



LIQUID
INTELLIGENT TECHNOLOGIES

SUSTAINABILITY REPORT

CONNECTED. COMMITTED. IMPACTFUL.

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ABOUT THIS REPORT

This report's construct provides pertinent information on who we are in respect of geographic location, operations, vision, ambition, purpose and values. It also unpacks Liquid and Africa Data Centre's sustainability approach, including our stakeholder and risk management and our ESG and sustainability performance.

About this report

Welcome to Liquid Intelligent Technologies (Liquid) and Africa Data Centres (ADC) 2022/2023 Sustainability Report for the period 01 March 2022 to 28 February 2023 (FY23).

Our report's primary audience includes our investors, lenders, employees, our customers and society. This report demonstrates how Liquid's leadership, teams and operations continue to focus their efforts on environmental, social and governance (ESG) issues, and how they contribute to Liquid's vision and commitment to connect Africa and the world, creating a brighter future for everyone.

SCOPE AND BOUNDARY

Cassava Technologies, a leading pan-African telecommunications company, comprises of: Liquid Intelligent Technologies, Africa Data Centres, Telrad, Distributed Power Africa, Sasai Fintech and Vaya Technologies. Cassava Technologies' group structure is depicted and explained further on pages 13-16 and each operations' website is listed on page 7. This 2023 Sustainability Report is the group's first publicly available report and only includes information for Liquid Intelligent Technologies and Africa Data Centres.

This report's construct provides pertinent information on who we are in respect of geographic location, operations, vision, ambition, purpose and values. It also unpacks Liquid's sustainability approach, including our stakeholder and risk management and our ESG and sustainability performance of all five operations. Previously, Liquid compiled ESG reports that provided information required by our Development Financial Institutions (DFIs) and we structured our reports in accordance with the International Finance Corporation's (IFC's) Performance Standards.



Cassava Technologies, a leading pan-African telecommunications company, comprises of the following:

Liquid Intelligent Technologies

Africa Data Centres

Telrad

Sasai Fintech

Vaya Technologies

Distributed Power Africa

About this report

This being our first public report, our approach has shifted to align more with the Global Reporting Initiative's (GRI) Standards, allowing us to compile a more balanced report that is relevant to all our stakeholders. Liquid will provide our DFIs with any additional information not included in this report.

The COVID-19 pandemic did not have a material impact in our FY23 reporting period, but we continue to monitor aspects of COVID-19 as part of our health and safety management.

OUR REPORTING STANDARDS

Our reporting standards include relevant ISO Standards, the United Nations Sustainable Development Goals (SDGs) and applicable ESG requirements as might be required by relevant legislation and by our investors from time to time, with a specific focus on the International Finance Corporation's (IFC) Reporting Standards. We also continue to monitor best global and industry specific ESG standards and practices. The information in this report has not been externally verified but to the best of our knowledge, all the information in this report is complete and accurate as of 28th June 2023. There have been no additional company activities for the reporting period that could generate adverse health, safety and environmental (HSE) effects.

NAVIGATING OUR REPORT

We have included certain iconography depicted below to navigate our report and to enhance the user experience.

Our most relevant SDGs



Our four ESG performance pillars



ADDITIONAL OPERATIONAL INFORMATION ONLINE



www.cassavatechnologies.com



www.liquid.tech



www.liquidc2.africa



www.liquiddataport.com



www.africadatacentres.com



www.sasaifintech.com



www.vayaafrica.com



www.telrad.com



www.dpafrica.com

ICONOGRAPHY USED IN THIS REPORT



Shareholders & Investors



Customers



Employees



Government, regulators & local authorities



Industry bodies & business partners



Suppliers & contractors



Local communities



Media

STAKEHOLDER FEEDBACK

Stakeholder feedback is welcome and can be sent to: sustainability@liquid.tech



OUR BUSINESS



Our Business elaborates on what Liquid's organisation entails including an introduction from our leadership, who we are as a group, our operations and our vision, mission, and values. This section also indicates our African geographic representation with some interesting facts about Liquid's operations.

Leadership message

In an ever-evolving world, our commitment to integrity, excellence, innovation, and conducting our business in an ethical and responsible manner remains steadfast. Part of this commitment includes our focus to continually improve our environmental, social and governance practices. We are therefore excited to present our inaugural Sustainability Report.

Our message broadly outlines what sustainability means to Liquid, sustainability and ESG reporting trends, our perspective on the macroeconomic environment, the importance of stakeholder engagement, and the opportunities that lie ahead for us across the continent of Africa and globally.

Since our group began, we have always conducted our business ethically and acted with integrity, which has served as Liquid's foundation and are essential for solidifying important principles within our ethos. These principles include trust, maintaining a positive reputation, complying with legal obligations, engaging employees, satisfying customers, gaining a competitive advantage, ensuring long-term sustainability, and fulfilling social responsibilities. These principles create a framework that fosters a culture of transparency, fairness, and accountability, which is important for the success and prosperity of our business. Through this Sustainability Report we aim to take a step forward and formalise our ethical and responsible culture and demonstrate who we are and what we stand for and provide leadership in our industry and the continent as we embark on our sustainability journey.

For Liquid, sustainability is about the longevity of our business and it includes all the elements of ESG – environmental, social and governance. Sustainability is infused into every aspect of how we do business; from the way we hire employees, the solutions we provide to our customers, the way we manage our supply chain, and the societal issues we choose to get involved with. It is at the centre of our business and strategic planning and informs the way we engage with our stakeholders. Through our sustainability journey, we aim to be one of the thought leaders in the information and communications technology (ICT) industry when it comes to sustainability and ESG reporting.

From a sustainability perspective, our significant businesses impact is twofold. Firstly we acknowledge that our operations impact the natural environment and will continue to have an impact in future. Secondly, our products and services have the potential to significantly impact the lives of communities through our infrastructure connectivity, that improves and supports widespread education, sharing ideas, bridging inequalities and providing overall socioeconomic upliftment.

As a company operating in the telecommunications industry, we are acutely aware of the impact the macroeconomic environment has on our operations. Over the past few years, the global economy has experienced unprecedented challenges, from the COVID-19 pandemic to geopolitical uncertainties, the ongoing Russia/Ukraine war and social inequalities, which is particularly evident across the African continent. Youth unemployment is also a significant problem across Africa.

However, through resilience and adaptability, we have successfully navigated these turbulent times, ensuring uninterrupted connectivity and essential services for our customers. We remain vigilant in monitoring economic trends, market fluctuations, and regulatory changes to mitigate risks and take advantage of emerging opportunities. We also see the youth in Africa as a huge market opportunity as they are more agile and aligned with digital transformation.

Recently, there has been a paradigm shift towards greater ESG awareness, accountability and reporting. As a responsible corporate citizen, we recognise the importance of sustainable practices and transparent reporting. Our commitment to sustainability is deeply ingrained in our corporate DNA, as we strive to minimise our environmental footprint, embrace diversity and inclusion, support our communities and uphold the highest ethical standards, all while providing our customers with innovative products and services. We firmly believe that aligning our business objectives with sustainable development goals not only benefits society but also enhances our long-term growth and resilience. We continue to embrace the United Nation's Sustainable Development Goals (UN SDGs) and through our reach we contribute to and benefit from these goals.

Through our sustainability strategy and ESG reporting journey, we aim to formalise our responsible business culture that we have developed over the years and represent who we are and what we stand for. We aim to profile how Liquid is doing business ethically, sustainably and with integrity, and that though our systems, practices and procedures, our business decisions consider various sustainability and ESG matters that are important to our stakeholders. We also appreciate that our products and services have a substantial impact on the communities we serve, and we need to demonstrate that we allocate our capital resources in a responsible manner with limited impact on the natural environment.

Stakeholder engagement lies at the heart of our corporate philosophy. We value the trust and support of our employees, investors, shareholders, customers, regulators, and communities. By actively listening and responding to their diverse needs, we foster mutual understanding, enhance relationships, and drive sustainable growth. We have established robust channels for open communication and transparent dialogue, ensuring that our stakeholders' voices are heard, and their concerns are addressed. We are committed to continuously improving our engagement practices, thereby enabling us to make better-informed decisions and deliver superior value. This, our first publicly available Sustainability Report, is an example of how we are moving from a historical compliance-based reporting approach to a more engaging and impactful reporting approach, that will reach more stakeholders.

Over the years, Liquid has built a reputation as a reliable and trusted communication provider, digitally connecting people and businesses across Africa, empowering communities, and contributing to socioeconomic growth. Our success is rooted in our unwavering focus on customer satisfaction, committed employees, technological advancement, and a deep understanding of the diverse needs of the markets we serve. While we remain focused on not leaving any African behind, we recognise the opportunities that lie beyond these borders. The world is becoming increasingly interconnected, and digital transformation is rapidly changing the way people live, work, and communicate.



Our commitment to sustainability is deeply ingrained in our corporate DNA, as we strive to minimise our environmental footprint, embrace diversity and inclusion, support our communities and uphold the highest ethical standards, all while providing our customers with innovative products and services.

HARDY PEMHIWA
PRESIDENT AND GROUP CEO



Africa, with its vast potential and dynamic markets, presents us with an array of exciting opportunities. The continent’s rapidly expanding population, increasing urbanisation, and growing middle class are fuelling the demand for advanced telecommunication services. From providing affordable connectivity to rural areas to supporting digital transformation across industries, we are committed to leveraging our expertise and resources to bridge the digital divide and empower communities. Our investments in cutting-edge infrastructure, innovative solutions, and talent development underscore our long-term commitment to Africa’s prosperity. Our ambition is to play a pivotal role in shaping this global transformation and become a leading player on the international stage.

To achieve this, we have developed a robust strategy that leverages our existing strengths, innovative technologies, and the unparalleled talent within our organisation. We will continue to invest in expanding and upgrading our network infrastructure, ensuring seamless connectivity, and delivering innovative services to our customers in a sustainable and responsible manner. We are also focused on fostering strategic partnerships and collaborations with like-minded global organisations. By combining our strengths, expertise, and market insights, we aim to create mutually beneficial alliances that accelerate innovation, enhance service offerings, and broaden our reach and impact.

As our sustainability journey unfolds, we pause to note where we currently are with our process and how it will evolve. As a group we are in the midst of developing our first sustainability strategy that will include all operations. This process involves conducting a gap analysis, materiality workshops and stakeholder engagements. These activities will set the foundation for determining clear group sustainable objectives, targets and KPIs, that will be monitored and reported on internally and externally on an annual basis. We also intend to focus on improving the quality and accuracy of our ESG data and reviewing all relevant group and operational policies to ensure alignment. Our sustainability strategy will also be informed by our climate change strategy that we are currently developing, as we aim to reduce our carbon footprint.

As we embark on this exciting sustainability journey together with our global expansion aspirations, we would like to express our gratitude to our dedicated employees, loyal customers, supportive investors and stakeholders for their invaluable contributions to our journey over the years. Your trust and confidence in our services have been the driving force behind our success, and we remain dedicated to delivering excellence in everything we do.

We are also confident that, through our collective efforts, we will build a future where seamless connectivity knows no boundaries, where businesses thrive, and where individuals are empowered to reach their full potential. As we continue to navigate the macroeconomic landscape, embrace sustainability and ESG practices, engage with stakeholders, and unlock opportunities, we remain steadfast in our commitment to delivering exceptional services, driving positive impact, and shaping a better future for all.

Thank you for your unwavering trust and partnership.



HARDY PEMHIWA
PRESIDENT & GROUP CEO



NIC RUDNICK
GROUP DEPUTY EXECUTIVE
CHAIRMAN

Who we are

Liquid Telecom was founded in 2004 as part of the Ecomet Group and in 2021 it was rebranded as a technology company under Cassava Technologies, a pan-African technology leader. In 2021 Liquid Telecom rebranded to Liquid Intelligent Technologies and in the same year surpassed their 100,000km of fibre network in Africa. Some of Liquid Intelligent Technologies key milestones are outlined below.

HIGHLIGHTS OF THE ESTABLISHMENT OF A PAN-AFRICAN FIBRE CHAMPION

- | | |
|-------------|---|
| 2009 | <i>Launched high-speed fibre linking Zimbabwe to South Africa and to the rest of the world.</i> |
| 2013 | <i>Acquisition of Kenya Data Networks in Kenya, Rwandatel in Rwanda and Infocom in Uganda.</i> |
| 2014 | <i>Launched South Africa's first satellite hub and launch of our East Africa Data Centre in Kenya.</i> |
| 2015 | <i>Established pan-African agreements with Airtel and MTN.</i> |
| 2016 | <i>Established operations in Botswana and Acquired IRU in DRC to link the east coast of Africa to the west coast.</i> |
| 2017 | <i>Acquired Neotel in South Africa and established our Microsoft partnership.</i> |
| 2018 | <i>Completed the Cape to Cairo terrestrial fibre network.</i> |

EVOLUTION INTO AFRICA'S LEADING CLOUD PROVIDER

- 2019** *Liquid established a new fibre link running 2,600km across the DRC that enables the launch of the fastest direct land-based fibre link connecting East to West Africa.*
- 2020** *Liquid launched its cyber security business.*
- 2021** *Liquid Telecom rebranded to Liquid Intelligent Technologies and surpassed 100,000+ kms of fibre network.*
- 2022** *Liquid acquired Telrad, expanding its reach beyond the African borders, strengthening its status as a technology company.*
- 2023** *Liquid acquires Leading Cloud and Cyber Security Provider Cysiv MEA. Liquid also releases its first publicly available Sustainability Report.*

The diagram below represents the Cassava group structure as at 28 February 2023. The highlighted entities (Liquid and ADC) include the boundary of the FY23 Sustainability Report.



BUSINESS OPERATIONS

CASSAVA TECHNOLOGIES



Cassava Technologies is a pan-African technology leader, providing a vertically integrated ecosystem of digital services and infrastructure, enabling digital transformation across Africa. Cassava has presence in 31 countries in Africa, the Middle East, Latin America, Mauritius and the United States of America. Through its subsidiaries, namely – Liquid Intelligent Technologies, Africa Data Centres, Distributed Power Africa, Sasai Fintech, Telrad and Vaya Technologies, the company provides its customers' products and services in 94 countries. These solutions drive the company's vision of a digitally connected future that leaves no African behind.

For more information on Cassava, refer to <https://www.cassavatechnologies.com/>

LIQUID INTELLIGENT TECHNOLOGIES



Liquid Intelligent Technologies is a business of Cassava Technologies, with operations in over 25 countries in Africa. Liquid has firmly established itself as one of the leading provider of digital infrastructure in Africa with more than a 100,000km of fibre broadband network and satellite connectivity, that provides high-speed access to the internet anywhere in Africa. Liquid is also leveraging its digital network to provide Cloud and Cyber Security solutions through strategic partnerships with leading global players and provides customised digital solutions to public and private sector enterprises and SMEs across the continent.

For more information on Liquid Intelligent Technologies, their business operations and range of products and services, refer to <https://www.liquid.tech/>

LIQUID C2



Liquid C2 is a business of Liquid Intelligent Technologies, offering managed cloud and security services, product solutions, and related professional and advisory services to clients in 22 African countries. It operates Africa's widest Azure Stack deployment across four countries and deployed the only three African Cyber Security Fusion Centres in South Africa, Zambia and Kenya, with another three planned in Zimbabwe, Egypt and Nigeria in the near future. Liquid C2 was selected as an Operator Connect launch partner by Microsoft in six countries. The organisation was a finalist in the Microsoft Partner of the Year 2021 and 2022 in South Africa and a Microsoft Partner of the Year in Ethiopia 2022.

For more information on Liquid C2 refer to <https://www.liquidc2.com/>

DATAPORT



Liquid Dataport is the connectivity platform of Cassava Technologies, within Liquid Intelligent Technologies. The business focuses on international wholesale connectivity, commercialising Liquid's pan-African fibre network, complemented by Dataport's subsea cable network and global satellite connectivity. Liquid Dataport is responsible for the international wholesale business of Liquid Intelligent Technologies, its satellite services and is taking the lead to implement Liquid's service platform strategy.

For more information on Dataport refer to <https://www.liquiddataport.com/about/>

TELRAD



Telrad, another business of Liquid Intelligent Technologies, is a leading technology company based in Israel and South America, that provides and maintains innovative and class-leading telecommunication and technology products and services. The company supports clients in over 100 countries, by offering a complete end-to-end proposition, utilizing a mix of superior internally developed products and services by partnering with best-of-breed vendors, across three business segments; namely (i) wireless communication; (ii) IT & Infrastructure; and (iii) BPO & Geoinformatics.

Additional operational information can be found at <https://www.telrad.com/>

AFRICA DATA CENTRES



Africa Data Centres (ADC), a business of Cassava Technologies, provides rapid and secure data centre services and interconnections across the African continent. ADC is one of Africa's largest network of interconnected, carrier and cloud-neutral data centre facilities, bringing international experts to the pan-African market. Strategically located, these world-class facilities provide a home for all our customers' business-critical data.

Refer to <https://www.africadatacentres.com/> for more information on ADC and the various business opportunities they are developing as part of their suite of products and services.

DISTRIBUTED POWER AFRICA

Distributed Power Africa (DPA), a business of Cassava Technologies, ensures that businesses and individuals have access to affordable and efficient green energy through a zero-start-up cost model. DPA engineers, installs, owns, manages and finances energy generation solutions based on solar PV and storage technology. DPA fully understand Africa's power challenges and the importance of access to reliable power to drive the continent's digital economy. Through their energy services, they are developing end-to-end solutions for customers, including generation, distribution, energy supply and 'wheeling' of energy needs. DPA's solutions deliver cost efficiency and energy resilience in Data Centres, Telecom Towers and Commercial & Industrial Power (C&I), while reducing their customers carbon footprints.

For more information on DPA refer to <https://www.dpaafrika.com/>



SASAI FINTECH

Sasai Fintech, a business of Cassava Technologies, is a pan-African fintech company whose offerings include their bespoke Sasai Super App. This mobile application is a one-stop shop experience that delivers convenience and simplified access across Payments (anchored by our digital wallet), Chat (instant messaging, voice and video calls), and Interactive Media (long and short-form video, social media and podcasts). Sassi's portfolio of distinct and synergistic products and services are delivered through a fully integrated model that is difficult to replicate.

For more information on Sasai Fintech refer to <https://www.sasaifintech.com/>

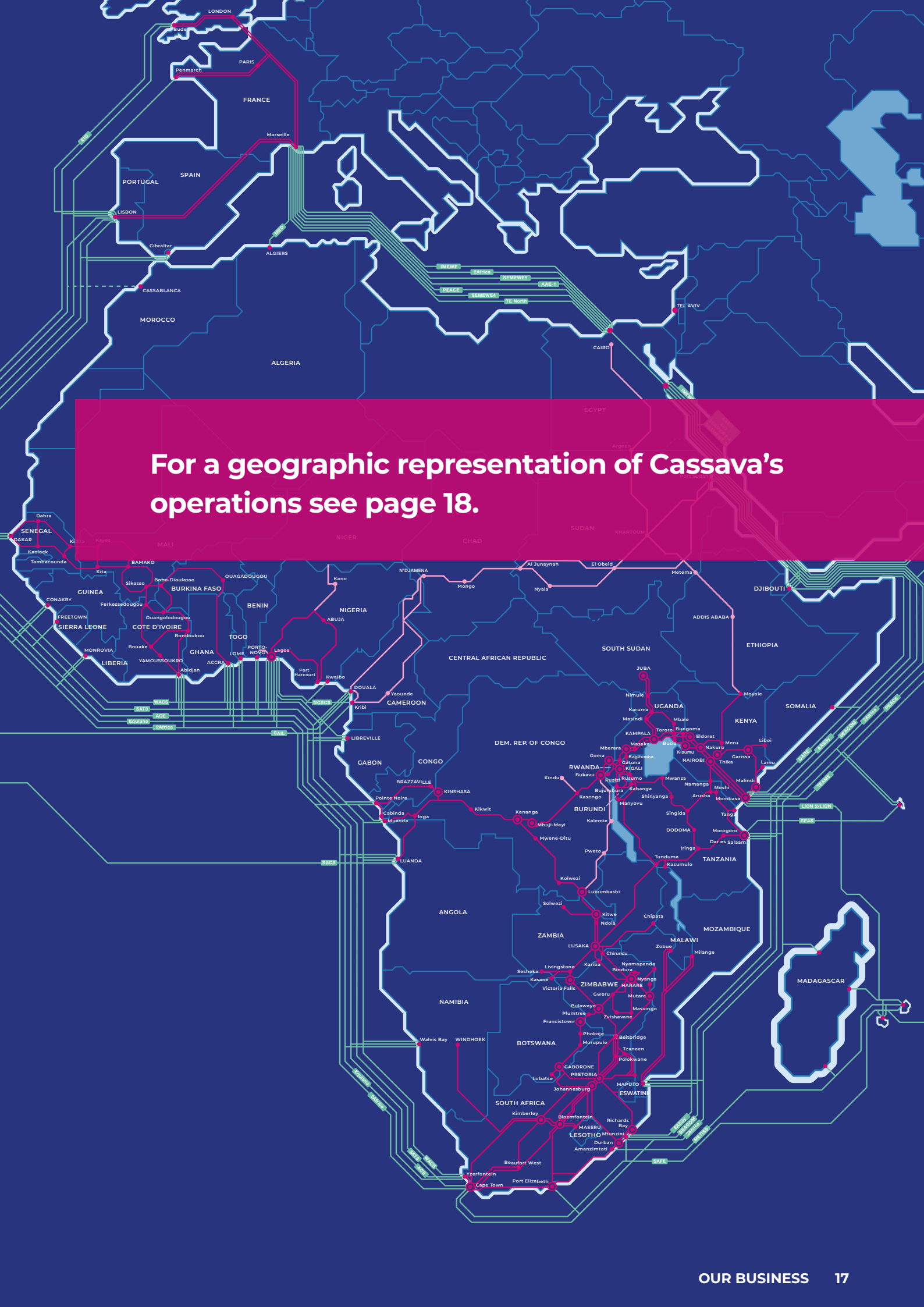
SasaiFintech

VAYA TECHNOLOGIES

Vaya Technologies, a business of Cassava Technologies, is a digital marketplace that provides access to affordable internet, with the purpose of enabling the adoption of digital services across different sectors in Africa. Vaya has strong partnerships to ensure backhaul connectivity and reliable, affordable and scalable infrastructure. Vaya leverages its corporate-wide synergies, technology innovation capabilities, and partnerships to make the acquisition of/access to data, affordable and broadly accessible. Vaya is in an unparalleled position to deliver bandwidth at the lowest cost, leveraging Liquid's low-cost network across the continent, partnerships, technology innovations and innovative business models across the value chain.

