong and lasting relationships with our employees and communities.

Where positive impacts can be strengthened through partnership, we build relationships with existing and new stakeholders, or encourage collaboration among our subsidiaries, to deliver sustainable benefits to the communities we operate in.

B-BBEE only applies to our South Africa operations and is a legislative framework to transform the country's economy and enhance the economic participation of Black people. It comprises five pillars namely, ownership, management control and employment equity, skills development, enterprise and supplier development, and socioeconomic development. CSI in South Africa contributes to the socioeconomic development pillar.

Our key challenges

- ▶ Failure to achieve a B-BBEE rating that is acceptable to customers in South Africa could impact our competitiveness and growth strategy.

Corporate social investment

The draft Group CSRI Policy provides a structured approach to our CSI, and guides subsidiaries on the Group's chosen focus areas as well as the processes, including monitoring and reporting, required to ensure that initiatives deliver a sustainable positive impact on communities.

Each subsidiary is required to develop its own CSI policy and project plan in alignment with the Group policy; however, tailored to local circumstances and culture, sector impact, nature and size of its operation, and sector and/or regional charters and laws that focus on social improvement, for example, B-BBEE in South Africa.

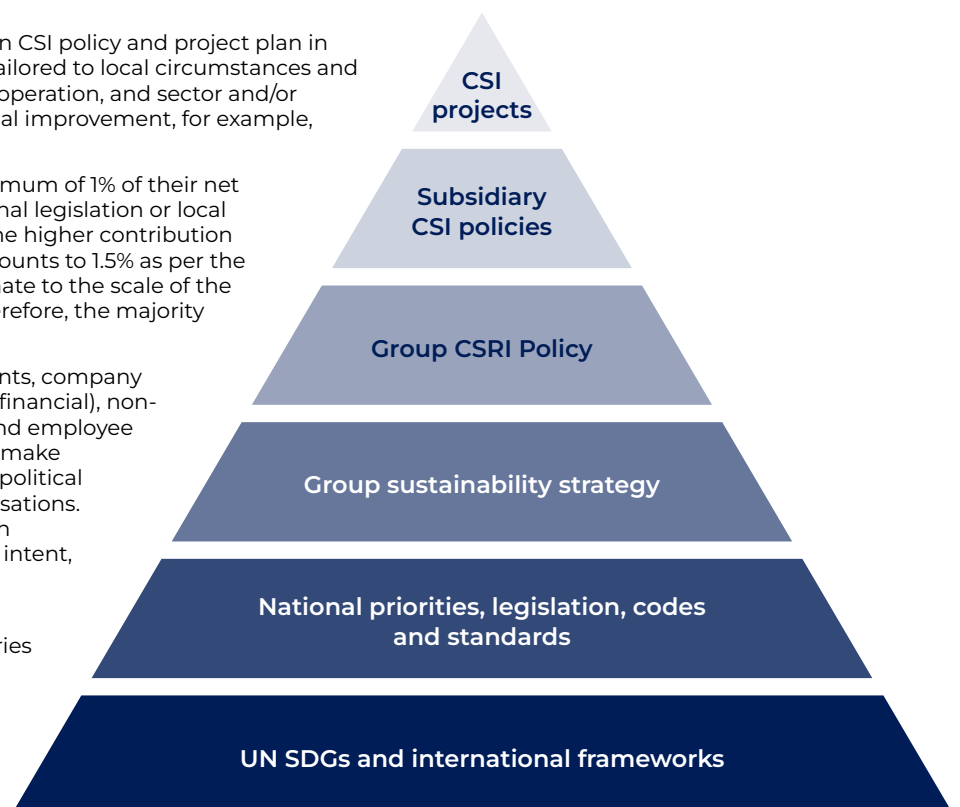
Every year, subsidiaries are to allocate a minimum of 1% of their net profit after tax to CSI initiatives. Where national legislation or local standards prescribe a higher contribution, the higher contribution applies. For example, in South Africa this amounts to 1.5% as per the B-BBEE Act. Our investments are proportionate to the scale of the Group's operations in a particular region; therefore, the majority of our spend is in Africa.

Our CSI spend includes financial commitments, company and employee donations (financial and non-financial), non-marketing sponsorships, charitable giving and employee hours of volunteering. We do not support or make donations, whether in cash or in kind to any political organisations and parties or for-profit organisations. As the draft CSRI Policy is implemented, each project supported will be monitored against intent, beneficiaries, project impact, value and the associated business benefits.

Where relevant, communities and beneficiaries of projects are consulted during CSI project selection, implementation and evaluation.

We do not invest in projects that discriminate unfairly on the basis of race, ethnicity, religion, sexual orientation, age or disability.

Our CSI approach



Our CSI focus areas



Education

Quality education, including skills transfer on how to use technology, is the most powerful tool for sustainable change that drives equality and eradicates poverty. Our emphasis will be on improving STEM subjects at primary, secondary and tertiary education levels, including teacher development programmes.



Youth development, empowerment and employment

Youth unemployment is a critical issue for most African countries, and can lead to incidents of social unrest. We will leverage our products, services and skills to advance local economic and technology hubs and educational facilities, support tech start-ups, deliver development programmes (entrepreneurship, innovation, technology and leadership) and develop youth-owned SMEs in our supply chain.



Health and wellbeing

Infrastructure and equipment that improve the resilience of communities by providing access to food supply, health services and community safety and security. Examples of projects that will be supported include the provision of basic health and wellbeing services, safety awareness and personal protection initiatives.



