

Vodacom Group Limited
(Incorporated in the Republic of South Africa)
(Registration number 1993/005461/06)
Share code VOD ISIN ZAE000132577
ADR code VDMCY ISIN US9258D2009
("Vodacom" or "the company")

PLEASE CALL ME MATTER

Shareholders are referred to the announcement on 7 February 2024 on the Please Call Me matter, following the Judgment handed down by the Supreme Court of Appeal ("SCA") on 6 February 2024 ("the SCA Judgment"). Vodacom (Proprietary) Limited ("Vodacom South Africa") confirms that it has lodged its application for leave to appeal this judgment and order to the Constitutional Court of South Africa ("Constitutional Court").

As a responsible corporate citizen, Vodacom is respectful of the judicial system and abides by the laws of South Africa. Having considered the SCA judgment and order, it is Vodacom's view that there are key aspects of this matter which do not accord with the spirit of the law and that the judgment and order are fundamentally flawed. It is apparent from the dissenting judgment of the SCA that the majority judgment overlooked or ignored many of the issues between the parties and their evidence and submissions relating to those issues.

Therefore, as a matter of law, in its application for leave to appeal to the Constitutional Court, Vodacom makes *inter alia* the following submissions:

- the SCA's order impinges on the Rule of Law in terms of section 1 of the Constitution of the Republic of South Africa 1996 ("the Constitution") and deprives Vodacom of its right to a fair trial under section 34 of the Constitution;
- the SCA misdirects itself by considering and deciding on issues which had not been placed before it for adjudication by either Vodacom or Mr Makate;
- the SCA selectively chooses to only have regard to Mr Makate's evidence, as in the case of models for computing compensation payable to Mr Makate, while ignoring swathes of evidence in this regard presented by Vodacom contesting Mr Makate's version; and
- the SCA orders are unintelligible, incomprehensible, and vague rendering them incapable of implementation and enforcement.

The impact of the SCA Judgment, should it be upheld, would be vast and wide-ranging on both Vodacom South Africa and Vodacom Group, as well as the attractiveness of South Africa as an investment destination. It would negatively impact our employees, shareholders and Vodacom's contribution to public finances. It would also have an impact on our network investment, coverage, and social programmes.

Vodacom has previously negotiated with Mr. Makate in an attempt to agree reasonable compensation payable to him. These efforts, to date, unfortunately have failed. Vodacom remains open to constructive dialogue and good faith negotiations and, without prejudice to its Constitutional Court Appeal process, to agree a fair and reasonable amount as compensation for Mr Makate's idea that led to the development of the PCM product. It is Vodacom's desire that the matter be amicably resolved and brought to a timely conclusion.

Background to the Please Call Me matter

In line with a 2016 Constitutional Court order, Vodacom's CEO determined reasonable compensation of R47 million to Kenneth Nkosana Makate, a former employee of Vodacom for a "buzz idea" which was developed and launched by Vodacom as a free service to its customers in 2001. Mr Makate rejected this determination and brought an application to the Gauteng Division of the High Court of South Africa ("High Court") to have the CEO's determination judicially reviewed and set aside. On 8 February 2022, the High Court set aside the CEO's determination and ordered him to reconsider the settlement offered to Mr Makate. Vodacom launched an application for leave to appeal against the judgment on 25 February 2022 and order of the High Court. On 6 February 2024, the Supreme Court handed down its judgment.

Midrand
28 February 2024

Sponsor: Nedbank Corporate and Investment Banking, a division of Nedbank Limited