For more about Vaya refer to <https://www.vayaafrika.com/>





For a geographic representation of Cassava's operations see page 18.

GEOGRAPHIC REPRESENTATION

Cassava Technologies is a pan-African technology leader, providing a vertically integrated ecosystem of digital services and infrastructure, enabling digital transformation across Africa and part of the globe.

Cassava has presence in 31 countries in Africa, the Middle East, Latin America, Europe and the United States of America. The map below highlights the countries we operate in but provides additional information on the countries where Liquid Intelligent Technologies and Africa Data Centres operate.

NIGERIA

208KM Fibre in country	452 Scope 1 emissions (tCO ₂ e)*	21 Headcount
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* Refer to page 126 for more detail

SOUTH SUDAN

506KM Fibre in country	NO DATA Scope 2 Emissions (MWh)	22 Headcount
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DRC

5,266KM Fibre in country	7 Scope 2 Emissions (MWh)	82 Headcount
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ZAMBIA

11,195KM Fibre in country	111 Scope 2 Emissions (MWh)	198 Headcount
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BOTSWANA

855KM Fibre in country	37 Scope 2 Emissions (MWh)	24 Headcount
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TANZANIA

3,336KM Fibre in country	51 Scope 2 Emissions (MWh)	91 Headcount
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KENYA

8,330KM Fibre in country	21 397 Scope 2 Emissions (MWh)	292 Headcount
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RWANDA

7,182KM Fibre in country	841 Scope 2 Emissions (MWh)	70 Headcount
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SOUTH AFRICA

34,175KM Fibre in country	21 429 Scope 2 Emissions (MWh)	827 Headcount
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ZIMBABWE

22,627KM Fibre in country	185 Scope 2 Emissions (MWh)	301 Headcount
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UK

N/A Fibre in country	414 Scope 2 Emissions (MWh)	77 Headcount
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UAE

N/A Fibre in country	NO DATA Scope 2 Emissions (MWh)	6 Headcount
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UGANDA

4,361KM Fibre in country	374 Scope 2 Emissions (MWh)	80 Headcount
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ZANZIBAR

240KM Fibre in country	111 Scope 2 Emissions (MWh)	31 Headcount
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MAURITIUS

N/A Fibre in country	7 416 Scope 2 Emissions (MWh)	30 Headcount
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LEGEND

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VISION AND VALUES

OUR VISION, AMBITION AND PURPOSE

A company’s vision, ambition and purpose are critical components of its overall strategy and success. They provide direction, focus, and motivation for employees, stakeholders, and customers. Liquid is aligned with Cassava’s vision, ambition and purpose as shown below.

<div style="background-color: #e91e63; color: white; padding: 10px; text-align: center; font-weight: bold; font-size: 1.2em;">VISION</div>  <div style="background-color: #003366; color: white; padding: 10px; text-align: center;"> <p><i>We envision a digitally connected future that leaves no African behind.</i></p> </div>	<div style="background-color: #e91e63; color: white; padding: 10px; text-align: center; font-weight: bold; font-size: 1.2em;">AMBITION</div>  <div style="background-color: #003366; color: white; padding: 10px; text-align: center;"> <p><i>Our ambition is to be a global technology business of African heritage.</i></p> </div>	<div style="background-color: #e91e63; color: white; padding: 10px; text-align: center; font-weight: bold; font-size: 1.2em;">PURPOSE</div>  <div style="background-color: #003366; color: white; padding: 10px; text-align: center;"> <p><i>We exist to provide technology solutions that transform the lives of consumers and enable enterprises to better serve their customers.</i></p> </div>
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OUR VALUES

Values are essential for defining a company’s identity, guiding decision-making, shaping behaviour, building trust, and driving performance. They provide a foundation for ethical and responsible behaviour and help to create a culture that is aligned with the company’s vision and purpose. A strong set of values can help to build a strong and resilient company that can achieve its goals and create value for all its stakeholders. As we build a business that will last for decades to come, how we behave determines how sustainable our success and impact will be in the world. Liquid’s values are aligned with Cassava’s values as shown below.

WE ARE FAITHFUL STEWARDS	WE ARE DEPENDABLE
<i>...of the trust of our customers and the communities in which we work</i>	<i>Our customers, colleagues and partners trust us to do what we say we will do</i>
<i>...of the hopes and aspirations of our colleagues</i>	<i>Our shareholders trust us to consistently deliver a fair return on the capital entrusted to us</i>
<i>...of the capital entrusted to us by our shareholders and financing partners</i>	<i>Our shareholders trust us to consistently deliver a fair return on the capital entrusted to us</i>
WE ARE HONEST	WE ARE INNOVATIVE
<i>We speak the truth</i>	<i>We anticipate the changing needs of our customers and act on them</i>
<i>We are open and transparent in all our business dealings</i>	<i>We always seek solutions that make life better, easier, more convenient or less costly for our customers</i>
<i>We treat others fairly, the way we would like them to treat us</i>	



“

As we build a business that will last for decades to come, how we behave determines how sustainable our success and impact will be in the world.

”



OUR SUSTAINABILITY JOURNEY

Our Sustainability Journey expands on how Liquid currently manages its sustainability approach through our Environmental and Social Management Systems (ESMS) Framework and what aspirations we have as our sustainability journey evolves to include material matters, objectives, targets and KPIs. Reference is also made to Liquid's risk management process and how this drives our sustainability strategy. More detail on our key shareholders who follow our sustainability reporting, as well as how we engage with our stakeholders are also included in this section.

Our Sustainability Journey

The pressure from investors to improve ESG reporting and sustainability performance, continue to increase as they use this information to analyse and evaluate companies' short, medium and long-term risks and opportunities when making investment decisions. As Liquid transitions from its Environmental and Social Management Systems (ESMS) Framework to a more formal sustainability strategy, we continue to improve the level and accuracy of our ESG data.

Our Sustainability Journey expands on how Liquid currently manages its sustainability approach through our ESMS Framework and what aspirations we have as our sustainability journey evolves to include more specific material matters, objectives, targets and KPIs. Reference is also made to Liquid's stakeholder engagement and risk management processes and how these continue to drive our sustainability strategy.

SUSTAINABILITY AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Sustainability and ESG are two interrelated but distinct concepts. Sustainability is an organisation's ability to meet its present needs without compromising future generation's needs. Sustainability is much broader and involves balancing economic (profit), social (people), and environmental (planet) considerations to achieve long-term success. ESG is a framework for evaluating a company's performance based on its environmental, social, and governance practices. ESG reporting is the information investors, analysts and the public require to assess how well a company is managing its impact on the environment, how it treats its employees and stakeholders, and how it conducts its operations from a governance perspective. ESG is becoming increasingly important to investors, who use this criteria to analyse and evaluate companies' long-term risks and opportunities when making investment decisions.

Previously Liquid prepared annual ESG Management Reports for our Development Finance Institutions (DFIs), that were aligned to the IFC Performance Standards. Progressing on our sustainability journey, the group is moving from a 'reporting and compliance' (ESG) to a more 'strategic and impactful' (Sustainability) reporting approach. As a group we recognise that we must consider broader and more inclusive reporting and we have therefore produced our first Sustainability Report. Simultaneously, we believe that proactive oversight of ESG issues can improve our performance as well as have a positive impact on relations with our stakeholders. Therefore, this report includes ESG reporting requirements.

Sustainability is embedded within Liquid's ethos, and we are committed to sustainable practices that create long-term value for all our stakeholders including our employees, customers, investors, suppliers and communities. Our new Sustainability Strategy will aim to minimise our negative impact on the natural environment while maximising a positive impact on society, our business and investors.

OUR DEVELOPMENT FINANCE INSTITUTIONS (DFIs)

Sustainability and ESG reporting have increasingly come under the spotlight as shareholders, bondholders and other finance partners require companies to provide more detail around their sustainability and ESG performance. Sustainability is part of Liquid’s DNA and being a company that is rooted in Africa, we envision a digitally connected future for every African, where we use technology to transform the lives of individuals and businesses across the continent by enabling social mobility and economic prosperity. This encompasses the aims and objectives of our significant shareholders as well as wider stakeholders. Our commitment to them is to continue to invest in our integrated ecosystem of digital solutions, which will increase access to digital tools and connectivity within the spirit of our guiding principle of stewardship: We are faithful stewards of the trust of our clients and the communities in which we serve.

Some of our key shareholders, bondholders and debt holders that we keep informed of our sustainability and ESG performance are listed below.



British International Investment (BII): BII (previously CDC) originally invested in Liquid in April 2019. BII, established in 1948, is the UK’s development finance institution and has been at the forefront of supporting companies that help developing and emerging countries grow for the last 75 years. Its investment aim is to create more productive, sustainable and inclusive economies in Africa and elsewhere.

Development Finance Corporation (DFC): DFC is a development finance institution and agency of the United States federal government. It invested in Liquid/ADC in November 2021 and partners with the private sector to finance solutions for the most critical challenges facing the developing world today.

International Finance Corporation (IFC): IFC initially invested in Liquid group’s bond refinance in February 2021 before becoming a shareholder in November 2021. IFC, a member of the World Bank Group, advances economic development and improves the lives of people by encouraging the growth of the private sector in developing countries.



Gateway Partners: Gateway was established in 2014 and invested in Liquid in September 2016. Gateway is an emerging markets investment institution investing responsibly across the fast-growing markets of Africa, Middle East, South and Southeast Asia. It aims to build portfolios with balanced risk and reward with strong ESG principles encompassing well-established market leaders who cater to core consumption needs.

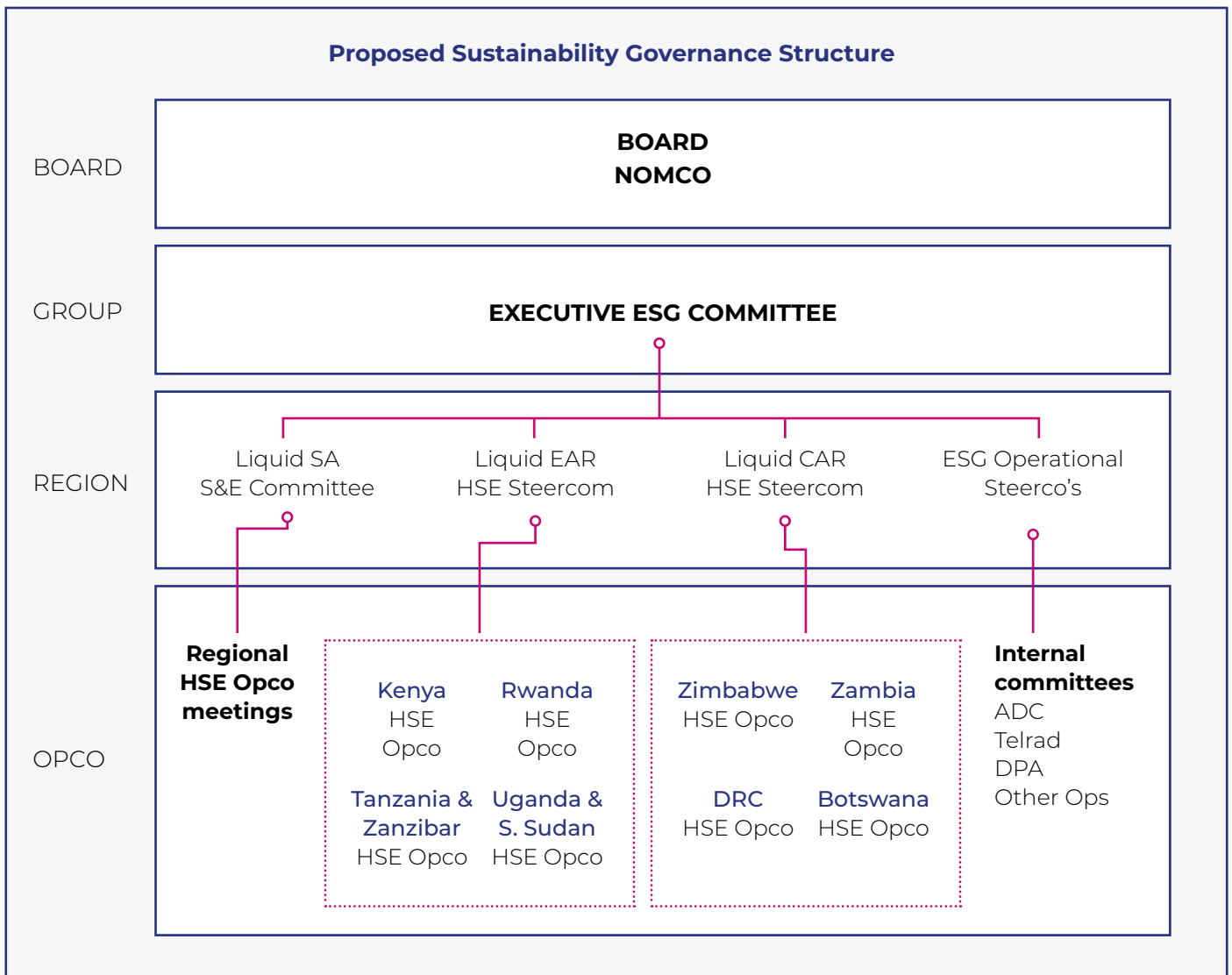
Royal Bafokeng Holdings (RBH): RBH is an African community-owned investment company that invested in Liquid in December 2017. Since its inception in 2006, it has focused its investment on advancing the socioeconomic benefits of local communities, by investing its returns on local infrastructure and social development initiatives.

Fund For Export Development in Africa (FEDA): Headquartered in Kigali (Rwanda), is the impact investment subsidiary of the African Export-Import Bank (Afreximbank). It was set up to provide equity, quasi-equity, and debt capital to finance the multi-billion-dollar funding gap (particularly in equity) needed to transform the Trade sector in Africa. FEDA first invested in Liquid in July 2021.

MANAGING SUSTAINABILITY

SUSTAINABILITY GOVERNANCE AND REPORTING

Corporate governance was the key driver when we developed our first Environmental and Social Management System (ESMS) Framework in 2019. Corporate governance will continue to guide us when developing our new group sustainability strategy in FY24. Good governance plays a vital role in promoting continuous improvement, management awareness, legal compliance and the ability to conform to international and industry best practices. Responsibility and accountability is another key driver of our strategy and we have developed a clear sustainability reporting structure, that allows us to maintain open and transparent reporting and clear accountability.



The board is ultimately responsible for providing oversight of Liquid’s sustainability strategy. This includes approving and monitoring sustainability targets and reviewing regular reports on sustainability performance and progress against specific standards and requirements as well as approving the group’s annual sustainability report. The board has delegated authority to the nominations, governance and impact committee (NOMCO) to assist the board in discharging its responsibility regarding Liquid’s sustainability strategy development and oversight.

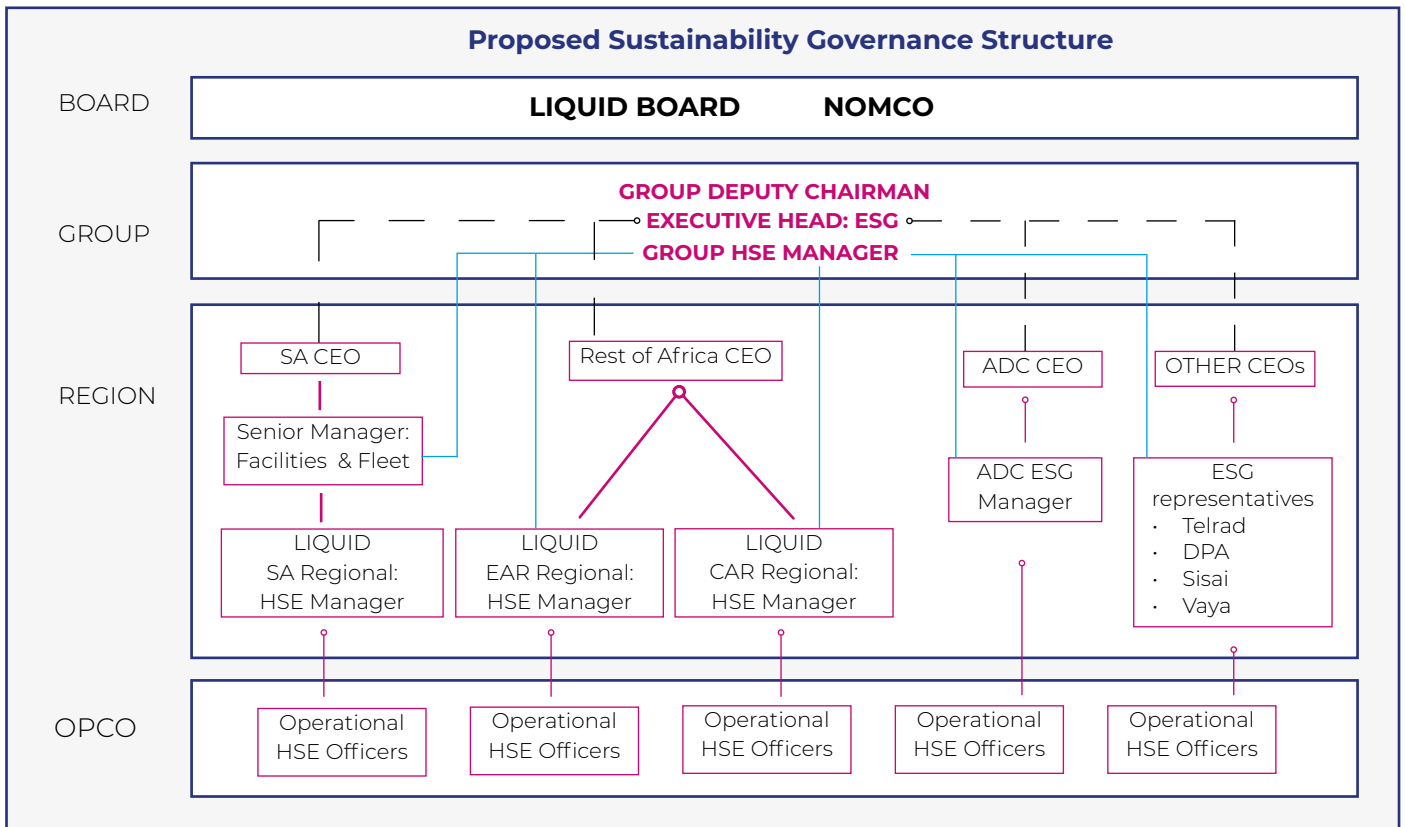
To ensure ongoing management and responsibility for the group’s sustainability journey, a new Executive ESG Committee was established in FY24. This committee is a working committee that is led by the Group Deputy Chairman, who is responsible for implementing Liquid’s ESG reporting requirements and sustainability strategy. The Group Deputy Chairman also provides feedback to NOMCO on all relevant sustainability and ESG aspects.

As part of the group’s ongoing commitment to sustainable business practices, a new Executive Head: Environmental Social and Governance was appointed at the end of the FY23 and is focusing on developing and implementing the group’s new sustainability strategy, providing group and operational guidance and support on ESG and sustainability practices, advising on compliance requirements and sustainability best practice as well as market trends.

The group is currently in the process of appointing a new Group Health Safety and Environmental (HSE) Manager that will support the Executive Head: Environmental Social and Governance with the day-to-day management and monitoring of the operations’ performance and implementing Liquid’s sustainability strategy, training and communication requirements. The Group HSE Manager will work closely with the Regional HSE management teams, the Regional CEOs and the respective OPCOs in each region.