Environment

Initiatives that provide access to clean water and sustainable electricity, for example, projects that support environmental improvement, and the donation of resource-efficient solutions such as rainwater harvesting tanks, solar panels and waste recycling bins.



Sport

Sport delivers a unified sense of purpose and an increased sense of belonging. In this category, we aim to create sporting platforms for low-income and/or physically challenged individuals to come together to have conversations based on a common interest and build healthy bodies and minds.



Other

Discretionary projects that meet immediate community needs will also be supported, for example, where communities are in desperate need of emergency relief. Discretionary projects must be approved by both the subsidiary's CEO and responsible operational committees that oversee CSI.

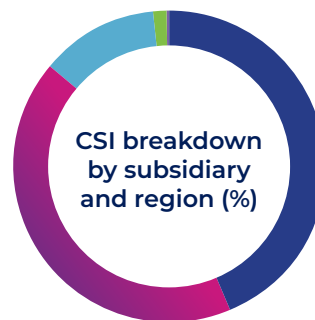
CSI and B-BBEE performance in FY24

Corporate social investment

We made good progress during the year in gathering data around the CSI initiatives supported across the Group, with over USD2.2 million invested in 227 projects across our focus areas (FY23: USD1.1 million for Liquid and ADC only).

CSI breakdown by focus area

 USD1,858,989 Education and youth development	170 projects
 USD151,566 Health and welfare	33 projects
 USD35,866 Unemployment	5 projects
 USD3,036 Environmental	3 projects
 USD4,607 Sport	4 projects
 USD177,413 Discretionary	12 projects



43.9%	Liquid South Africa
42.3%	Liquid Central Africa
12.5%	Liquid East Africa
1.3%	Telrad
0.1%	ADC

Note: there was no CSI for DPA, Sasal Fintech and Vaya in FY24.

Supporting entrepreneurs in Kenya

Innovation hubs provide entrepreneurship training and spaces within which to incubate innovative ideas that address local community problems. Liquid's Hub of Hubs programme supports hubs in rural and under-served areas with affordable, reliable, high-speed internet connectivity, enabling them to launch initiatives such as Liquid's 21C Skills, an online digital skills training platform. In Kenya, over 50% of the hubs across the country (the majority being outside Nairobi) have benefitted from this programme. Liquid's goal is to impact 500,000 people through the programme by 2025.

Broad-based black economic empowerment

Liquid South Africa and DPA South Africa have B-BBEE scorecards that are externally verified every year.

Liquid South Africa

Level 1 contributor

Scored 120.66 out of 130 points, with full points achieved for the socioeconomic development pillar. A full score was narrowly missed for skills development and enterprise and supplier development.

Note: Level 1 contributor status is the highest level.

DPA South Africa

Level 4 contributor

With a turnover of less than R10 million, DPA qualifies as an exempt micro enterprise under South Africa's B-BBEE framework. This means that DPA is exempt from the requirement to produce a formal B-BBEE certificate and, instead, compiles an affidavit indicating its B-BBEE status and shareholding.

Supporting education and youth development in South Africa

The programmes below are our key flagship socioeconomic development initiatives that contribute to our B-BBEE ratings.

STEM and Digital Literacy Programme

Liquid South Africa's STEM and Digital Literacy programme provides additional lessons in mathematics, science and 4IR technologies delivered in an internet-connected computer laboratory. The programme reaches 100 school learners in the North West Province, South Africa, equipping learners with the essential skills to nurture careers in STEM fields.

Youth Entrepreneurship programme

Liquid South Africa's Youth Entrepreneurship programme provides unemployed youth in the North West and Eastern Cape provinces with training in software development, AI and entrepreneurial skills together with personal development mentorship and coaching. The programme offers a business start-up package to participants with promising business plans. Twenty unemployed youth participated in the programme in FY24.

Innovation and Digital Skills Centre

Our Innovation and Digital Skills Centre in Mthatha (Eastern Cape) offers digital skills courses to high school learners, unemployed youth, community members and entrepreneurs. A total of 107 participants were registered for the accredited courses in FY24 (Microsoft Office Fundamentals, Microsoft Digital Literacy and Microsoft Azure Fundamentals).

YES4Youth Programme

The YES4Youth Programme is a partnership between business and government that tackles youth unemployment in South Africa. It provides young people with skills development and meaningful workplace experience, boosting their employability and laying the groundwork for their professional development. Since 2020, 276 young people have benefitted from Liquid's participation in the programme. Of the current cohort of 150 learnership participants, 43 are hosted at Liquid offices, 13 at Royal Bafokeng Nation Enterprise Development initiative, 50¹ at the Liquid Innovation and Digital Skills Centre and 44 have been placed with SMMEs across Gauteng. The programmes are being run in the Eastern Cape, Gauteng and North West provinces.

¹ These 50 learners are included in the 107 learners reported for the Innovation and Digital Skills Centre above.

Information on our CSI initiatives across the Group can be found in our subsidiary reports, starting on page 117.

CSI and B-BBEE objectives for FY25

Top priorities for CSI and B-BBEE in the coming year are to:

- ▶ Approve and implement the Group CSRI Policy with approved subsidiary budgets.
- ▶ Prepare ADC's South African business and Sasai Fintech for a B-BBEE rating.
- ▶ Improve CSI project information and spend.



Liquid South Africa participates in the YES4Youth Programme - a partnership between business and government to tackle youth unemployment in South Africa.