Each operational CEO and Regional CEO is ultimately accountable for the success of their operation’s sustainability strategy. As part of their responsibility they will report on their sustainability targets, progress and data on a quarterly basis to the newly formed Executive ESG Committee. This committee will also act as a working forum for CEOs to discuss, debate and confirm various approaches, initiatives and resources required to achieve the group’s sustainability strategy.

Below is a schematic of the group’s sustainability reporting structure.



The Regional HSE Managers are responsible for the development and implementation of operational policies and procedures that align with group policies and frameworks. Reporting and management of ESG data is core to their responsibilities as well as implementing initiatives to achieve operational, and group sustainability targets.

ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEMS (ESMS) FRAMEWORK

Liquid's environmental and social management approach forms the foundation to our ESMS Framework, that was formalised and implemented in July 2019. Through our ESMS Framework, we aim to provide a working environment free from harm, by promoting a positive culture and continuously improving the health, safety, environment and wellbeing of our workforce and the communities within which we operate. This framework also conforms to international best practice and relevant legislative requirements as well as the IFC's Performance Standards. Liquid's ESMS Framework applies to all employees, contractors and communities across the African continent and is supported by relevant group and operational policies, procedures and guidelines. The ESMS Framework is a living document that is regularly updated to include new investor requirements, changes in legislation, international standards as well as the work we do in the various regions to obtain ISO 14001 certifications.

Going forward, Liquid will build on the ESMS Framework to develop a formal sustainability strategy, that will ensure we move beyond just compliance and reporting, to demonstrating the impact Liquid's business practices have on its stakeholders. We will focus on value creation for all, through sustainable business practices and investments, thereby ensuring that no African is left behind. Liquid's sustainability strategy will incorporate the pillars of Learn, Live, Listen and Lead, which is how we are reporting our sustainability impacts and performance in this sustainability report. As our sustainability journey evolves, we will also develop sustainability focus areas that will guide our reporting journey.

To accurately measure and report on our sustainability impacts, Liquid will be embracing the Global Reporting Initiative (GRI) Standards. The GRI provides guidance on how to publicly report the impacts of our sustainability activities, ESG data, our stakeholder engagement and materiality determination process. The GRI appeals to all stakeholders that may be interested or who may want to invest in Liquid and will form part of our sustainability strategy. Other standards/frameworks that will also be considered include the Taskforce on Climate-related Financial Disclosures (TCFD), the Carbon Disclosure Programme (CDP), and the International Sustainability Standards Board's (ISSB) International Financial Reporting Standards (IFRS), which include two standards – IFRS S1 for sustainability-related financial disclosure and IFRS S2 for climate-related financial disclosures. These IFRS standards are expected to become effective beginning January 2024.

In addition to the above standards and frameworks, Liquid also supports and reports on the United Nations' Sustainable Development Goals (UN SDGs). The UN SDGs, launched in 2015, are an ambitious set of goals designed to create a better world. Our group's scale and reach means we can both contribute to, and benefit from these goals. We believe that it is not possible to achieve long-term business success in a world that contains poverty, hunger and climate change. The SDGs are an excellent vehicle for driving change as they represent an action plan for the planet and society to thrive by 2030. It is important that businesses serve society, however, due to capitalism, too many people are left behind, and the inequality gap is widening. In addition, the planet is under severe strain, and people's trust in institutions to make a difference, remains low.

Liquid has not commenced with monitoring and evaluating its impact on SDG-related activities and initiatives. Through our corporate actions and activities, we specifically contribute to the SDGs shown below. Detail on how Liquid's business activities impacted these SDGs is disclosed in the relevant sustainability pillars in this sustainability report.

<p>SDG 1: No poverty</p> <p>Eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day. 1.2 Reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.</p>	
<p>SDG 3: Good health and well-being</p> <p>Seeks to ensure health and well-being for all, at every stage of life. It also calls for more research and development, increased health financing, and strengthened capacity of all countries in health risk reduction and management.</p>	
<p>SDG 4: Quality education</p> <p>Aims at ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all. This goal ensures that all girls and boys complete free primary and secondary schooling by 2030.</p>	
<p>SDG 8: Decent work and economic growth</p> <p>Promote inclusive and sustainable economic growth, employment and decent work for all. Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards.</p>	
<p>SDG 9: Industry, innovation and infrastructure</p> <p>Seeks to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. Industrialisation drives economic growth, creates job opportunities and thereby reduces income poverty.</p>	
<p>SDG 11: Sustainable cities and communities</p> <p>Aims to renew and plan cities and other human settlements in a way that offers opportunities for all, with access to basic services, energy, housing, transportation and green public spaces, while reducing resource use and environmental impact.</p>	
<p>SDG 12: Responsible consumption and production</p> <p>Encourages more sustainable consumption and production patterns (water, waste, energy) through various measures, including specific policies and international agreements on the management of materials that are toxic to the environment.</p>	
<p>SDG 15: Life on land</p> <p>Focuses specifically on managing forests sustainably, restoring degraded lands and successfully combating desertification, reducing degraded natural habitats and ending biodiversity loss.</p>	
<p>SDG 16: Peace, justice and strong institutions</p> <p>Is dedicated to the promotion of peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels.</p>	
<p>SDG 17: Partnerships for the goals</p> <p>It seeks to promote international trade, and help developing countries increase their exports to ensure a universal rules-based and equitable trading system that is fair, open and beneficial to all.</p>	

SUSTAINABILITY APPROACH

Building on the above ESMS Framework, Liquid will be developing the group's first sustainability strategy in FY24. This strategy will be designed to address the following: ongoing legal compliance, compliance with shareholder requirements, stakeholder expectations, relevant frameworks and international standards and the group's most material aspects, identified through a series of materiality workshops held across the group.

To support the development of the sustainability strategy, the group has identified a roadmap for the next three years (see page 30). The sustainability road map is a working document with clear ambitions that will be reviewed and updated on an ongoing basis to ensure continual improvement. We believe that sustainable business practices are not only a mandatory component of how we conduct business but a critical business imperative for growing a sustainable company. Therefore, we have identified clear milestones, and commitments, in the form of a sustainability roadmap.

STAKEHOLDER ENGAGEMENT AND MANAGEMENT


Stakeholder engagement is essential for Liquid as it enables us to make better-informed decisions, enhance our reputation, increase innovation, mitigate risks, and ensure compliance with relevant regulations. Liquid interacts with a wide range of stakeholders; some stakeholders are direct participants in our value chain and are integral to our ability to deliver sustainable growth, while others influence how we do business by setting the laws and norms within our countries of operation. We believe that the value we create as a business should be shared between all stakeholders as we continue to foster positive relationships and reaffirm the trust that they have in us – and we have in them.

Building stakeholder trust is necessary for the successful delivery of our sustainability goals and targets. Our operations are geographically diverse, and we appreciate that it is important to be mindful of the communities where we operate, so that we can contribute in a meaningful and impactful way. At Liquid, we engage with our stakeholders to ensure we understand their priorities, needs and views and address these accordingly. Going forward, as we develop our sustainability strategy, ongoing stakeholder engagement will form an integral part of our journey. By reviewing and filtering critical stakeholder concerns through the relevant governance structures, we will ensure that the strategy addresses the needs of all our stakeholders and creates a lasting impact on all affected by our operations.


The tables on pages 31 to 38 outlines how we currently engage with our most important stakeholders. We acknowledge that although all stakeholders play a role in the management and operation of our business, some stakeholders have more influence, and it is our responsibility to ensure we prioritise these engagements. As part of the new sustainability strategy approach we will review and prioritise our stakeholders and update our current Stakeholder Engagement Framework and develop operational engagement plans for implementation.

3 YEAR SUSTAINABILITY ROADMAP			
	FY24	FY25	FY26
ENVIRONMENTAL	<ul style="list-style-type: none"> Develop/review Group Sustainability Strategy and goernance structure (via a materiality workshops and assessment) Update ESG management reporting system Climate change strategy Assessment Determine Environmental Baselines Develop draft environmental targets and KPI's Develop Group Sustainability Policy (ESG/H&S) Develop Operation's Sustainability Road Maps Ensure ISO 14001 readiness for EAR & CAR 	<ul style="list-style-type: none"> Finalize Group and operational ESG targets Inlcude ESG targets in each Operation's Sustainability Road Map Roll out new Group ESG data system link to Operational data systems and new KPIs Implement GHG emission verification tool EAR & CAR ISO 14001 internal assurance Align regional policies with group Policies Incorporate all other operations to Group ESG strategy 	<ul style="list-style-type: none"> Ensure all group operations have fully embedded ESG strategies Internal assurance/verification of Group GHG emissions Review, update and report on ESG targets against 2024 baseline Implement group energy/carbon reduction initiatives ISO 14001 certification across all Liquid and ADC operations
SOCIAL	<ul style="list-style-type: none"> Develop a Group CSI policy Update and implement Stakeholder Engagement Framework Develop Human Rights Framework for supply chain Identify CSI budget and community initiatives CSI and SDG tagging and reporting 	<ul style="list-style-type: none"> Integrate and implement Human Rights Framework Implement Group CSI Policy across the group Monitor Stakeholder Engagement Plans Continual improvement on budgeting/ monitoring/reporting of CSI and SDG 	<ul style="list-style-type: none"> Obtain third party opinion on Human Rights framework implementationMotivated employees Internally assure Stakeholder Framework implementation Ensure appropriate communication and marketing of CSI initiatives
GOVERNANCE	<ul style="list-style-type: none"> Review and update relevant charters for governance committees (group/regional/local) Compile GRI aligned external Sustainability Report Develop sustainability controls (IFC) for projects Process implementation - sustainability risk, controls and assurance elements. Conduct an ESG survey with top 20 suppliers in each operation 	<ul style="list-style-type: none"> Obtain internal assurance on the effectiveness of the sustainability related committees Impement sustainability controls (IFC requirements) on all projects Review and update sustainability risk, controls and assurance elements Obtain external opinion on Sustainability Report in line with GRI standards 	<ul style="list-style-type: none"> Obtain external assurance on governance of sustainability committees Assess effectiveness of sustainability controls (IFC requirements) on all projects Align Sustainability Reporting with external comments and feedback Fully implemented sustainability strategy in the supple chain


Shareholders and investors and board of directors

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 Shareholders and investors	<p>Our shareholders, investors and directors are critical to our growth strategy and form an integral part of the Liquid team. As a group we aim to create strong, sustainable relationships with both existing and potential investors, allowing us to build on our principal ethos of connecting Africa and the world.</p> <p>Our directors provide strategic leadership and are responsible for promoting the performance of the company.</p>	<ul style="list-style-type: none"> Annual general shareholders meeting Quarterly CEO conferences and roadshows Ad-hoc calls, webcasts and face-to-face meetings Quarterly board meetings 	<ul style="list-style-type: none"> Company strategy and financial performance Market conditions (macro and microclimates) in each country Geopolitical changes Capital structure Business initiatives ESG and sustainability 	<ul style="list-style-type: none"> Informed investors Increased shareholder and market confidence 	Financial performance
		<ul style="list-style-type: none"> Quarterly meetings with key investors to provide a general overview of ESG performance Annual ESG report Incident reports 	<ul style="list-style-type: none"> ESG performance and compliance to finance agreements ESG initiatives and progress Incident reporting on any significant HSE incidents 	<ul style="list-style-type: none"> Ongoing input from and feedback to investors Reduce ESG risk to investors 	ESG performance
		<ul style="list-style-type: none"> Ad-hoc on-site visits and/or virtual meetings 	<ul style="list-style-type: none"> Additional investment opportunities Compliance checks Financial and ESG due diligence 	<ul style="list-style-type: none"> Investor confidence Compliance confirmation Improved reputation and investment opportunities 	Compliance


Customers/clients

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 <p>Customers/clients</p>	<p>Our customer and client needs, remain our top priority when it comes to delivering value through our products and services. Our partnerships with our customers are built on a foundation of ethical conduct, a safe work environment and responsible and sustainable environmental and social performance.</p>	<ul style="list-style-type: none"> Regular one-on-one meetings Daily transactional surveys Bi-annual NPS surveys Social media monitoring Regular customer query handling Ongoing service / performance meetings 	<ul style="list-style-type: none"> Network reliability and availability New product and service offerings Customer support satisfaction and complaints handling Contractual discussions Customer operational journey 	<ul style="list-style-type: none"> Sustainable business Improved awareness of products and services Optimised customer experience Customised products and services 	<p>Customer satisfaction</p>
		<ul style="list-style-type: none"> Ongoing marketing / advertisements Daily telephonic interviews and e-mails Annual conferences and conventions Ah-hoc social gatherings 	<ul style="list-style-type: none"> New product and service offerings Customer experience and satisfaction Customer needs and preferences 	<ul style="list-style-type: none"> Brand awareness New customers Improved reputation and service delivery Increased customer satisfaction Strengthening customer relations Building relations with key decision makers 	<p>Marketing</p>


Employees

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 Employees	Our employees are our most valuable asset. Liquid believes in a diverse and inclusive workforce that is guided by our Code of Conduct and supported through ongoing training and education opportunities.	<ul style="list-style-type: none"> • Daily staff training sessions • Ongoing wellness campaigns and online awareness initiatives (newsletter) • Regular internal social media campaigns • Monthly/quarterly CEO road shows and townhalls 	<ul style="list-style-type: none"> • Group performance feedback • Group wellness topics • General staff issues • Customer feedback • Products and services knowledge • Future fit skills enhancement 	<ul style="list-style-type: none"> • Better prepared and trained staff • Work satisfaction and enjoyment • Enhanced engagement and better business results. • Positive relationship between the company and employees • Increased productivity • Safe working environment 	General Information
		<ul style="list-style-type: none"> • Monthly, quarterly and bi-annual performance reviews • Ongoing training and coaching • Annual awards and recognition events • Group President Club • Team building events 	<ul style="list-style-type: none"> • Performance against targets • Job specific training and development needs • General HSE awareness and training • Career coaching • Recognition and best performance awards • Improved communication and collaboration • Contract negotiations 	<ul style="list-style-type: none"> • High performance culture • Motivated employees • Improved business performance and customer satisfaction • Reduced staff turnover • Employer of choice • Higher morale and motivation • Better teamwork and increased productivity. 	Development and performance
		<ul style="list-style-type: none"> • Monthly feedback on diversity and inclusion performance • Annual sustainability report • Annual engagement surveys 	<ul style="list-style-type: none"> • Diversity and gender ratios • Group performance against B-BBEE targets • Diversity and inclusion policies 	<ul style="list-style-type: none"> • Diversity of experiences and perspective • Potential for improved productivity. • Enhance trust and commitment • Broader range of skills 	Diversity and inclusion
		<ul style="list-style-type: none"> • Monthly induction training • Ongoing awareness of group policies and procedures through e-mails, posters and internal social media 	<ul style="list-style-type: none"> • Code of Conduct • Whistle Blower and Fraud and Corruption Policy • Internal and external grievance procedure awareness • Emergency response procedure • Health, Safety and Environmental Policy • Operational specific policies and procedures 	<ul style="list-style-type: none"> • Informed employees • Improved ethics • Building trust • A safer and more responsible working environment • Better reporting on ethical behaviour • Improved awareness on internal group policies and procedures 	Governance


Suppliers and contractors

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 <p>Suppliers & contractors</p>	<p>Our suppliers and contractors allow us to consistently deliver excellent products and services and to achieve success in the countries we operate.</p> <p>We continue to focus on improving and building sustainable working relationships with our suppliers and contractors through ongoing engagement, training and monitoring of their performance.</p>	<ul style="list-style-type: none"> • Ongoing on-boarding face-to-face meetings with suppliers • Regular face-to-face contractors' meetings • Periodic calls and meetings • Annual supplier workshops • Ongoing supplier self-assessments 	<ul style="list-style-type: none"> • Supplier and contractor's performance • Product and services satisfaction feedback • Procurement and sales • Proposals and invoicing • Contract specific requirements and technical issues 	<ul style="list-style-type: none"> • Improved engagement between company and contractors/suppliers • Proactive interventions for error free deliveries • Improved performance against service level agreements • Development of new products and services • Reduction in overheads • Repeat work 	Contract, cost and performance
		<ul style="list-style-type: none"> • Ongoing contract negotiations • Training initiatives (face-to-face or online) • Ongoing vetting and forensics checks 	<ul style="list-style-type: none"> • Responsible labour practices • Human rights • Product health, safety and environmental requirements • Compliance to group policies and procedures • Contractor rebates 	<ul style="list-style-type: none"> • Ethical business conduct • Reduce financial and reputational risks • Improved governance practices • Ongoing legal and ethical compliance 	Governance
		<ul style="list-style-type: none"> • Ongoing induction training • Daily toolbox talks • Daily monitoring • Contractor's onboarding pack • Weekly inspections and monthly HSE audits • Ongoing site visits 	<ul style="list-style-type: none"> • Health, safety and environmental performance and safety files • HSE compliance • Incident reporting • Grievance and whistle blower procedures 	<ul style="list-style-type: none"> • Informed suppliers and contractors • Safe and environmentally friendly working conditions • Improved working conditions • Better reporting 	HSE performance and legal compliance


Communities

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 <p>Local communities</p>	<p>We recognise that through our products and services we can create and sustain value for our communities. Liquid is committed to work with our communities to minimise any HSE impacts due to our operations and to address pressing needs and stimulate local socioeconomic development.</p>	<ul style="list-style-type: none"> Ad-hoc project notifications and letters One-on-one meetings with community leaders Regular project meetings with affected communities General awareness 	<ul style="list-style-type: none"> Project description and possible impacts/disruptions General project progress updates Grievances/complaints discussions Safety and security issues Environmental issues 	<ul style="list-style-type: none"> Build trust with community Improved community relationship Less complaints and disruptions Better project progress 	Projects
		<ul style="list-style-type: none"> Ongoing HSE and other training of community members General awareness of HSE issues Security notifications/signs 	<ul style="list-style-type: none"> Employment and training opportunities HSE training Compliance to policies and procedures 	<ul style="list-style-type: none"> Job opportunities Improved HSE awareness Safe and secure working environment 	Employment
		<ul style="list-style-type: none"> Ad-hoc CSI initiatives Planned and budgeted CSI initiatives One-on-one meeting with community leaders 	<ul style="list-style-type: none"> Community needs CSI initiatives CSI budget Infrastructure requirements 	<ul style="list-style-type: none"> Improved community relationship Social licence to operate Improve company reputation Compliance with B-BBEE Act Positive impact on local communities 	CSI

Government, regulators and local authorities

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 <p>Government, regulators and local authorities</p>	Liquid strives to comply with all local and international legislation in the areas we operate. Through active collaboration and engagement we aim to build trust and a good working relationship with governments and local authorities that govern our products and services.	<ul style="list-style-type: none"> Scheduled inspections and site audits Ad hoc e-mails and reports Monthly EIA submission to relevant local authorities Quarterly environmental reports to relevant local authorities Regulatory reporting as required. Ongoing public hearings and budget consultations 	<ul style="list-style-type: none"> Legal and regulatory requirements Labour requirements B-BBEE compliance and transformation Environmental permits Health and safety on-site requirements Fire safety Regulatory compliance Industry standards, Environmental impact and public safety Taxation and financial reporting 	<ul style="list-style-type: none"> Ongoing compliance with local and national legislation Keeping abreast of new and changes to existing legislation Improved reputation and reduced risks Improved health and safety performance 	Legal compliance
		<ul style="list-style-type: none"> Regular correspondence and face-to-face engagement with regulators Ongoing conferences and seminars Formal feedback/reviews on proposed changes to legislation and standards Attendance at clients, government and partner events Regular public and stakeholder workshops 	<ul style="list-style-type: none"> Changes to legislation New standards and frameworks Sanctions and fines Technology evolution 	<ul style="list-style-type: none"> Better informed company Aligned strategy to changes in legislation Transparent impact on new standards and legislation 	Transparent lobbying

Industry bodies and business partners

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 <p>Industry bodies and business partners</p>	<p>We understand that a business cannot operate in isolation and that ongoing engagement with industry bodies, on issues of mutual interest, is to the benefit of the company and the local economies we operate in.</p> <p>Strong relationships with industry and partners ensure the sustainability of the group as well as fair and responsible moderation over the ICT industry. As part of our engagement platform we continue to challenge and debate any new or changing industry standards and frameworks that can affect our business.</p>	<ul style="list-style-type: none"> • Annual conferences and forums • Regular correspondence and face-to-face engagements with partners • Industry benchmarking surveys • Industry body engagements 	<ul style="list-style-type: none"> • Industry and global trends • Changes to industry specific legislation • New standards and frameworks relevant to the ICT industry • Regulatory compliance. • Industry approaches to regulators on industry specific topics • Benchmarking • Capacity building to educate authorities and agencies 	<ul style="list-style-type: none"> • Informed business strategy and improved performance • Better understanding of the market • Keeping up with trends and requirements • Increased industry influence • Improved industry knowledge and business environment • All-inclusive legal and regulatory frameworks 	<p>Industry trends</p>

Media

Stakeholder group	Why we engage	Key engagements	Topics discussed	Outcomes	Theme of engagement
 <p>Media</p>	<p>We acknowledge that the media plays a substantial role in how the group is perceived by the public, communities as well as our clients, investors and partners.</p> <p>We are committed to communicating openly and transparently with the media to provide feedback on issues relating to the company and to promote our products and services in a responsible manner using legal and competitive media sources.</p>	<ul style="list-style-type: none"> • Regular advertisements (trade and mainstream, physical and digital) • Ad-hoc thought leadership articles/blogs/advertorials/product whitepapers (paid and editorial) • Annual research reports and quarterly • Annual trade shows, conferences, conventions and activations • Press interviews /webinars/ press conferences by invitation • Daily/regular updates on <ul style="list-style-type: none"> • Social media (paid & organic) • Websites • Podcasts • Tutorials • E-mails 	<ul style="list-style-type: none"> • Company products and services • New developments and changes to the company • Group initiatives • New ICT trends and products • Impact on market and industry • Investment announcements • Expansion plans • ESG initiatives and projects • Thought leadership discussions 	<ul style="list-style-type: none"> • Improved brand awareness, builds trust and credibility • Product awareness • Improved client relations • New business opportunities • Improved awareness on ITC trends • Improved business performance • Position as a thought leader 	<p>Marketing and communication</p>

RISK MANAGEMENT

Liquid’s risk management process enables the identification of key risks facing our business within the geographic locations and economic sectors we operate in. This process, by inference, will shape and influence our business strategy.

RISK MANAGEMENT APPROACH

Liquid’s risk management approach aims to minimise the likelihood and impact of potential risks while maximising our opportunities. Our risk management process includes identifying potential risks, assessing their likelihood and impact, implementing controls to mitigate risks, and monitoring and reporting on risk management activities that may impact Liquid’s operations, assets, or reputation. Liquid defines its own risk appetite and tolerance levels based on the group risk management policies and procedures, which are approved by the OPCO Board of Directors, together with the OPCO Enterprise Risk Manager and group risk management before being escalated to the group risk register.

As per the group’s Risk and Control Management Policy, risk tolerance is the acceptable levels of variation relative to the achievement of objectives. In setting risk tolerance, management considers the relative importance of the related objectives and aligns risk tolerance with risk appetite. Operating within risk tolerance provides management greater assurance that the entity remains within its risk appetite, which, in turn, provides a higher degree of comfort that the entity will achieve its objectives. To instil further stakeholder confidence, our Risk and Control Management Policy specifies a zero-tolerance to all integrity matters reported. Issues related to unethical and unacceptable conduct are investigated regardless of whether there is a financial value attached or not, and appropriate sanctions are imposed where necessary.



Cassava has adopted the latest COSO Framework and international governance best practices as methodologies for risk management. As a secondary framework, ISO 31001 is adhered to as far as possible. Liquid has several governance management documents/processes including a code of conduct; a delegation of authority process; integrated assurance, IT and network governance; triple bottom-line reporting; group strategy and stakeholder and external relationships processes.

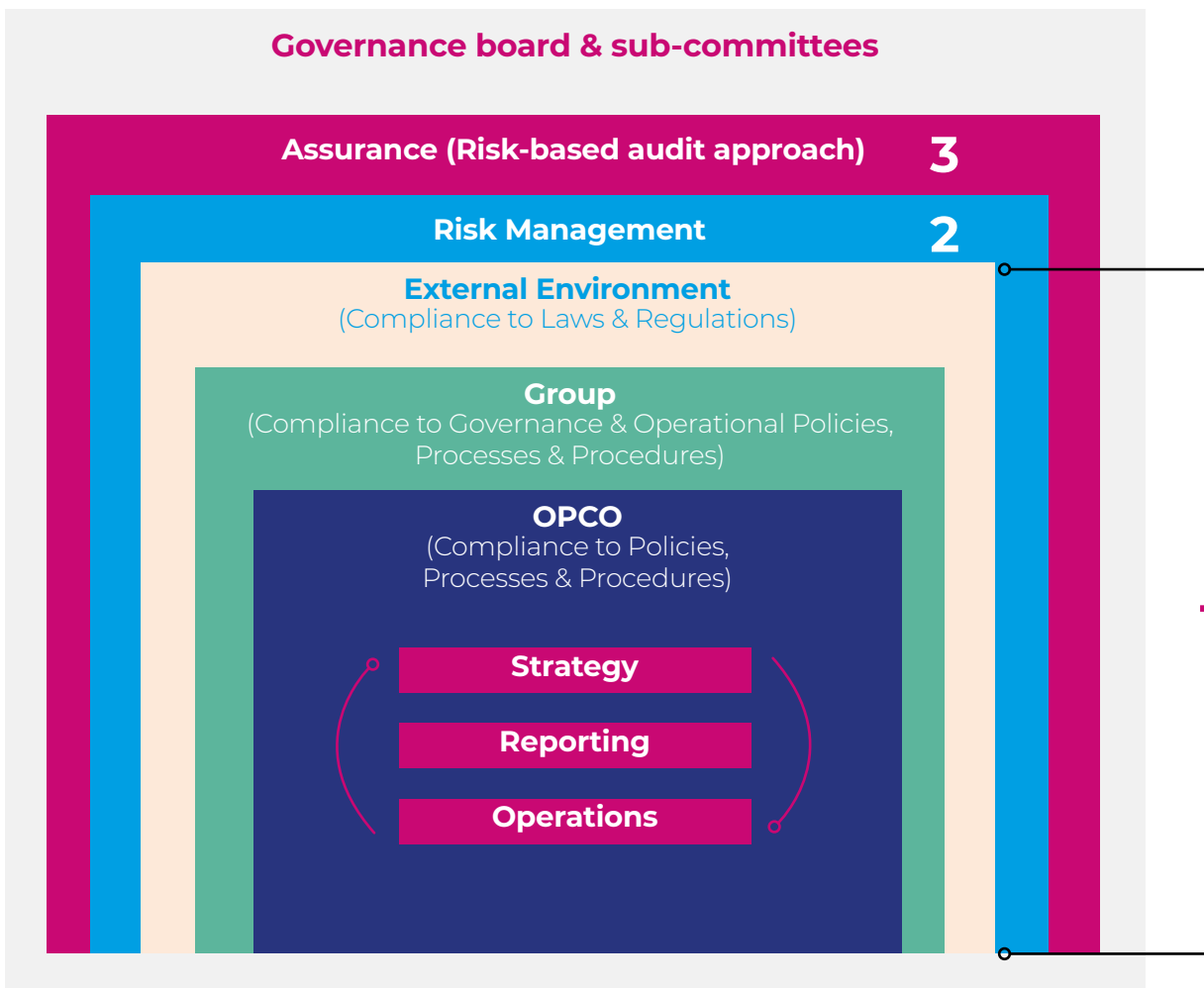
The following internal group policies assist in setting the tone at the top:

- Gifts and Hospitality Policy
- Sanctions Compliance Policy
- Risk and Control Management Policy
- Legal Management Policy
- Fraud Risk Management Policy
- Whistleblower Policy
- Significant Transactions Policy
- Code of Conduct
- Anti-bribery and Corruption Policy

RISK GOVERNANCE

The Board of Directors is accountable for risk management at the various companies within the group. The responsibility for risk management has been delegated to the Group Audit and Risk Committee (G-ARC), as per the G-ARC charter. The diagram below depicts Liquid’s high level governance model and how risk management is a pivotal management tool between ensuring the achievement of the group and its subsidiaries’ (OPCOs) strategic objectives and providing a foundation for assurance to be provided to key stakeholders.

Liquid has a dedicated risk team that manage all risk registers, which are updated quarterly. To inform our risk registers, annual deep dive risk assessments and audits are conducted on specific operations and process. Furthermore, Regional Risk Management Committees, for all African regions, are held quarterly in order for the committees to remain abreast of functional, operational and day-to-day risks at the various OPCOs. Our risk appetite is the broad-based amount of risk the company is willing to accept, and it serves as a guideline in strategy and target setting. The quarterly risk management submission, made by Group Risk and Assurance to the G-ARC includes, but is not limited to the top 10 group risks, their ratings as well as mitigation efforts in place; and any pertinent matters per OPCO as assessed by group risk.



COMBINED ASSURANCE

Combined assurance is a holistic risk management approach and governance within a company. It involves the coordination and integration of various internal and external assurance functions including internal audit, risk management, compliance and external audit. These functions collaboratively enable more effective risk mitigation, to provide a comprehensive and cohesive assessment of risks and controls thereby achieving strategic objectives and maintaining stakeholder confidence.

Liquid’s combined assurance plan allocates responsibility and accountability for risks to specific individuals who are accountable for relevant areas of risks. Five internal lines of defence have been identified and are listed below.

Lines of defence	Responsibility	Status
Tone at the top	Permeates everything	Oversight
Operational Management	Implementation and control self-assessment by management	Not independent
Risk Management	Facilitation	Partially independent
Internal Audit	Assurance	Completely independent
Board of Directors	Maintains oversight of all aspects	Overall oversight

SUSTAINABILITY AND ESG RISKS

As part of Liquid’s integrated risk management process, and in compliance with the Group Risk and Control Management Policy, we have a Health, Safety and Environmental (HSE) Policy to illustrate Liquid’s commitment towards the protection of the environment, and the health and safety of our employees, contractors and communities, within which we operate. In ensuring a safe and healthy working environment, all employees and contractors are obliged to work closely together in identifying, reporting and minimising any risk that might jeopardise the health and safety of any of our stakeholders, including the environment. The aim of this policy is to meet statutory requirements, international standards and be applicable throughout our operations.

ESG RISK REGISTERS

Each operation has developed a HSE risk register to identify operational risks and impacts. The risk registers are managed and updated in accordance with the Group’s Risk and Control Management Policy. Control measures for implementation are identified to ensure that risks are prevented or mitigated. Risk registers are continuously updated with risks identified as part of the environment and social project screening process, HSE audits, incidents and changes to processes, activities and legislation.

Currently no major ESG or HSE risks have been identified for Liquid.

LEGAL REGISTERS

Each OPCO has developed a legal register to identify all HSE-related local, regional and national legislation related to operations. Legal registers are reviewed and updated annually, either as part of the ISO management system or as part of the operational HSE committee meetings. Updates are usually required when existing legislation changes, or new legislation becomes effective.

MATERIALITY

Material information has the potential to influence the economic decision-making of stakeholders, and it is important that we understand what these matters are so that we can proactively engage with our stakeholders and disclose how we are addressing these matters. Material matters also inform our business model, capital resource allocation and shape our business and sustainability strategies.

Various internal and external factors impact these material matters. Internal factors focus on risks and opportunities facing the company in the current operating environment and on internal stakeholders, processes, and business strategies. External factors can include global and local economic trends (GDP, inflation, foreign exchange rates), the political, regulatory and competitive landscape, specific stakeholder demands and environmental factors such as climate change, that may arise.

The concept of materiality continues to evolve. Historically, materiality was a financial reporting concept that helped determine the threshold where information becomes relevant and influential in economic decision-making, particularly for investors using financial statements. Double materiality is a concept that has emerged in recent years to expand the scope of corporate reporting beyond traditional financial reporting. It recognises that a company's ESG impacts are material not only to the company itself but also to society. Double materiality has gained increasing attention from stakeholders, including investors, regulators, and civil society organisations. This double materiality approach requires organisations to disclose not only how external sustainability issues may potentially impact them financially (the 'outside-in' perspective), but also how their activities potentially impact people and the environment (the 'inside-out' perspective). The double materiality lens helps companies better understand and manage their ESG risks and opportunities, while also providing stakeholders with a more comprehensive understanding of a company's impacts on the external environment.

As part of developing our new sustainability strategy, Liquid will conduct a detailed materiality assessment process that will be implemented across all operations. This assessment will include the concept of double materiality and will be one of the key sources to inform our sustainability strategy. There are several benefits to including materiality at the heart of Liquid's strategy. Amid a wider societal shift towards sustainability and growing scrutiny of ESG impacts, disclosure of double materiality is becoming a regulatory requirement in European jurisdictions. Assessing materiality is a proactive way of identifying emerging risks and opportunities that can be incorporated into our business and sustainability strategy. Disclosing our material matters will also enhance our reputation and brand and secure long-term value for our shareholders. It will allow us to allocate our capital resources more effectively towards creating positive impacts, realising opportunities, managing and mitigating sustainability risks and bring legitimacy and transparency to the process.



Material matters inform our business model, capital resource allocation and shape our business and sustainability strategies

JANNETTE HORN
EXECUTIVE HEAD ESG



For more detail on our proposed approach in developing our sustainability strategy refer to the section below 'Developing our sustainability strategy'.

DEVELOPING OUR SUSTAINABILITY STRATEGY

As we move from reporting and compliance to a more strategic and impact approach, Liquid's current ESMS Framework will be used to inform our sustainability strategy, following which our ESMS Framework will be converted into a sustainability manual. While our sustainability strategy development and implementation process is a journey, we aim to develop and approve our group sustainability strategy in FY24 and in FY25 all OPCO's will be required to customise their sustainability management systems to align with the group's strategy.

In FY25, we aim to identify group and operational sustainability targets and update KPIs and reporting requirements to include the new strategy requirements and the GRI reporting structure. All group sustainability related policies and procedures will also be updated and filtered down to each operation to align their own policies and procedures. To support the new strategy, targets and reporting structure, the group will review and update its ESG reporting platform to ensure more accurate and reliable reporting of data by all operations.

To support the above strategy development approach, the following steps will be implemented:

STEP 1: BOUNDARY DETERMINATION

Determine our physical and reporting boundary, including the determination of which stakeholders must be engaged and at what level the engagement will take place, to determine material stakeholder issues. The boundary setting will require input from the group's executive committee, senior management and operational CEOs. Once the boundary has been identified a formal gap analysis and stakeholder engagement process will commence.

STEP 2: INTERNAL AND EXTERNAL GAP ANALYSIS

It is important to conduct internal and external gap analyses as part of determining the group's most material issues. An internal review of relevant documentation will assist in identifying the most material issues discussed at board and management level. Internal document reviews will include but are not limited to board and opco/ executive committee reports, internal and external audit reports, risk and legal registers, incidents, complaints and grievances as well as any stakeholder feedback.

External research on geopolitical issues, market trends, peer and industry reviews, climate change and proposed standards and frameworks, will conclude the gap analysis process. Information obtained from the gap analysis will be tested against Liquid's key risks and opportunities, which will also help to rank the material matters.

STEP 3: STAKEHOLDER ENGAGEMENT

As explained earlier in the report, stakeholder engagement is a key element in assessing how well a company is performing and what aspects to focus on. To inform the materiality assessment process we will conduct internal and external stakeholder engagements. The level of engagement will be determined by the influence the specific stakeholder has on the group's progress and strategy. Internal engagement will include staff, senior management, CEOs and board members. Different methods of engagement will be used including one-on-one interviews, surveys and/ or correspondence. External stakeholder engagements (including customers, suppliers, contractors and our DFIs) will be conducted using engagement platforms such as ongoing surveys, questionnaires, face-to-face meetings and formal correspondence as well as information from business partners and industry bodies. Both the gap analyses and the stakeholder engagement process will be used to inform and prepare for the materiality assessment process explained on step 4.

STEP 4: MATERIALITY ASSESSMENT

Assessing materiality is a vital part of determining a company's sustainability strategy. This will be the first time that the group has conducted an externally-facilitated materiality assessment, that will be instrumental in developing our group sustainability strategy. Several materiality workshops are planned for all operations in the group. Our approach will be a combination of desktop research, a gap analysis, expert consultation, peer benchmarking and stakeholder engagement. This assessment will identify key material issues per operation, that will be used to develop operational specific objectives, targets and KPIs. This formal materiality assessment will bring legitimacy and transparency to this process and build trust with key stakeholders.

The materiality determination process is outlined below and will be reviewed annually to determine if all identified material matters are still relevant.

Identifying and ranking our material ESG matters

This involves ranking the material matters in a scientific manner that includes weighting all matters as well as determining the impact and likelihood according to the short, medium, or long-term impact these matters may have. The highest ranked matters will be the most critical issues that need to be actively addressed.

Categorising the material matters

This involves categorising the material matters under specific focus areas or themes, that will form part of the sustainability pillars that will drive our sustainability strategy. The final categorisation will only take place once the sustainability strategy has been finalised and specific pillars have been identified.

Approving the material matters

This step includes the material matters being presented, discussed and approved by the relevant governance committees, including, Regional and Operational HSE committees, the Executive ESG Committee and the NOMCO.

Implementing, addressing and monitoring material matters

Approved material matters will be communicated across the group. A detailed group materiality assessment and review will be conducted every three to five years, following the double materiality approach as discussed on page 42.

STEP 5: IDENTIFY GOALS, TARGETS AND KPIs

Once steps 1-4 have been completed the information obtained will be used to develop short-, medium- and long-term goals, targets and KPIs for the group. These will be used to develop operational specific targets and KPIs. All targets and KPIs will take cognisance of the specific operational material issues, risks and opportunities identified in Steps 1-4.

STEP 6: COMPILE AND COMMUNICATE THE SUSTAINABILITY STRATEGY

The approved sustainability strategy will be aligned with the business strategy and communicated to all relevant stakeholders through appropriate communication platforms. Annual updates and regular progress on the achievement of sustainability targets will be communicated.

OBJECTIVES, TARGETS AND KPIS

Currently Liquid reports on and monitors the KPIs listed in the table below. These KPIs are based on the IFC Performance Standards, however these KPIs will be reviewed and updated as part of the strategy development process and will be aligned with the material matters identified (see step 5 on page 44). In addition to the KPIs, we will also be identifying specific sustainability objectives and targets, which will consider the baseline information collected in FY24.

KPI Aspect	Specific KPI
Incident Reporting	Near misses
	HSE incidents (level, number, costs)
	Investigate and report serious HSE incidents to DFI's
Health and Safety KPIs	Staff headcount
	Employee non-conformances
	Fatalities
	Disabling Injuries
	Lost time injuries (LTIs)
	Days lost by LTIs
	Restricted work cases
	Medical treatment incidents and first aid cases
	Property damage due to incidents
	Employee person-hours training on HSE and training details
Contractor person-hours training on HSE and training details	
Contractor Management	Number and detail of active contractors
	Number and detail of active contractors audited
	Number and detail of employees appointed by contractors (gender, age, skills, hours worked, wages, employee contracts, etc)
	Reports on H&S contract management (near misses, incidents, fatalities, disabling injuries, LTI, grievances, etc)

KPI Aspect	Specific KPI
Environmental KPIs	Waste types (limited)
	Waste disposal methods, cost, and recycling initiatives (limited)
	Refrigerant gas purchased
	Water use and costs
	Electricity use and costs
	Renewable energy generated
	Stationary and mobile fuel use
	Scope 1, 2 and 3 emissions
E&S Project Screening	E&S Project Screening and Risk assessment
	EIA and SIA conducted
Labour	Senior management (male/female, skilled/ unskilled)
	Permanent staff (male/female)
	Part time employees (male/female)
	Insourced / contracted job (male/female)
	Indirect / Construction jobs (male/female) – limited information



ESG PERFORMANCE

Our performance discusses our current ESMS Framework and how this will be reviewed to determine a new sustainability strategy and reporting framework. For this report, our ESG performance has been grouped into four pillars with detail on our performance and data on each pillar.

PILLAR 1: *LIVE Responsibly (Environmental Management)*

PILLAR 2: *LEARN Continuously (Stakeholder Health and Safety)*

PILLAR 3: *LISTEN Attentively (Social and CSI)*


PILLAR 4: *LEAD Impactfully (Governance and Ethics)*

Live Responsibly

In a world marked by rapid urbanisation, industrialisation, and the relentless pursuit of progress, the importance of living in harmony with the environment has become increasingly apparent. The delicate balance of our planet's ecosystems and the finite resources it provides demand that we reevaluate our relationship with nature and adopt a responsible way of life. Living responsibly for Liquid means to reduce our environmental footprint by living in harmony with the environment and to protect and preserve our planet for future generations.

Live Responsibly

Environmental sustainability is an ethical and commercial imperative. In recent years we have noted various new environmental reporting requirements and frameworks as pressure mounts on companies to be environmentally responsible. Managing our water, waste and carbon footprint goes hand in hand with the strategic necessity to operate efficiently and deliver excellent customer service.

 Our commitment to living in harmony with our communities and tackling climate change at a corporate level is fundamental to our strategic objectives and will form a substantial part of our new sustainability strategy being developed.

Our Live Responsibly pillar covers various environmental and some social aspects relevant to Liquid's operations including:




- **Resource efficiencies and environmental commitments**
 - Carbon emissions
 - Water management
 - Waste management
 - Biodiversity
- **Environmental and social project screening**
- **Land acquisition and resettlements**

The information below outlines Liquid’s management approach and alignment with the IFC Performance Standards as well as the Sustainable Development Goals (SDGs) relevant to this pillar.

IFC Performance Standards

IFC Performance Standard	Standard objective
<p>1: Assessment and management of environmental and social risks and impacts</p>	<ul style="list-style-type: none"> • To identify and evaluate environmental and social risks and impacts of Liquid’s operations • To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimise, and, where residual impacts remain, compensate/offset for risks and impacts to workers, affected communities, and the environment • To promote improved environmental and social performance through the effective use of management systems • To ensure that grievances from affected communities and external communications from other stakeholders are responded to and managed appropriately • To promote and provide means for adequate engagement with affected communities on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated
<p>3: Resource efficiency and pollution prevention</p>	<ul style="list-style-type: none"> • To avoid or minimise adverse impacts on human health and the environment by avoiding or minimising pollution from operations • To promote more sustainable use of resources, including energy and water
<p>5: Land acquisition and involuntary resettlement</p>	<ul style="list-style-type: none"> • To avoid, and when avoidance is not possible, minimise displacement by exploring alternative project designs • To avoid forced eviction • To anticipate and avoid, or where avoidance is not possible, minimise adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement cost and (ii) ensuring Performance Standard 5 Land Acquisition and Involuntary Resettlement that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected • To improve, or restore, the livelihoods and standards of living of displaced persons • To improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites
<p>6: Biodiversity conservation and sustainable management of living natural resources</p>	<ul style="list-style-type: none"> • Demonstrate that the proposed development is legally permitted • Act in a manner consistent with any government recognised management plans • Consult protected area sponsors and managers, affected communities, indigenous peoples and other stakeholders, as appropriate • Implement additional programs, as appropriate, to promote and enhance the conservation aims and effective management of the areas

Sustainable Development Goals

<p>SDG 11: Sustainable cities and communities</p> <p>Aims to renew and plan cities and other human settlements in a way that offers opportunities for all, with access to basic services, energy, housing, transportation and green public spaces, while reducing resource use and environmental impact.</p>	
<p>SDG 12: Responsible consumption and production</p> <p>Encourages more sustainable consumption and production patterns (water, waste, energy) through various measures, including specific policies and international agreements on the management of materials that are toxic to the environment.</p>	
<p>SDG 15: Life on land</p> <p>Focuses specifically on managing forests sustainably, restoring degraded lands and successfully combating desertification, reducing degraded natural habitats and ending biodiversity loss.</p>	

RESOURCE EFFICIENCIES, PROJECT SCREENING AND LAND ACQUISITION MANAGEMENT

An effective management approach is crucial for Liquid to monitor and address environmental challenges, comply with regulations, and contribute to sustainable business growth. To ensure we manage and monitor our environmental, social and governance aspects the group has an Environmental and Social Management System (ESMS) Framework in place. This framework aims to guide us in reducing our environmental footprint, promoting resource efficiency and ensuring we conduct proper project screening, that, if required will ensure responsible land acquisition and resettlement practices. By following this framework and our group environmental and social policies and procedures, we can minimise negative environmental impacts, identify improvement opportunities, and nurture a culture of environmental and social responsibility.

Liquid values the environment and communities impacted by our operations and is committed to complying with relevant environmental legislation in the countries we operate. We also strive to conform with the IFC Performance Standards and contribute to other relevant international best practice guidelines such as the SDGs and Taskforce on Climate-related Financial Disclosures (TCFD). In addition to these standards and guidelines, we have several policies, procedures and frameworks in place to ensure we identify, monitor and mitigate possible environmental and social project risks, which are reviewed and updated on an ongoing basis.



Liquid values the environment and communities impacted by our operations and is committed to complying with relevant environmental legislation in the countries we operate.

*JANNETTE HORN
EXECUTIVE HEAD ESG*



Key policies, procedures and frameworks

Environmental, project screening and land acquisition

Group Health, Safety and Environmental (HSE) Policy	Group Archaeological Chance Find Procedure
Group Incident Management Procedure	Group Land Acquisition and Compensation Guideline
Group Environmental, Social, Management Systems Framework	Group Environmental and Social Screening and Risk Categorisation Procedure
Group Waste Management Plan	Group Emergency Response Plan Guideline
Group Environmental Management Programme	Group Stakeholder Engagement Framework
Group Contractor HSE Specification	

The following ISO standards have been implemented and certified by the group.

- ISO 14001: Quality Management Systems (Liquid SA and ADC South Africa and Kenya with ADC Nigeria in progress)
- ISO 50001: Energy Management Systems (ADC South Africa and Kenya with ADC Nigeria in progress)

The above standards play a vital role in ensuring good governance and best practice when managing and monitoring our environmental footprint. These standards ensure among other things, continued improvement, increased management awareness, and legal compliance monitoring. The group is in the process of implementing ISO 14001 at all Liquid and ADC operations, not yet certified, with the aim of obtaining certification for these operations at the end of FY25. It is also anticipated that all ADC operations will be ISO 50001 certified in next financial period.

The following pertinent international standards and guidelines are considered and where relevant addressed by Liquid’s ESMS Framework:

- Equator Principles
- World Bank Environmental and Social Framework, 2017
- World Bank Operational Policy 4.12: Involuntary Resettlement
- International Bill of Human Rights

The board is responsible for setting corporate objectives and targets and making strategic decision on Liquid’s health, safety, and environmental management approach. The Group CEO is accountable for ensuring that Liquid’s operations execute all relevant policies and procedures and that there are available resources (human, financial etc) to ensure a high standard of HSE management. The Group CEO is supported by the executive management team who ensure that the Group HSE Policy is embedded and relevant systems are in place to monitor HSE performance. The Regional and OPCO management teams work closely to ensure HSE standards are maintained and all employees take reasonable care to ensure they remain safe.

The following committees are in place to ensure effective implementation and monitoring of all environmental and social aspects:

- OPCO HSE Committees: These committees meet either monthly or quarterly (depending on the size of the operation) and report on specific operational HSE information
- Regional HSE Steering Committees: These committees meet quarterly and include all pertinent HSE information that has been discussed at the OPCO HSE Committee and that could affect the region or the group’s HSE performance

Going forward, a new ESG Executive Committee will be established and meet quarterly. This committee will focus on driving and monitoring the group's ESG and sustainability strategy as well as overseeing the group's ESG performance.

In addition to the general management of environmental impacts, the group continues to monitor any social and environmental aspects that arise due to new project developments, company acquisitions and/or land acquisitions. This process is guided by the Group Land Acquisition and Compensation Guideline, the Environmental and Social Screening and Risk Categorisation Tool as well as the Group Archaeological Chance Find Procedure.

These documents standardise our approach to all land acquisition and compensation-related matters across various projects in different countries. It specifically provides a framework for our approach to land compensation negotiations and payments, community resettlements as well as options for specific types of environmental and economic losses; identification and screening for project HSE risks; and what to do in case of an archaeological find when developing a greenfield project.



Our commitment to our employees, communities and stakeholders is demonstrated by our leadership team's management of HSE and our continual drive towards zero negative environmental and social incidents

NTHABISENG MASHILWANE
CHIEF PEOPLE OFFICER



RESOURCE EFFICIENCY AND ENVIRONMENTAL MANAGEMENT

Resource efficiency and environmental management have become imperative for Liquid and goes beyond regulatory compliance. Responsible management of these resources offers tangible benefits such as cost savings, enhanced reputation, risk mitigation and new business opportunities. This increased focus is also driven by new ESG reporting requirement such as the TCFD and IFRS sustainability and climate change standards. Our responsible resource management approach supports our vision of a digitally connected future, that leaves no African behind.

Management of our HSE is guided by our ESMS Framework and HSE Policy, which are embedded throughout all operations. Ongoing audits (internal and external) are conducted to ensure that our policies and procedures are implemented accurately and timeously. HSE risks are identified as part of our group risk management process (page 39) and our various governance committees (OPCO, HSE Committee and the Regional HSE Steering Committee) monitor our HSE performance and progress. Our new ESG Executive Committee will provide an additional monitoring layer in our governance structure and the group's newly appointed Executive Head Environment, Social and Governance, is tasked with developing and embedding Liquid's sustainability strategy across the group.

Our sustainability objectives are consistent with the Group HSE policy and consider:

- Legal and compliance requirements
- HSE KPIs
- Technology investments
- Financial, operational and business requirements
- Investor specifications
- Views of other stakeholders

Liquid continues to collect and report on various KPIs and ESG data points including: electricity usage; stationary and mobile fuel combustion; potable water usage; and waste generation and disposal. This information is currently limited to a few KPIs, however in the FY24 reporting period we aim to increase our reporting scope and accuracy as well as create a baseline for setting environmental targets and objectives. Once our ESG and sustainability strategy is finalised, all group policies and procedures will be reviewed and updated accordingly. Internal and external audits (page 55) will remain part of our process to monitor all our environmental and contractor projects and performance.

Our current ESG data system will be updated in FY24 to assist with developing our first environmental baseline. Our new ESG and sustainability strategy, objectives and targets will be based on the above baseline information, stakeholder engagements, a HSE data and system gap analysis, risk and legal registers, planned materiality assessment works and the group's business strategy.

ENVIRONMENTAL COMPLIANCE AND TRAINING

One of Liquid's core values is our commitment to do ethical and responsible business and to act with integrity and honesty. This is supported by our commitment to ensure we are compliant with national, regional and local HSE legislation. To monitor our legal compliance, Liquid has developed legal registers that guide all relevant environmental, social, health and safety (ESHS) legal requirements. Each operation must identify all relevant ESHS regulations, codes of practice and standards that apply to their activities, products and services, and record this information in the Register of Legal and Other Requirements. It is the responsibility of each OPCO to keep this information up to date.

ENVIRONMENTAL IMPACT ASSESSMENTS

In terms of Liquid's Group HSE Policy and ESMS Framework all environmental project impacts must be assessed in accordance with local legislative requirements. Should an Environmental Impact Assessment (EIA) be required, such an assessment must be conducted by a competent person(s) and/or company. All EIA-related documentation must be sent to Liquid's ESG department for review and approval before being submitted to the relevant authorities. During FY23, three EIAs were required for projects in the DRC and one EIA for a project in Botswana. Approval for all four EIA's were received. Environmental project approvals, authorisations, licences and permits issued by local and national authorities, are currently being monitored and Liquid remains in compliance with the requirements of these authorisation, to the best of our knowledge.

ENVIRONMENTAL AUDITS

One of the methods used by Liquid to ensure the group and their contractors continue to comply with our own policies and procedures and external standards and authorisations, is through internal audits and site inspections. As a group we are also audited and checked by external verifiers and authorities, especially with regards to our legal environmental authorisations and EIA conditions.

Table 1 below indicates the internal and external HSE audits conducted and Table 2, on page 56, provides a list of all the HSE training interventions conducted in FY23.

Table 1: Internal and external health, safety and environmental audits

Type of audits	ADC	Liquid	TOTAL
HSE Internal audits	1	2	3
HSE External audits	8	43	51
HSE Minor non-conformances	73	50	123
HSE Major non-conformances	0	0	0
HSE Contractor audits	89	268	357
HSE project assessments	150	167	317

ENVIRONMENTAL INCIDENTS, GRIEVANCES AND FINES

Being a good corporate citizen, we continue to monitor our environmental incidents, grievances, and fines. It is important to address these issues effectively and timeously to ensure we maintain our reputation and continue to prevent future occurrences. Through ongoing stakeholder engagement we encourage our stakeholders to report environmental incidents or grievances through any of the following procedures and guidelines:

- Group Incident Management Procedure
- Group Environmental and Social Screening and Risk Categorisation Procedure
- Group Emergency Response Plan Guideline
- Group External Grievance Procedure
- Group Internal Grievance Procedure

As a group we are pleased to report that no serious environmental incidents, environmental grievances or environmental fines were issued in the reporting period as a result of our activities.

ENVIRONMENTAL TRAINING

Liquid’s commitment to protecting our environment and ensuring responsible use of natural resources are supported by various internal and external training and awareness campaigns. Employees undergo general induction training, which includes HSE aspects, before commencing work. This is supported by visible leadership, our group training platform (that includes environmental training material) and ongoing communication and consultation with employees on various environmental topics.

To support our environmental agenda and promote general awareness, the following training and awareness campaigns were conducted in the reporting period.

Table 2: Health, safety and environment training course

Training Courses	Employees trained	Operation	Internal / external training
Employee induction training	180	South Africa	Internal
	31	Botswana	Internal
	124	ADC - SA, Kenya and Nigeria	Internal
Health, safety and environmental training	31	Botswana	External
	7	Zambia	Internal
	12 (interventions)	Zimbabwe	Internal
	24	South Africa	External
	31	Botswana	External
Incident investigation	7	South Africa	External
Health, safety and environmental committee training	12	Kenya	Internal
	6	Tanzania	Internal

In addition to the formal training interventions mentioned above, the operations also conduct various informal and ad-hoc training and awareness campaigns including but not limited to:

- Lunch time learning events
- Weekly and/or monthly departmental HSE awareness talks
- Monthly HSE notifications
- Environmental awareness days

ENVIRONMENTAL PERFORMANCE

Liquid continues to monitor and report on specific environmental indicators as part of our ESMS Framework and in accordance with our shareholder agreements. In FY23 data availability, accuracy and completeness remained a challenge for the group. With resource constraints and outdated data systems we continued to have issues with collecting and verifying environmental information. However, our new sustainability strategy aims to identify the most material KPIs, standards and frameworks relevant to the group, that will be used to streamline our data collection. Through increased monitoring, regular reporting and HSE training, we aim to improve the group's environmental data quality.

Environmental data collected in FY24 will be used to develop the group's first environmental baseline and will form the foundation for identifying and setting group environmental targets and objectives. The information provided in the sections below includes data for all Liquid and ADC operations for the FY23 reporting period (1 March 2022 to 28 February 2023). The information and data in this report have not been verified or audited.

CARBON EMISSIONS

As Liquid progresses on its sustainability journey, climate change will be a key focus area for the group. As requirements evolve and stakeholders expect more transparent and robust climate change reporting, so too does the pressure on the group to improve their own data and operational performance around climate change. To assist Liquid on their climate change journey, we appointed a carbon consulting group that specialises in climate change strategies and carbon reduction initiatives.

Historically, we have collected emissions data for Liquid South Africa only, however, for this FY23 reporting period we have expanded our scope to include all Liquid operations as well as ADC operations. Our data collection is at different stages of maturity in the different regions where we operate. Data collected during the current financial year (FY24) will be reviewed and validated, by the specialists, as part of our ongoing commitment to improve the quality and quantity of our carbon data. The data will be used to develop the group's first carbon strategy including carbon emissions avoidance opportunities, setting carbon reduction targets and drafting our first TCFD aligned climate change summary report.

While the integrity and accuracy of data for FY23 is still a work in progress, FY24 has been earmarked as determining the energy and carbon baseline for accurate data collection and verification. This baseline will be used to set energy and carbon objectives and reduction targets, following which Liquid's climate change strategy will be finalised.

GREENHOUSE GAS (GHG) METHODOLOGY AND CO₂e EMITTED

Liquid's GHG inventory for FY23 was undertaken and compiled in accordance with the following standards:

- The Greenhouse Gas Protocol Corporate Standard (GHG Protocol) as developed by the World Business Council for Sustainable Development and the World Resources Institute
- The ISO 14064-1, 2nd edition. The ISO standard for measuring and reporting GHG emissions, ISO 14064-1:2006, was revised by the ISO in 2018 and a new edition, ISO 14064-1:2018, was released

By using these internationally recognised standards in a complementary way, the GHG inventory's environmental integrity is enhanced, corporate risk management is supported, and the development of a GHG management strategy is facilitated.

While no verification or assurance of the data sources or results has been conducted by a third party, efforts have been made to ensure data accuracy and integrity. The following data sets were considered in the carbon footprint calculations:

- Direct GHG emissions from combustion of fuels in company owned and/or operated equipment
- Indirect GHG emissions from purchased electricity consumed
- Emissions from business travel, including flights, train journeys, car rentals and accommodation
- Indirect emissions from the treatment and disposal of waste generated by operations
- Indirect emissions associated with water consumption, considering the energy required for water treatment and distribution
- Emissions from other ancillary activities or operations identified as significant contributors to the group's carbon footprint
- Indirect emissions associated with business travel and employee commuting (UK operation's employees only)
- Indirect emissions from purchasing laptops for the UK operations only

The methodology used to calculate the GHG inventory entails multiplying the GHG activity data by an appropriate emission factor. The total GHG emissions produced by Liquid annually are determined by adding up the GHG emissions quantities calculated for each activity data source using the equation below.

$$\text{Activity data} \times \text{Emission Factor} = \text{Quantity of GHG Emissions}$$

The calculations of Liquid's FY23 GHG inventory rely on a range of assumptions, emission factors, and conversion factors, which have been carefully selected and applied to increase data accuracy and reliability. The selection of these factors follows the guidance provided by GHG Reporting Standards, ensuring that they meet the necessary criteria for robust emissions quantification. We believe that the transparent inclusion of these assumptions, emission factors, and conversion factors allows for traceability and facilitates the understanding and verification of the reported emissions.

During the calculation the following key assumptions were taken into consideration:

- **Electricity consumption:** In cases where electricity consumption data was not provided directly, the payment amount for each location was utilised along with known electricity consumptions to calculate an intensity factor. This intensity factor was then used to estimate the missing electricity consumption data.
- **Purchased goods:** The emissions associated with purchased goods, specifically purchased computers, were determined by using a large computer manufacturer's total Scope 1 and Scope 2 emissions divided by their total revenue. This calculation provided an emission factor based on costs that was applied to the purchased computers to estimate their emissions contribution.
- **Business travel distances:** For unknown business travel distances, approximations were made using Google Maps. These estimations allowed for the calculation of emissions based on the distance travelled for business purposes.
- **Business travel in leased vehicles:** The global average fuel consumption for fuel vehicles were used in conjunction with the average emission factors of diesel and petrol vehicles from DEFRA to calculate an emission factor for leased vehicles as data was provided in fuel consumption rather than distance travelled.
- **Employee travel claims:** The emissions associated with employee travel claims were approximated by utilising the company's reimbursement rates provided. By using these rates, the kilometres travelled for business purposes were calculated and multiplied by the relevant DEFRA emissions factors, enabling the estimation of emissions associated with employee travel.
- **Employee commuting:** Emission factors for mixed employee commuting were derived by averaging the known emission sources associated with various commuting methods. This provided a representative average emission factor that was applied to estimate emissions for employees with unknown commuting details. In the case of the FY23 calculations only UK employee commuting were included. We aim to include all operating companies' employee commute information in the FY24 report.
- **Water consumption:** Water consumption was calculated based on an average water intensity factor which was calculated by summing the full data sets provided by the various operations that do record water data, and divided these total water consumption numbers by the summation of these regions' headcounts to determine average water consumption per person in a year. This intensity factor was then multiplied by each of the operations' employee headcount that count not collect water data for FY23. This approach provided an estimation of water consumption associated with the various operating facilities.
- **Waste management:** Where waste data was available the emissions were calculated and included in the overall GHG emissions. Liquid is committed to improving overall management, monitoring and reporting on waste that will allow the emissions associated with waste generation to be including in future reporting periods.

These assumptions were made to ensure a reasonable estimation of GHG emissions in cases where direct data was unavailable or incomplete. It is important to note that these assumptions were based on available information and industry best practices. As more accurate or specific data becomes available, these assumptions can be refined in future reporting cycles to further enhance the accuracy and reliability of Liquid GHG inventory calculations.

GHG EMISSIONS

This section provides an overview of Liquid's FY23 GHG inventory. The information provide in Table 3 below presents detailed emissions data that contributed to the direct emissions (Scope 1), energy indirect emissions (Scope 2) and other indirect emissions (Scope 3) calculations.



It's no longer only about functionality, cost, price and brand when we sell Liquid infrastructure, its also about having and reporting reliable data around the energy cost of using it. It's about sustainable equipment and management

*SHAHZAD MANZOOR
GROUP CHIEF TECHNOLOGY OFFICER - LIQUID NETWORKS.*

Table 3: Liquid's GHG emissions according to the GHG Protocol and ISO 14064-1:2006

Scope	Description	Liquid FY23 Emissions	ADC FY23 Emissions
SCOPE 1	Stationary and Mobile Combustion Sources	10 875.23 tCO ₂ e	6 137.73 tCO ₂ e
Operational Total SCOPE 1		10 875.23 tCO₂e	6 137.73 tCO₂e
Group Total Scope 1		17 012.96 tCO₂e	
SCOPE 2	Purchased Electricity	37 278.48 tCO ₂ e	71 790.87 tCO ₂ e
Operational Total SCOPE 2		37 278.48 tCO₂e	71 790.87 tCO₂e
Group Total Scope 2		109 069.34 tCO₂e	
SCOPE 3	Purchased Goods and Services	0.37 tCO ₂ e	0.16 tCO ₂ e
	Fuel- and Energy-related Activities	5 072.09 tCO ₂ e	9 373.94 tCO ₂ e
	Waste Generated in Operations	50.92 tCO ₂ e	22.3 tCO ₂ e
	Business Travel	1 162.46 tCO ₂ e	0 tCO ₂ e
	Employee Commuting	37.07 tCO ₂ e	0 tCO ₂ e
	Downstream Transportation & Distribution	738.09 tCO ₂ e	0 tCO ₂ e
Operational Total SCOPE 3		7 061.03 tCO₂e	9 396.40 tCO₂e
Group Total Scope 3		16 457.43 tCO₂e	
Group Total Emissions		142 539.73 tCO₂e	

Table 4: Liquid's breakdown of Scope 1, 2 and 3 emissions for FY23

Energy consumption	Unit	ADC	Liquid	Total Liquid Group
Grid electricity	MWh	72 747.60	42 478.50	115 226.10
Renewable electricity	MWh	2 376.98	7.00	2 383.98
Electricity consumed per person (total electricity / number of people / 365 days)	MWh/FTE	1.43	0.06	0.15
Coal used	tonnes	0	0	0
Fuel for stationary items				
Diesel	litres	2 310 482*	2 456 878.21	4 767 361.06
Petrol	litres	0	0	0
LPGs	kg	No Data	No Data	No Data
Coal	tones	0	0	0
Fuel used for movable equipment				
Diesel	litres	No Data	1 107 371.59	1 107 371.59
Petrol	litres	No Data	32 393.83	32 393.83
Litres fuel used from car rentals				
Diesel	litres	No Data	1 110 552.58	1 110 552.58
Petrol	litres	No Data	212 769.47	212 769.47
Short-haul travel				
Business/first class travel	km	No Data	371 017.04	371 017.04
Economy/premium class travel	km	No Data	490 546.95	490 546.95
Long-Haul air travel				
Business/first class travel	km	No Data	951 069.80	951 069.80
Economy class travel	km	No Data	1 750 230.84	1 750 230.84

* Nigeria used diesel generators to construct the ADC data center.

As Liquid continues to develop and mature its carbon footprint calculations, we will expand our emission sources and our boundary to include all new acquisitions and/or operations currently not included in the reporting scope. The identification and justification of emission sources are essential components for the development of a carbon strategy and a formal emissions target setting process, that will lead to clear carbon reduction targets for the group.

WATER MANAGEMENT

While most of our operations operate in arid regions where water is scarce, water is not a critical resource for our business. We mainly use municipal water with no borehole or rain harvesting water used as potable water. The table below presents the FY23 water use data, cost of water and annual consumption per person.

Table 5: Liquid water consumption data for FY23

Water consumption	Units	ADC	Liquid	Total Group
Municipal water consumption (m ³)	Kilolitres	1 067.63	1 462.29	2 529.92
Water consumed per person per day (total water /number of people / working days)	Litres / day / person	37.99	1.98	3.21

Some of our operations' water is not metered separately as they are located in a facility that share office space. Operations are currently putting measures in place to extract water use data for each facility to improve the accuracy of our water data for FY24. The data above includes actual data from most of our operations and for the facilities where data could not be collected, estimated water values were calculated as explained on page 58.

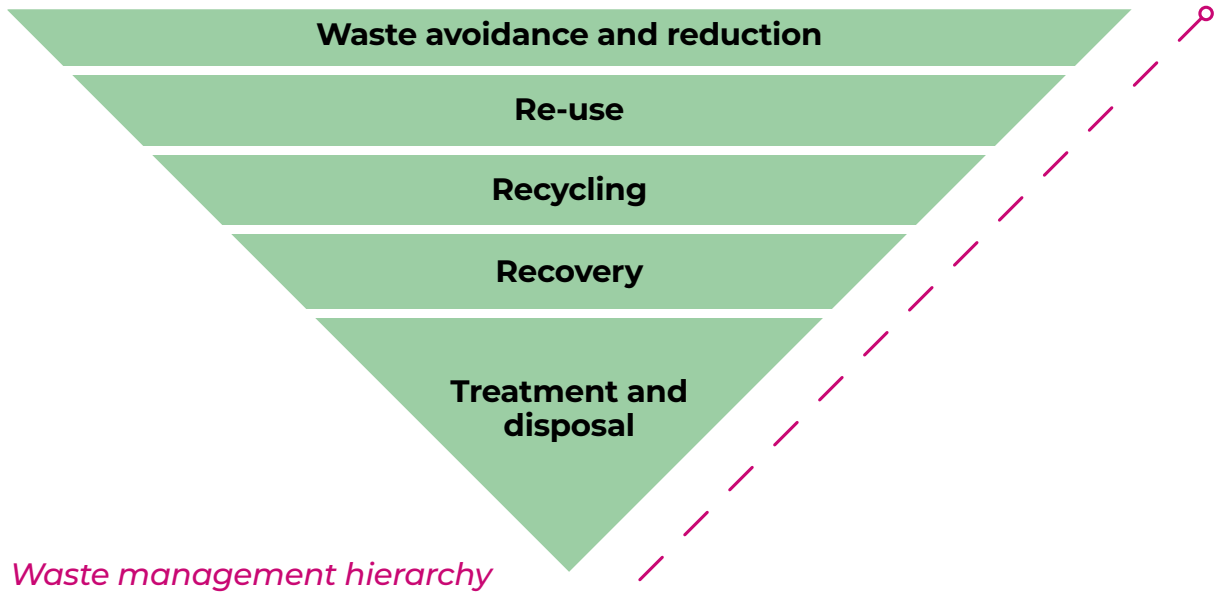
All water KPIs will be reviewed as part of the sustainability strategy development process and will be updated in our next sustainability report. For this reporting period we only report on municipal water use.

WASTE MANAGEMENT

Waste has emerged as a significant global problem, posing serious environmental, social, and economic challenges and risks. Rapid population growth, urbanization, industrialization, and changing consumption patterns have contributed to an exponential increase in waste generation worldwide. At Liquid, waste is one of the key environmental components we need to manage and monitor, specifically our electronic waste management practices. To guide our waste practices, we developed a Group Waste Management Plan in 2019, that continues to be revised and updated as we get more information on our waste streams and waste practices.

Our Group Waste Management Plan outlines the types of waste generated by Liquid with guidelines for correct handling, storage and disposal of specific waste streams. Focus is placed on managing hazardous electronic waste, which is one of our most significant waste streams for the group. As part of our sustainability strategy development review, we will update our waste management KPIs and our Waste Management Plan, if necessary, to minimise Liquid's impact on the environment and to operate according to international best practice. As depicted on page 62, our current waste management strategy focuses on waste avoidance and reduction, re-use, recycling, recovery and treatment of waste, with waste disposal being the least preferred option (refer to Figure 1 on page 62).

Figure 1: Liquid’s waste management hierarchy approach



South Africa, UK and Mauritius recycles most of their general waste while the other operations dispose of their waste in registered landfills. Hazardous waste is disposed of by using registered hazardous waste management companies. Our operations produce insignificant amounts of wastewater, which is discharged into municipal sewer systems at all our offices. One of the focus areas for FY24/25 is to implement proper waste separation systems to improve our waste disposal and management practices.

The most significant hazardous waste material currently generated by the group includes fluorescent lights and electronic e-waste, which we store in designated storage areas until they are disposed of by contracted e-waste handlers. In South Africa, Kenya and Zimbabwe, hazardous waste is managed and recycled through accredited service providers. In South Africa, all R22 air-conditioning units have been identified and will be replaced by 2030. Botswana, Zimbabwe, Zambia and the DRC will also be replacing their gas air-conditioning units with newer and approve units by 2030.

Most of our operations’ waste are being collected by registered waste disposal companies for reuse and recycling, and if required, disposal. Data from these service providers have not been reported but will be a focus area in FY24. For a summary of the operations that did report general and hazardous waste, refer to Table 6 on page 63.

A lot of the countries we operate in are still struggling with the management and disposal of waste, specifically e-waste. This also has an affect on Liquid, and as a responsible company we will aim to partner with other organisation and industry leaders in these countries to identify waste solutions for our e-waste and where possible also guide national policies.

Table 6: Liquid's waste generation data for FY23


Operations	General waste (kg)		Hazardous (kg)	
	General/mix waste Disposed	General Waste Recycled	E-waste disposed	E-waste recycled
ADC South Africa	0	91	13,025	0
ADC Kenya	0	0	0	480
ADC Nigeria	0	0	44,789	0
Liquid SA	6,058	21,689	7,542	0
Liquid Rwanda	0	0	5 915	0
Liquid Zambia	0	0	360	0
Liquid Zimbabwe	0	0	70	0
Liquid Mauritius	24	125	0	0

BIODIVERSITY

Protecting and conserving biodiversity is crucial for the wellbeing of both natural ecosystems and human society and is a focus for Liquid. Our ESMS refers to our Environmental Management Programmes (EMPr) that has been compiled to prescribe management methods to prevent, or reasonably avoid, adverse environmental impacts and strengthen the positive environmental benefits of all infrastructure construction projects within Liquid.


Each construction project tender specifies that an EMPr be compiled for the specific project and our HSE officers ensure that all our contractors and their subcontractors adhere to the EMPr specifications. Where an environmental authorisation, permit or license is required, the contractor is required to appoint a suitably qualified professional to obtain these legislative deliverables. In these instances, our ESMS is used as a guideline for the project specific EMPr to be compiled, in support of the relevant environmental license, permit or authorisation.

During the reporting period there were no significant impacts to biodiversity due to Liquid's construction activities and to our knowledge we were not involved with any other companies whose activities negatively impacted biodiversity areas. As a group we did not impact any protected, threatened or sensitive biodiversity as part of our construction activities in this reporting period.



During the reporting period there were no significant impacts to biodiversity due to Liquid's construction activities and to our knowledge we were not involved with any other companies whose activities negatively impacted biodiversity areas

*DR ANGUS HAY
REGIONAL EXECUTIVE ADC*



ENVIRONMENTAL AND SOCIAL PROJECT SCREENING

Liquid's HSE Policy seeks to improve the health, safety, environmental and social conditions of the communities and ecosystems in which we operate, particularly when developing or initiating new infrastructure or construction activities in our communities. To ensure we identify, manage and monitor all construction related activities, Liquid developed an Environmental and Social Screening and Risk Categorisation Procedure. This procedure has been developed to ensure all social and environmental sustainability issues are considered and integrated into the project lifecycle, that all legal requirements and standards are adhered to and that stakeholder concerns are addressed.

It is important to note that the above procedure serves as a corollary to our institutional risk protocol and specifically guides the identification and evaluation of environmental and social risks, which are then managed in accordance with the principles and guidelines in the Group Risk Management Policy. Depending on the environmental or social risks identified, Liquid may decide not to continue with the project.

Liquid conducted 317 HSE project screening audits in the period under review.

In addition to the Environmental and Social Screening and Risk Categorisation Procedure, the following measures are in place to help prevent pollution and minimise our impact on the environment and communities where we operate:

- **Contractor specification:** Our contractors' safety, security, health and environmental impacts are managed through our own HSE specifications. These specifications drive compliance and HSE specifications during the project lifecycle. The responsibility for adherence rests with the principal contractor but is monitored by our HSE officers and Regional HSE managers.
- **Contractor audits:** Monthly HSE audits monitor compliance of contractor activities against our group HSE requirements and the contractors HSE file, submitted as part of the contractor onboarding process.
- **Environmental Management Plan (EMP):** This prescribes methods to prevent or avoid adverse environmental impacts and strengthen the positive environmental benefits of all group construction projects. An EMP is included as part of all tender documents for construction projects. Contractors and their subcontractors are required to comply with the specifications in the EMP.

The Environmental and Social Screening and Risk Categorisation Procedure is not only used during project planning, initiation and construction, but is also used as part of the final project sign-off process and prior to the commencement of any operational activities.

Managing the HSE project impacts is a dual responsibility between Liquid and our contractors. Both parties take accountability for possible project impacts and ongoing engagement between Liquid and contractors, subcontractors and the community also takes place. Although the overall HSE aspects are overseen by Liquid's HSE management team, through regular audits and ongoing site inspections, the day-to-day project on-site management is the contractors' responsibility. For more information on how we monitor contractors' health, safety and environmental performance, refer to the contractor health and safety section on page 78 of this report.

In addition to the 317 HSE project assessments reported on page 55 (167 for Liquid and 150 for ADC) conducted in FY23, three EIAs were done in DRC and one in Botswana, for projects that required environmental screenings, assessments and approvals prior to any construction can commence.

LAND ACQUISITION AND RESETTLEMENT

Liquid recognises that project-related land acquisition, restrictions on land use and voluntary and involuntary resettlement of communities can have adverse impacts on socioeconomic conditions in the regions where we operate. To address and manage any land acquisition and possible resettlement activities as a result of a project implemented by Liquid, the group developed two documents, namely our Land Acquisition and Compensation Guideline and our Environmental and Social Screening and Risk Categorisation Procedure to assist with such processes. These documents were compiled in line with the IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement and is managed through Liquid's ESMS.

The guidelines encompass compensation for inconvenience due to land acquisition, as well as for the temporary or permanent loss of tangible and intangible rights to assets and means of livelihoods because of land acquisition as well as any potential negative impacts on the environment. The guidelines are based on the following principles:

- Proactively engage with potentially affected stakeholders on the specific acquisition process applicable to their circumstances
- Ensure that meaningful and adequate consultation with potentially affected stakeholders is ongoing throughout the project implementation and that the determination of the requirement for land acquisition and associated compensation is done in consultation with potentially affected stakeholders. Compensation must consider the full replacement cost of assets and other help needed to restore or improve living standards or conditions
- Always deal with land acquisition and compensation-related matters in accordance with the local legislative requirements of the country within which the project is implemented, in addition to the requirements of the IFC Performance Standard 5
- Consider and respect language preferences, levels of education, cultural and religious practices when identifying land acquisition and compensation entitlement
- Compensate potentially affected stakeholders in a consistent manner within a reasonable timeframe and in a fair manner. Eligible potentially affected stakeholders must include those who do not have formal legal rights to land and assets they occupy and use. Liquid must ensure that vulnerable potentially affected stakeholders and the associated needs are identified

These guidelines focus on compensation associated with acquiring land and rights to land through agreements in consultation with potentially affected stakeholders. These guidelines are applicable to all Liquid employees, contractors and third parties that engage in any aspect of land acquisition, resettlements and/or compensation as part of infrastructure development projects.

During the reporting period ADC (South Africa) acquired 6.8 acres of land for the development of a new data centre in Cape Town. Development has started and construction is expected to be completed in FY26. ADC also bought 3.8 acres of land in Kenya and 2.5 acres in Rwanda to further expand their data centre capacity – both these sales are still pending final payment and land transfer. None of these acquisitions will result in any resettlement activities or require any compensation, with no land degradation, desertification or soil sealing expected. The development of the land will be assessed and monitored in accordance with our Environmental and Social Project Screening and Risk Categorisation Procedure (explained in the previous section) and affected stakeholders will be engaged on a regular basis, to provide project updates and to inform them of the group's internal and external grievance procedure.

One of the ways to minimise distress and risks is by ensuring that all potentially affected stakeholders are identified and provided with fair compensation for different losses or inconveniences during project implementation. This is done through our ongoing Stakeholder Engagement Framework as well as our Environmental and Social Screening and Risk Categorisation Procedure.

As most of our infrastructure developments occur within existing infrastructure servitudes or right of ways, we are pleased to report that there were no instances of land acquisition and project construction activities that required community displacement or compensation payments to be made. No incidents or grievances were reported for any environmental or social aspects relating to the above land acquisition process.

LOOKING AHEAD

Some of our high-level action points include:

- Compiling a group sustainability strategy
- Updating our current ESG data management system
- Convening the first Executive ESG Committee meeting in FY24
- Determining environmental baselines in FY24
- Ensuring ISO 14001 readiness for Liquid's East and Central African operations
- Certifying the rest of ADCs operations in obtaining ISO 14001 and ISO 50001 by FY25
- Developing our first Climate Change Strategy
- Developing our first TCFD summary report to be included in FY24's Sustainability Report
- Updating our Group Waste Management Procedure and improving our waste management initiatives across the group

Learn Continuously

Learning continuously through health and safety commitments is a strategic and transformative approach. It not only ensures the wellbeing of our employees, contractors and communities but also ensures that Liquid's workforce remains resilient, adaptive, innovative and ready to face future opportunities or challenges. Part of this learning curve also includes improving our diversity and inclusion as a company and ensuring that all employees are treated equally and fairly.

Learn Continuously

As part of our Group vision we aim to provide a working environment free from harm, by promoting a positive culture and continuously improving the health, safety and wellbeing of our employees, contractors, customers and communities in all spheres where we operate. Liquid's commitment to our employees extend beyond just ensuring a safe and secure working environment, we also aim to provide a fair remuneration and retention structure, to encourage employees to positively contribute to the growth of the company and to develop their talents.

To deliver our vision through our corporate and business strategies, it is paramount that we hire the best talent for the roles we have available and that we retain them through development, support and, where relevant, fast-tracking high achievers. As a group, we remain committed to a diverse and inclusive workforce.

This pillar covers a range of stakeholder health and safety requirements as well as Liquid's labour and working conditions as indicated below:






- **Health, safety and security of**
 - Employees
 - Contractors
 - Communities
- **Employee wellbeing and working conditions**
 - Employee labour and working conditions
 - Remuneration, retention and performance management
 - Skills development, career enhancement and training and development
 - Diversity and inclusion
 - Ethical conduct

The information below outlines Liquid's management approach and alignment with the IFC Performance Standards as well as the Sustainable Development Goals (SDGs) relevant to this pillar.

IFC Performance Standards

IFC Performance Standard	Standard objective
<p>2: Labour and working conditions</p>	<ul style="list-style-type: none"> To promote the fair treatment, non-discrimination, and equal opportunity of workers To establish, maintain, and improve the worker-management relationship To promote compliance with national employment and labour laws To protect workers, including vulnerable categories of workers such as migrant workers, seasonal or temporary workers engaged by third parties, and workers in Liquid's supply chain To promote safe and health working conditions, and the health of workers. Compliance with the 8 ILO Core Conventions which also include forced/ child labour
<p>4: Community health, safety and security</p>	<ul style="list-style-type: none"> To anticipate and avoid adverse impacts on human health and safety of the affected community during the operations from both routine and non-routine circumstances To ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimises risks to the affected communities

Sustainable Development Goals

<p>SDG 3: Good health and well-being</p> <p>Seeks to ensure health and wellbeing for all, at every stage of life. It also calls for more research and development, increased health financing, and strengthened capacity of all countries in health risk reduction and management.</p>	
<p>SDG 4: Quality education</p> <p>Aims at ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all. This goal ensures that all girls and boys complete free primary and secondary schooling by 2030.</p>	
<p>SDG 5: Achieve gender equality and empower all women and girls</p> <p>Seeks to prevent any discrimination, violence and unfair treatment against all women and girls on social and economic levels. It also promotes gender equality and empowerment of all females.</p>	
<p>SDG 8: Decent work and economic growth</p> <p>Promote inclusive and sustainable economic growth, employment and decent work for all. Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards.</p>	
<p>SDG 9: Industry, innovation and infrastructure</p> <p>Seeks to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. Industrialisation drives economic growth, creates job opportunities and thereby reduces income poverty.</p>	

HEALTH, SAFETY AND SECURITY MANAGEMENT

An effective management approach for health, safety and security performance is crucial for Liquid to ensure the wellbeing of our employees, maintain compliance with legal requirements, to foster a culture of safety and security and enable a working environment that is conducive to a high-performance culture, where employees can fulfil their personal and professional goals. This comprehensive approach, guides us in managing occupational hazards, reducing workplace accidents and illnesses, and promoting a safe and healthy work environment. By following this approach, we can protect our workforce, develop talent, embrace diversity and inclusion, provide excellent customer service, enhance productivity, demonstrate a commitment to employee wellbeing and improve on our performance.

We have several policies, procedures and processes in place to ensure we identify, monitor and mitigate possible health and safety risks, which are reviewed and updated on an ongoing basis. We also strive to conform with the IFC Performance Standards and other relevant international best practice guidelines/frameworks like the SDGs and ISO management systems. For more detail see below.

Key policies, procedures and frameworks

Health, safety and security documents

- Group Environmental, Social, Management Systems Framework
- Group Health, Safety and Environmental (HSE) Policy
- Group Incident Management Procedure
- Group Wellbeing Policy
- Group Driver Policy
- Group Security Policy (draft)
- Group Stakeholder Engagement Framework
- Group Contractors Health, Social and Environmental Specifications
- Group External Grievance Management Procedure
- Group Internal Grievance Procedure

The following ISO standards have been implemented and certified by Liquid South Africa and all ADCs operations except for Nigeria, that will be undergoing certification in FY24.

- ISO 9001: Quality Management Systems
- ISO 45001: Occupational Health and Safety Standard
- ISO 22301: Business Continuity Management

As part of our Environmental Social and Management System (ESMS) implementation, the following processes and system updates were implemented to ensure ongoing management and continual improvement of health, safety and security (HSS) systems across our operations, supply chain and communities:

- Enforcement of the Group Code of Conduct and Group HSE Policy that prescribe the implementation requirements of health and safety plans
- Continued to manage and monitor processes and procedures that are based on ISO and IFC standards
- Reviewed and clearly defined ESG roles and responsibilities across the group

- Ensured ongoing review of OPCO-specific HSE legal registers and baseline/risk registers
- Conducted annual internal audits of HSE management systems
- Continued to do monthly audits of select active contractors in terms of our HSE requirements.
- Ongoing OHS training for both employees and contractors
- Enforced group incident management procedures that encompass risk assessments, root cause analysis, controls identification and implementation, lessons learnt and communication and awareness of incidents
- Continued checking contractor HSE specifications with associated contractor vetting and onboarding requirements
- Ongoing submission of monthly operational HSE data
- Conducted regional and operational HSE committee meeting in most of our regions, to monitor and supports HSE requirements in terms of the relevant group policies and ESG commitments

We continue to conducted various regional audits, both internally and externally, as part of our HSE management system. The following external legislated compliance audits have been conducted during the reporting period:

- ISO 45001 and ISO 14001 surveillance audits (Liquid South Africa and ADC)
- Environmental inspections to verify all Licensing and Monitoring permits in Zimbabwe, in accordance with the EMA Act
- Six health premise licensing audits were conducted in Zimbabwe - part of the City bylaw requirements
- Safety Labour Inspection Audit conducted in the DRC by the Labour Inspection Department
- Four fire licensing Inspections and a safety site assessment audit was conducted on our Zimbabwe operations by the National Social Security Authority (NSSA)
- Accident prevention and workers compensation schemes were audited by the NSSA in Zimbabwe

None of the above audits and inspections resulted in any major or reportable findings being issued. In addition, all required environmental and health and safety permits, licences and authorisations are in place and remain valid.

The above processes and systems are guided by our group policies and frameworks and implemented and managed by our Regional HSE managers, operational CEOs as well as the new Executive Head Environmental, Social and Governance that represents the group. For more detail on the group ESG reporting and governance structures refer to page 25 of Our ESG Journey.

EMPLOYEE HEALTH, SAFETY AND SECURITY

Liquid's main priority when it comes to our employees, is to ensure a safe and conducive working environment, which can only be achieved by embedding a safety culture among employees and contractors. This culture is supported by HSE management procedures and policies, ongoing training and regular inspections. All employees and Liquid contractors are obliged to work closely together in identifying, reporting and minimising any risk that might jeopardise the wellbeing of our employees, contractors, communities or the environment.

The foundation of this process is the ongoing investment and updating of our ESMS and our soon to be developed sustainability strategy, which will support management to identify legal and other HSE requirements across the group, confirm the structure of authority and responsibility, implement measurable objectives, and outline risk assessment processes for monitoring and auditing

operational activities. Any reported HSE risks, concerns, near-misses or incidents are investigated by the HSE department to determine the extent and root cause of the incident and mitigation steps are implemented to prevent similar events. Through this process the risk registers are also updated on an ongoing basis, and all events are discussed at the monthly HSE committee meetings.

Regular workplace safety inspections are conducted by HSE managers and safety officers. These inspections include general office safety checks, first aid equipment and fire extinguisher compliance checks. Any findings or possible improvements are also discussed at the HSE committee meetings, where members contribute to the development and implementation of appropriate mitigation measures.

In addition to the above, monthly inspections are carried out by appointed HSE representatives on company vehicle, construction sites, availability and use of appropriate protective personal equipment (PPE) as well as a checking if medical surveillance programmes are carried out for applicable staff and contractors.

HEALTH AND SAFETY TRAINING

Liquid has various policies, systems and procedures in place to ensure a safe and secure working environment. To support our safety culture, regular health and safety training and awareness campaigns are rolled out by trained health and safety representatives, first-aiders, fire and evacuation marshals, that oversee all operational activities, recommend improvements and where required issue appropriate PPE.

Employees also undergo general company induction training, which includes an overview of the relevant operational HSE aspects. This is supported by visible leadership, internal audits and inspections, a training platform with health and safety (H&S) training material and ongoing communication and consultation with employees on a range of H&S aspects.

Some of the H&S training conducted in the reporting period is listed below.

Training Courses	Employees trained	Operation	Internal / external training
Employee induction training	180	South Africa	Internal
	31	Botswana	Internal
	124	ADC - SA, Kenya and Nigeria	Internal
Health safety and environmental training	31	Botswana	External
	7	Zambia	Internal
	12 (interventions)	Zimbabwe	Internal
	24	South Africa	External
	31	Botswana	External

Training Courses	Employees trained	Operation	Internal / external training
First aid training	22	South Africa	External
	19	Botswana	External
	18	Kenya	Internal
	21	Zambia	External
	Various	Tanzania	Internal
Emergency and fire fighting	22	South Africa	External
	20	Kenya	External
	20	Zambia	External
	Various	Tanzania	Internal
Emergency preparedness and response	26	Botswana	External
	18	DRC	External
	150	Kenya	Internal
Incident investigation	7	South Africa	Internal
ISO 45001	9	South Africa	External
	Various	DRC	External
	16	ADC - SA, Kenya and Nigeria	External
Defensive driving	5	South Africa	Internal
	6	Botswana	External
Evacuation training	12	South Africa	External
Pest control and handling	6	Botswana	External
COVID-19 and hygiene management	39	Botswana	External
Mobile crane training	9	Botswana	External
Hazard identification and risk assessment	6	Zimbabwe	External
	10	Zambia	Internal
	9	South Africa	Internal
	18	DRC	External
	27	ADC - SA, Kenya and Nigeria	Internal
Contractor onboarding	28	Zimbabwe	Internal
Health and safety committee training	12	Kenya	Internal
	6	Tanzania	Internal

Although not all operations reported their training interventions the countries that did report training initiatives, collectively reported that more than 1 000 employees received more than 5 300 persons-hours of occupational, health and safety training.

In addition to the formal training interventions mentioned above, the operations conduct various informal and ad-hoc awareness campaigns including but not limited to:

- Lunch time learning events
- Weekly and/or monthly departmental HSE awareness talks
- Monthly HSE notifications
- Safety tool-box talks
- Awareness days (various health, safety, security and wellness topic)

EMPLOYEE EMERGENCY RESPONSIVENESS

Our Group Emergency and Response Plan (ERP) provides guidance for operational-specific ERPs to be developed and is updated annually by each operating company (OPCO). These ERPs include, among others, procedures for the following potential emergencies:

- Emergency evacuation with associated schedule for emergency/evacuation drills
- Fire emergency evacuation
- Chemical/diesel spills
- Emergency – bomb/explosives
- Emergency – civil disturbances
- Monitoring and reporting to provide evidence of implementation and continuous improvement
- Structural failure
- Electricity/energy blackouts

Annual training, mock drills and evacuations are conducted by all our operations to test employee readiness and preparedness and to create awareness. We also require our contractors to have project specific ERPs aligned to the nature of their operations/scope of work, that could impact their own employees as well as Liquid's employees and communities.

PHYSICAL SECURITY RISK

Liquid is not unaffected by global and local security risks. In the reporting period the following security risks were noted and, in some cases, continue to be a risk:

South Africa - Loadshedding continues to pose a security risk as criminal elements take advantage of no power to steal batteries, cables and other infrastructure

South Sudan - Security threat levels remain high due to guerrilla activity outside of the capital cities, posing threats to the safety of our employees

Kenya - The threat level increased over the election period where there was some violence and intimidation

DRC - Due to an increase in rebel force activities in the DRC, our offices in DRC were put on security alert, however no security incidents were reported

Other regions - While some minor infrastructure damage/theft-related incidents were reported in the other regions where we operate, there were no significant security incidents reported during the reporting period

To ensure we stay abreast with these and other security risks, the group continues to engage with private/public security forces to manage and control possible security breaches. For the reporting period no reports were received of any physical security breaches or incidents resulting in any human rights abuses due to private or public security activities.

However, to ensure that a formal management and reporting process is followed, Liquid is currently developing a Group Security Policy that, once approved, will require each operation to compile an operational Security Management Plan to address their unique in-country security risks and include a requirement to carry out security risk assessments prior to major projects. It is anticipated that both the Group Security Policy and Operational Security Plans will be completed and implemented in FY24. At present, both the current extent of security risks as well as specific training provided to security teams, are not reported but will be included in the abovementioned policy and plans for future reporting.

HEALTH AND SAFETY AUDITS

One of the methods used by Liquid to ensure the group and their contractors continue to comply with our own H&S policies and procedures and external standards and authorisations, is through internal audits and site inspections. As a group we are also audited and checked by external verifiers and authorities, especially with regards to our legal authorisations and ISO specifications.

Table 7 below indicates the internal and external H&S audits conducted during the reporting period.

Table 7: Internal and external H&S audits

Type of audits	ADC	Liquid	TOTAL
HSE Internal audits	1	2	3
HSE External audits	8	43	51
HSE Minor non-conformances	73	50	123
HSE Major non-conformances	0	0	0
HSE Contractor audits	89	268	357
HSE project assessments	150	167	317

INTERNAL GRIEVANCE PROCEDURE

To ensure we continue to provide a safe working environment for all our employees, we have developed a Group Internal Grievance Procedure. Should an employee feel that their safety, health or wellbeing is being affected and they have been discriminated against in any way, they can raise a grievance in accordance with Liquid’s Internal Grievance Procedure. An employee who raises a grievance will not be victimised and the grievance is handled in a confidential and professional manner.

As part of our induction training, employees are made aware of the Group’s Internal Grievance Procedure and ongoing awareness is conducted around employee safety and security requirements. Our Internal Grievance Procedure is available on the group’s intranet and can also be requested from our human resources department.

EMPLOYEE HEALTH AND SAFETY STATISTICS

We believe that the ongoing training and awareness and onsite inspections and assessments conducted at our operations, continue to have a positive impact on Liquid's employee health and safety statistics. Below are some of the stats that apply to the reporting period:

TRANSPORT SAFETY

In FY22, the group developed and implemented a new Driver Policy, supplementing the Group Driver Code of Conduct (code of conduct), that has contributed to no major employee driver-related incidents being reported in FY23. The group will continue to enforce the Driver Policy and Code Of Conduct, to further reduce the amount of excessive speeding and traffic infringements reported.

LOST TIME INJURIES (LTIS) AND LOST TIME INJURIES FREQUENCY RATE (LTIFR)

South Africa was the only country that reported work-related incidents and LTIs. Thirteen (13) incidents, requiring medical intervention were reported but did not result in any lost time. In addition, five (5) LTIs were reported that resulted in 33 workdays lost and a 0,293 LTIFR.

EMPLOYEE FATALITIES

While we had no work-related employee fatalities, it is with regret that we have to report two contractor fatalities in the reporting period. For more detail on the two fatalities refer to page 79 on contractor fatalities.

SECURITY INCIDENTS

As reported in the section above, we had no major physical security incidents that resulted in the safety of our employees being compromised or any human rights abuses being reported. This risk will further be reduced once our new Group Security Policy is finalised and Security Plans are implemented at operational level.

CONTRACTOR HEALTH AND SAFETY

The nature of our operations requires that we engage and appoint third party contractors to assist with and manage various on-site projects. This does however not relieve Liquid of its duty to ensure and manage our contractor's health, safety and environmental conduct. As a group we continue to take responsibility for all employees, contractors and communities' safety and security on any of the projects implemented using third parties. We manage the health and safety of contractors through a set of Contractors Health, Social and Environmental Specifications.

Our contractor-focused HSE specifications, contributes to effectively managing safety, security, health and environment standards established for each project lifecycle, from conceptualisation to completion. To ensure our contractors are adhering to the Contractors Health, Social and Environmental Specifications our HSE officers continue to:

- Conduct annual internal audits of contractors' health and safety, and environmental management systems
- Review contractors' safety files, reported incidents and labour requirements to ensure they are in compliance with any HSE and labour requirements relevant to the project scope and location
- Conduct monthly audits on active contractors in terms of group HSE requirements and relevant local legislative requirements
- Train and refresh contractors and site-employees on HSE requirements

- Conduct annual contractors conferences to induct new contractors, refresh existing contractors on HSE requirements and introduce any new or upcoming HSE requirements (this is done by selected operations)
- Promote the Group Incident Management Procedures that encompass risk assessments, root cause analysis, controls identification and implementation, lessons learnt and communication and awareness of HSE incidents
- Monitor contractor HSE specifications as agreed with the contractor during the vetting and onboarding process
- Ensure contractors submit relevant monthly HSE data



All contractors are expected, as a minimum, to comply with all relevant legislation as well as all Liquid's HSE specifications

ANTHONY PEPLAR
GROUP ASSURANCE EXECUTIVE



CONTRACTOR HEALTH AND SAFETY MANAGEMENT

All current and potential contractors undergo an annual health, safety and environmental management system compliance vetting or evaluation before being onboarded or re-appointed. All contractors are expected, as a minimum, to comply with all relevant legislation as well as all Liquid's HSE specifications (provided in their on-boarding pack).

The following vetting requirements are in place to ensure Liquid appoint responsible contractors:

- A master safety, health and environmental file that details the contractor's HSE management system and their project approach, is submitted to Liquid and the contents checked and audited against the Liquid Safety File Index
- The contractor is required to achieve a minimum compliance score of 85% on their safety file audit
- All mandatory/legal HSE requirements checked and verified
- In addition to the documentation specified above, the contractor must provide a signed declaration (by the CEO/MD appointee (where relevant)) stating that all health and safety and environmental requirements will be met and have been/will be adequately budgeted for, including but not limited to:
 - All PPE requirements
 - Equipment and tools required for projects/work
 - Maintenance of equipment and tools required
 - Training and competency requirements as outlined in the specification
 - Safe transportation of staff and equipment to and from site (where applicable)
 - Adequate full time competent supervision on all projects
 - Appointment of a permanent or full time competent safety practitioner and/or an Environmental Control Officer

As part of the vetting and onboarding process, each contractor must also provide the following information before commencing with a project and/or on an annual basis thereafter:

- Copies of certification achieved (ISO 45001, ISO 14001, ISO 9001, etc) if relevant
- Emergency and Response Plans specifically aligned to the nature of their operations/scope of work
- Incident statistics for the past three years
- Copies of near misses and incident reports for the past three years
- Contractor company HSE Management Plans

- Number of employees on project, their demographics and their wage agreements
- Copies of HSE policies and procedures along with implementation evidence
- Evidence of ongoing emergency and fire drills
- HSE training and risk registers

CONTRACTOR HEALTH AND SAFETY TRAINING

For the reporting period no specific HSE training data or training interventions were reported by contractors. Where relevant, hours trained and the type of HSE training conducted, will be included in the FY24 contractors KPIs for reporting on a monthly basis.

Although no formal contractors' training statistics are available we do know, from audits and site inspections, that most of our contractors facilitated:

- HSE induction training
- Daily tool-box talks
- HSE supervisor training
- Site-specific HSE training

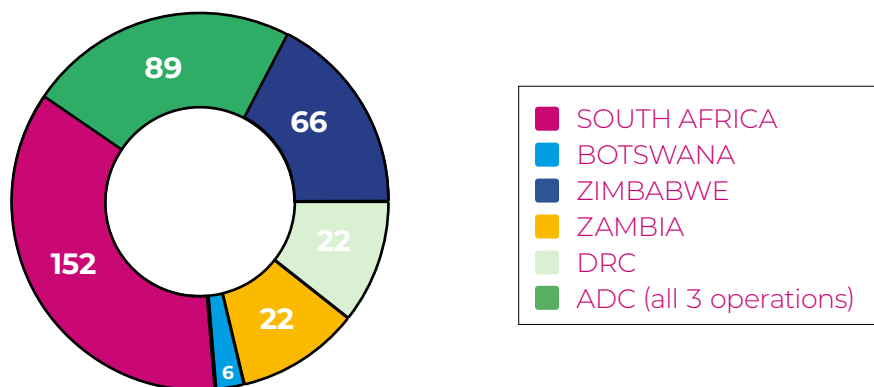
Liquids HSE officers and regional HSE managers also ensure that contractors are made aware of the following group policies and procedures:

- Group Health, Safety and Environmental (HSE) Policy
- Group Contractors Health, Social and Environmental Specifications
- Group Incident Management Procedure
- Group Driver Policy
- Group Environmental and Social Screening and Risk Categorisation Tool
- Group External Grievance Management Procedure

Regional HSE manager and HSE officers also conduct regular contractor onboarding training when new contractors are appointed or as part of refresher training for existing contractors.

CONTRACTOR AUDITS

Auditing our contractors provides assurance that our on-site contractors and their subcontractors are complying with local legislation, company HSE specification and that they are also being responsible citizens. Although not all our operations reported their annual contractor audits, 357 HSE audits were conducted on active contractors as indicated in the chart below.



Total HSE Audits

357

CONTRACTOR HEALTH AND SAFETY STATISTICS

At present, limited contractor health and safety information is available for the reporting period. We are however committed to continually improve the quality of contractor data and have identified the following initiatives to assist with the contractor KPI reporting process:

- The Group Incident Management Procedure (IMP) has been extended to contractors, for contractor-related HSE-incidents to be reported through the Group IMP.
- The following contractor information is to be submitted to Liquid monthly by all active contractors:
 - Number of employees working on Liquid projects
 - Number of female and skilled employees working on Liquid projects
 - Number of employees under the age of 25 working on Liquid projects
 - Manhours of work performed for Liquid
 - Health, safety and environmental incidents and classifications
 - Amount of hours and type of HSE training conducted
 - Immediate reporting of any significant incidents to the Regional HSE manager and subsequent reporting to major investors
 - Total Km driven for transporting equipment/staff for Liquid projects
 - Amount of fuel used
 - Amount of waste and hazardous waste produced, disposed and recycled

CONTRACTOR TRANSPORT SAFETY

In FY22, Liquid developed and implemented a new Driver Policy, supplementing the Group Driver Code of Conduct. Both these documents are now being included as part of the contractor's onboarding pack and they are expected to comply with the driver safety specification in these policies. Other than one car accident that sadly claimed the lives of two contractors, no other data on driver and transport safety of contractors was received. Liquid aims to engage with contractors to increase the awareness of the policy requirements and start collecting relevant data.

CONTRACTOR LOST TIME INJURIES (LTIS) AND LOST TIME INJURIES FREQUENCY RATE (LTIFR)

Zimbabwe was the only country that reported one (1) contractor work-related incident that resulted in an LTI. The incident resulted in ten (10) working days lost, that resulted in a 0,83 LTIFR.

CONTRACTOR FATALITIES

It is with sadness and regret that we report two contractor fatalities in the reporting period. Both fatalities were due to one car accident that occurred in October 2022. A full investigation on the incident was conducted by Liquid and the contractor. As part of our remedial action, additional driver safety training was implemented and ongoing routes and road conditions are being assessed and relevant information is relayed to employees and contract staff working and driving in that area.

CONTRACTOR SECURITY INCIDENTS

We had no major physical security incidents as a result of a security contractor appointed by Liquid. This risk will further be reduced once our new Group Security Policy and operational Security Plans are finalised and communicated to operations and relevant contractors.

COMMUNITY HEALTH AND SAFETY

Liquid recognises that project activities, equipment, and infrastructure can increase community exposure to safety and health risks and that it is our responsibility, as project owners, to avoid and or minimise the risks and impacts on our communities' health, safety, and security. To identify and avoid potential risks and impacts on our communities, Liquid developed and implemented an Environmental and Social Screening and Risk Categorisation Procedure. This tool is used before any project commences and the results of the screening are used to identify potential community safety and health risks and measures identified to mitigate these risks. In addition, Liquid also conducted the following HSE-related initiatives in relation to community health and safety during the reporting period:

- Risk registers were compiled in all OPCOs to ensure that operational HSE risks are identified, and control measures were implemented to prevent or minimise potential community HSE impacts, including but not limited to:
 - Infrastructure and equipment design and safety requirements
 - Exposure to hazardous materials
- Environmental impacts and risks
 - Community diseases such as water-borne diseases
- An external grievance mechanism was developed and communicated to all community members as part of the project awareness
- A project notification letter is provided to all community members to introduce any new project, highlight the project communication process, introduce the project team and make community members aware of the incident and grievance processes
- The contractor's specification and onboarding documentation also includes:
 - A Task-based Hazard Identification and Risk Assessment (HIRA) procedure
 - An Incident Management Procedure
 - An External Grievance Mechanism Procedure

EXTERNAL GRIEVANCES

The Group's external Grievance Management Procedure (GMP) is designed to facilitate the registering, acceptance and closure of grievances from external stakeholders, including contractors and affected communities. The GMP is available to any external party that wishes to communicate a grievance to Liquid whether it be an individual, non-governmental organisation, community-based organisation or other community groups.

Community Liaison Officers and HSE Officers are responsible for ensuring contractors and communities are aware of, and understand the grievance procedure before a project commences. The grievance procedure will be publicised and communicated in a manner appropriate to the scope and nature of the project, location of the project and in a manner appropriate to the audience (i.e. method of delivery, language, etc.). Copies of the grievance procedure and report can be downloaded from the Liquid website (<https://liquid.tech/about-us/governance/>) or a hardcopy can be obtained from the Community Liaison Officer.

EMPLOYEE WELLBEING AND WORKING CONDITIONS

In alignment with Liquid’s growth strategy, we have embarked on a journey of reinventing our human capital strategy, seeking out better ways of interacting and collaborating with our employees to drive performance, harness innovation and implement a principles-based approach to manage our human resources (HR).

Our people and customers are the heart of our business, and we aim to transform our practices to position employees and customers at the centre of our business strategy. At this early stage of our transformation journey, we are focused on:

- Establishing and building on robust HR practices that include employee wellbeing
- Fair and equitable labour principles
- Talent management and retention
- Employee development
- A diverse and inclusive workforces and
- Ethical conduct in all our operational activities

Our transformation ideal is to make a positive economical and sustainable impact. Standardising foundational HR practices across the group, allows for quick and seamless expansion into new territories when expanding our operational footprint and broadening our product portfolio.

Key policies, procedures and frameworks

Labour working condition

- Group Code of Conduct
- Group Human Resources Policy
- Group Equality, Diversity and Inclusion Policy
- Group Bullying, Harassment and Victimisation Policy
- Group Hybrid/Flexi-working Policy

Labour working condition

- Group Retrenchment Policy
- Group Internal Grievance Policy
- Group Remuneration Policy
- Group Employee Wellbeing Policy
- Group Recruitment and Selection Policy
- Group Whistleblowing Policy

Liquid recognises that the pursuit of economic growth, through employment creation and income generation, should be accompanied by fair employment conditions and the protection of fundamental rights of workers. We therefore comply with the IFC’s Labour and Working Conditions Performance Standards and have included and continue to monitor the International Labour Organisation’s (ILO) labour compliance requirements internally in all HR policies, and externally in all contractor and supplier contracts.

The IFC and ILO labour compliance requirements specify:

- The right to freedom of association
- Recognition of the right to be part of collective bargaining structures
- Fair treatment and equal employment opportunity
- Elimination of all forms of forced or compulsory labour
- Abolition of child labour
- Elimination of discrimination in respect of employment and occupation

Liquid continues to review and update its HR policies and procedures to address changes to working conditions and to comply with any new labour requirements. During the reporting period, the group did a detailed review of its Group Human Resources Policy with the main updates including a focus on employment contracting and overtime as well as human rights abuses. The policy is currently in draft format and is expected to be approved and communicated to employees in the first six months of FY24.

EMPLOYEE WELLBEING MANAGEMENT APPROACH

Liquid is committed to ensuring the wellbeing of its employees in line with all relevant legislative requirements and best practice principles. We recognise that a state of wellbeing encompasses achieving, among others, work-life balance, stress management at work and providing a work environment that is free from discrimination, bullying, harassment, victimisation and unsafe working conditions.

The Group's Employee Wellbeing Policy covers work-life balance, flexible working, discrimination, bullying, victimisation and harassment and applies to all operational entities that forms part of the group as well as to all employees, whether permanent, full time, part time, fixed term, or home workers. The policy also applies to all persons working for us or on our behalf in any capacity, including agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners.

Wherever possible, Liquid is committed to combatting stress-related issues from occurring and aims to reduce the causes of work stress by:

- Conducting risk assessments and implementing improvement plans that are agreed collaboratively between employees, line managers, risk management, occupational health and HR
- Providing a range of employee support services such as the Employee Assistance Programmes
- Facilitate ongoing discussions between employees and their line management to identify possible stress factors and recommended remedial interventions
- Supporting flexible hours and working from home where feasible

Any concerns an employee raises about health or workload is supported by Liquid and treated in confidence. We encourage employees to raise any concerns at the earliest opportunity to prevent the issue becoming a serious risk to the employee's health or ability to continue working effectively. Most of Liquid's operations have access to a free helpline service for employees that provides professional, impartial and independent advice regarding any issue, work or non-work related.

Liquid is committed to creating a work environment that encourages supportive working relationships between employees, and between employees and their line managers, to enable open communication and the early identification of any workplace issues that may affect employee wellbeing. Liquid has a zero-tolerance policy on any act of bullying, harassment, victimisation or discrimination. Where an employee experiences unacceptable behaviour at work, they are encouraged to report this to either their line manager, HR or by logging an internal grievance.

Should an employee want to remain anonymous they can report any unethical behaviour through our independently managed ethics reporting line. Contact details and reporting process are provided in the Group’s Whistleblowing Policy.

As a result of COVID-19 and the work restrictions imposed on employers and employees, Liquid recently developed a Hybrid/Flexi-working Policy, that was rolled out in March 2023. Liquid will, where practical, support hybrid and/or flexible working arrangements, as we recognise the benefits of encouraging employees to adopt greater flexibility in their working patterns. We believe that offering employees a work-life balance will drive increased productivity and job satisfaction. Not all employees are eligible to work from home due to the nature of their job requirements and these hybrid/flexi-working arrangements are non-contractual, non-obligatory and subject to change. Hybrid and flexible work hours also reduces the time employees spend on the road, which in turn reduces the group’s carbon footprint.

EMPLOYEE LABOUR AND WORKING CONDITIONS

Liquid is committed to providing employees with working conditions that respect human rights under relevant labour legislation. This includes their rights related to working hours, overtime, fair compensation, collective representation and employee benefits. Our various HR policies and procedures provide guidance around labour and working conditions and is supplemented by the fact that all employees have employment contracts in place.

To do business effectively and understand our customers’ needs, we continue to hire and retain a diverse range of employees and operational skills. As at the end of the FY23 financial year approximately 68% of Liquid’s workforce were male and 32% were female, while 71% of senior management was male and 29% were female. For operational details regarding our employee demographics refer to Tables 8 and 9 below.

Table 8: Senior Management and total workforces demographics

Employee level	Senior management		Permanent full time employees including senior management	
	Male	Female	Male	Female
Operations				
Liquid	113	51	1 283	624
ADC	13	1	108	31
Total	126	52	1 391	655

The table below provides a summary of the total employee representation per operation and geography.

Table 9: Workforce summary per OPCO

Operations	Male employees	Female employees	Total
Liquid Botswana	13	11	24
Liquid DRC	66	16	82
Liquid Kenya	169	94	263
ADC Kenya	19	10	29
Liquid Mauritius	17	13	30
Liquid Nigeria	7	1	8
ADC Nigeria	12	1	13
Liquid Rwanda	57	13	70
Liquid South Africa	487	246	733
ADC South Africa	74	20	94
Liquid South Sudan	19	3	22
Liquid Tanzania	60	31	91
Liquid Zanzibar	27	4	31
Liquid Zambia	126	72	198
Liquid Zimbabwe	217	84	301
Liquid UAE	4	2	6
Liquid Uganda	47	33	80
Liquid UK	46	28	74
ADC UK	3	0	3
Total	1 391	655	2 046

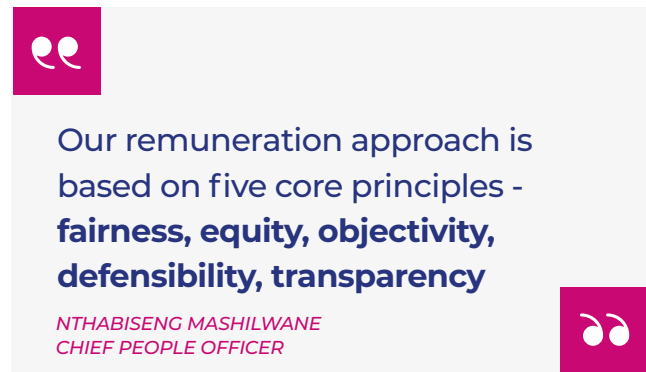
LABOUR UNIONS

Liquid’s operations are not unionised, however we recognise the right of any employee to join or be represented by a labour or trade union of their choice without being discriminated. Employees are made aware of their inherent right through induction training, contract conditions and group policies and procedures. Where national law substantially restricts labour unions, Liquid has provided alternative avenues for employees to express their concerns and protect their rights regarding working conditions and terms of employment. Internal grievance procedures are in place for employees to report any concerns or grievances.

All required social and labour permits and approvals, in the various countries we operate, are in place and valid as at the time of releasing this report.

REMUNERATION, RETENTION AND PERFORMANCE MANAGEMENT

Liquid is committed to providing a strategically aligned and competitive remuneration programme to enable us to attract, retain, motivate and reward our employees to deliver our vision of building Africa’s digital future. At the core of our remuneration philosophy is our total reward approach, which is based on our belief that employees are motivated by both financial and non-financial work aspects. By prioritising these beliefs and retaining our strategic vision for our employees, we want to become the employer of choice.



Our remuneration approach is based on five core principles - fairness, equity, objectivity, defensibility, transparency

*NTHABISENG MASHILWANE
CHIEF PEOPLE OFFICER*

At the heart of our remuneration strategy lies our reward and recognition programme, talent and performance management framework and our Remuneration Policy. We diligently apply our policy and framework to strategically manage our investment in employees and to manage remuneration anomalies in pursuit of internal equity and external parity. Internal equity addresses equal pay for equal value of work, and external parity addresses matters of competitiveness to the local labour market, with the aim of attracting and retaining skills.

REMUNERATION AND SALARY REVIEWS

Liquid’s remuneration approach underpins our recruitment, performance and talent management practices and our ability to position Liquid as an employer of choice. We use our five remuneration principles (see above) to strengthen our total reward offering, with the aim of increasing the performance and effectiveness of the organisation and increasing shareholder returns.

Liquid promotes and rewards a performance culture that incorporates transparency, equality and fairness. We follow a ‘total rewards’ approach that assesses the competitiveness of our compensation models. All OPCOs use certified remuneration methodologies and benchmarks to assess and offer competitive remuneration packages to attract and retain talent. Variable pay is used as a key driver in rewarding high-performers and specific populations. OPCOs define and apply competitive compensation schemes based on local practices and regulations, which are all aligned with Group HR policies.

Our electronic compensation management tool (ECMT) allows each region and operation to manage the target operating model in a more structured way, and according to our Talent and Performance Management Framework Policy. The ECMT articulates the link between strategy, sustainable value creation, performance and remuneration. It further assists with benchmarking salaries per country, minimising administration procedures and manages the company's investment in employees, based on our remuneration policy and company levels of affordability.

Annual salary reviews are carried out using objective guidelines to ensure a consistent and fair salary review processes. Salary benchmarking is carried out using both internal and external market salary data. Variations in salary levels will occur depending on an individual's experience, knowledge, skills set and historical performance within Liquid.

TALENT AND SUCCESSION MANAGEMENT

An annual talent review and succession planning process is conducted throughout Liquid to ensure a consistent robust talent pipeline exists, that is aligned with the group's growth ambitions. Group HR provides guidance on this talent and succession management approach and ensures that all OPCOs adopt and implement this group approach in accordance with Liquid's diversity, inclusion, fairness and respect principles contained in our Code of Conduct.

MINIMUM WAGE

There is no prescribed minimum wage for the Information Communication and Technology (ICT) Sector, but operations are guided by national wage standards. All employees are paid above the minimum wages specified in each country we operate and continue to monitor any changes in local regulation related to minimum wages. Liquid South Africa conducts annual salary benchmarking to ensure the salaries they pay are competitive and market related.

As a group we also monitor and audit our contractors to ensure they comply with the specified minimum wage requirement in each operating country. This requirement is a contract specification when appointing contractors and suppliers as service providers and are checked by our Group Internal Audit team along with our HSE Officers and Regional HSE Managers.

WORKING HOURS

Working hours are agreed in each employee's contract of employment and are in line with local labour legislation. Biometric systems, access cards and other electronic clocking systems are used to monitor working hours. Overtime worked is compensated according to legislation and employees' conditions of employment.

PERFORMANCE MANAGEMENT

Liquid fosters a high-performance culture in line with our values and business objectives. While performance management includes an employee annual performance review process, it also includes individual and team goals that are aligned with Liquid's strategic goals and annual targets. Ongoing performance discussions between employees and line managers is instrumental in identifying performance gaps and developing personal development plans.

Where relevant, Liquid provides performance scorecards in line with group and operational targets (agreed between line-manager and employee) to ensure that employees have clear objectives for each financial year, as well as providing an opportunity for employees to clarify objectives, review workload and discuss any development needs with their line manager.

To assist employees achieving optimal performance, employees are not placed in a role for which they do not have the skills or experience. They will also be provided with training and development opportunities to grow and excel at their specific job. Refer to the section below for more detail on skills development and training opportunities.

SKILLS DEVELOPMENT, CAREER ENHANCEMENT, AND TRAINING AND DEVELOPMENT

Liquid is committed to developing its employees' capabilities, skills and competencies to grow and remain successful. Learning and development is key to our overall business strategy, with development opportunities provided locally, regionally and globally. We subscribe to a 70/20/10% skills development principle, whereby 70% of knowledge is obtained from job-related experiences, 20% from interactions with others and 10% from formal education. Skills development is driven through employees' personal development plans, where employees are empowered, with their managers' support, to take responsibility for their personal development. Strategies are in place to empower our employees and enhance their skills. Our internal skills are being enhanced through the launch of our new LinkedIn learning platform, (<https://www.21cskills.africa/site/home>) providing foundation, business and technical training, with sales training to come soon.

Learning programmes include Microsoft Azure, Microsoft Office, Introduction to Cloud, Manage Subscriptions and Resources, Implement and Manage Storage, and Deploy and Manage Virtual Machines as well as LinkedIn programmes. To date we have made technical skills training available to employees through the 21CSkills platform, to give them the best possible tools to manage their careers and evolve their skillsets.

While we are aware that technical skills and literacy are the foundation of our internal transformation, we are cognisant of the ever-growing need to develop necessary soft skills. These soft skills include creative thinking, complex problem-solving, emotional intelligence, critical thinking, service orientation, cognitive flexibility and improved communication and collaboration skills. All employees are registered on LinkedIn Learning and assigned courses to focus on. This is to inspire a strong Company Focus Vision and create a Customer Service Culture.

Feedback from our employee engagement survey shows that the largest area of improvement pertains to employee communication. The SCARF model (Status, Certainty, Autonomy, Relatedness, Fairness) is being rolled out to improve leadership communication across the group. This initiative includes, among others, CEO roadshows, townhall meetings and regular company updates through our internal communication platforms.

DIVERSITY AND INCLUSION

Diversity and inclusion is important for Liquid to build cohesive, prosperous, and sustainable societies. We value and embrace the diverse identities, perspectives, and contributions of all our employees. Diversity also fuels innovation, problem-solving, and creativity, leading to economic development, entrepreneurship, and competitiveness on a regional and global scale.

Liquid recognises that the provision of equal opportunities in the workplace is not only good management practice but it also makes business sense. We have therefore developed and implemented our Group Equality, Diversity and Inclusion Policy that applies to all employees and workers at Liquid, whether permanent, full time, part time, fixed term, home workers, agency workers, contractors or consultants.

Liquid promotes a diverse multicultural environment where employees are valued as individuals and treated fairly and equitably, irrespective of their personal situation or those of their colleagues, friends or relatives. Liquid is committed to ensuring that all forms of unlawful discrimination on the grounds of sex or sexual orientation, race, colour, national or ethnic origin, religion or belief, marital or civil partnership status, pregnancy or maternity, gender reassignment, age, disability, or the fact that they are a part time worker or a fixed term contract employee, do not occur throughout the recruitment and selection procedure or at any time during employment.

Liquid will not intentionally or unlawfully discriminate against individuals on any of the protected characteristics mentioned above. Liquid’s policy will help all employees develop their full potential, maximising the organisation’s efficiency and will adopt practices and procedures that create an open and transparent environment, where people are valued as individuals.

Liquid continues to focus on improving its diversity numbers at all levels, including equal pay for work of equal value. While employment diversity remains a group focus, in South Africa, we have legislation governing Broad-Based Black Economic Empowerment (B-BBEE) that goes beyond employment equity as discussed below.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE)

B-BBEE is a policy implemented by the South African Government and aims to realise the country’s full economic potential, while helping to bring the majority into the economic mainstream. The B-BBEE requirements only apply to South Africa operations and comprise of 5 pillars as indicated in the diagram below. We are very pleased to report that Liquid South Africa improved from a Level 4 contributor to a Level 1 contributor (highest level) and will continue to focus on improving our performance across pillars not already achieving full points. Our focus is to remain a Level 1 and to continue contributing to South Africa’s economic potential.

Liquid South Africa achieved a B-BBEE Level 1 rating in 2022

DEON GEYSER
CHIEF EXECUTIVE SOUTH AFRICA

The image below represents the 5 pillars of South Africa’s B-BBEE requirements.



ETHICAL CONDUCT

Ethical conduct is embedded in our business philosophy and our ethical tone is set at the top, guided by our group's vision and values. Liquid's Code of Conduct forms the basis for our ethical conduct and is bolstered by other policies including our Group Equality, Diversity and Inclusion Policy as well as our Bullying, Harassment and Victimisation Policy.

EMPLOYEE DISCRIMINATION

Liquid cultivates a diverse and inclusive work environment and has zero-tolerance to any form of direct or indirect discrimination including sex or sexual orientation, race, colour, national or ethnic origin, religion or belief, marital or civil partnership status, pregnancy or maternity, gender reassignment, age, disability. Embracing equality and fairness not only aligns with our legal and ethical responsibilities but also enhances our long-term success and competitiveness, encourages innovation, protects our reputation and ensures stronger employee morale. Employment at Liquid is based on equal opportunity and fair treatment. Each country where we operate has a constitution and specific labour laws that are adhered to. Internally Liquid has various policies in place that are aligned to legislation prohibiting direct and indirect discrimination, including our Group Equality, Diversity and Inclusion Policy, Code of Conduct and Bullying Harassment and Victimisation Policy.

RECRUITMENT AND SELECTION

Liquid supports and implements a fair and equitable recruitment process, that is underpinned by the Group Recruitment and Selection Policy, applicable to all our operations. The recruitment and selection process is designed to be fair and equitable to ensure that the most suitable person for the job is appointed. This includes advertising the job (internally and externally) that has been vetted and approved by HR and follows equal opportunities legislation.

INTERNAL GRIEVANCES

Liquid ensures that it effectively handles internal grievances to maintain a positive work environment and address employee concerns. This is done through our internal grievance procedure that is a fair and transparent way to address and resolve employee complaints timeously and satisfactorily and promotes a positive work environment. This grievance procedure is available to all employees, and it is one way of ensuring that no employee is victimised. Policies reinforcing this procedure include our Bullying, Harassment and Victimisation Policy; Group Equality, Diversity and Inclusion Policy and Group Whistleblowing Policy. All Liquid operations have internal grievance procedures that ensure the concerns of its people are at the forefront of its operations.

Only four operations reported internal grievances in line with the Group Internal Grievance Management Procedure. All seven reported grievances were resolved timeously, with no outstanding grievances at the end of the reporting period. The internal grievances reported during the reporting period are indicated in Table 10 on page 90.

Table 10: Internal grievances

Region	Number of grievances	Resolved grievances	Outstanding grievances	Average resolution time
Liquid South Africa	2	2	0	2-3 weeks
Liquid Zambia	2	2	0	15 days
Liquid Rwanda	1	1	0	60 days
Liquid Uganda	2	2	0	5 -10 days
Total	7	7	0	

COMMITMENT AGAINST MODERN SLAVERY AND CHILD LABOUR

Liquid remains committed to ensuring that there are no forms of human rights abuses in our own operations and those of our contractors and suppliers. Human rights abuses refer to modern slavery, child labour and human trafficking in any part of our business, including our supply chain. Child labour, as defined by the ILO Convention, is work by children under of age of 18 that is hazardous to the child’s physical or mental health.

In conducting its business, Liquid:

- Will not employ children that fall into the definition as stipulated by the ILO Convention, notwithstanding any national law or local regulation
- Is against all forms of child exploitation. The company does not provide employment to children before they have reached the legal age to have completed their compulsory education, as defined by the relevant authorities
- Expects its business partners and associates to have and uphold similar standards and abide by country-governing laws where they operate. Should violation of these principles become known to Liquid and not be remediated, Liquid will act and measures may include the discontinuation of the business relationship and/or partnerships

Liquid expressly prohibits any form of work or service, not voluntarily obtained, under threat of any punishment, and/or that is requested as a way of cancelling a debt. The documentation required for hiring Liquid employees is in accordance with the laws of the countries we operate in. During FY24, Liquid aims to strongly position our HR Policy, supply chain commitments and Group Human Rights Framework against any forms of human rights abuse including child labour and modern slavery.

Pleasingly, no human rights abuses were reported by any employees or contractors during FY23. In FY24, we aim to engage our top 20 suppliers, through a supplier questionnaire, to gauge whether they have any management process and policies in place to manage human rights abuses, and if any incidents of human rights abuses were reported. We anticipate to build in more robust checking and monitoring processes into our supplier vetting and onboarding processes in the next financial period.

LOOKING AHEAD

Some of our high-level action points include:

- Constituting Liquid's first Executive ESG committee that will meet quarterly and review relevant HSE and ESG aspects, policies and strategies
- Improving driver safety through ongoing training and awareness
- Focusing on continuous health and safety training of our contractors
- Improving safety, health and human resource data accuracy and completeness
- Encouraging incident and grievance reporting among all our stakeholders
- Planning and implementing ISO 45001 for ADC in Nigeria
- Continuing to improve diversity and inclusion in the group with a focus on senior management
- Reviewing and updating relevant group policies to align with new sustainability requirements
- Approving and implementing the updated Group HR Policy that addresses human rights and diversity, among others
- Completing and implementing a Group Security Policy and Operational Security Plans
- Conducting HSE audits on selected active contractors
- Engaging our top 20 suppliers around human rights management process and commitments



Listen Attentively

In today's interconnected world, corporates play a significant role in shaping the economic, social, and environmental landscapes. Operating within various communities makes it even more crucial for corporates to recognise the importance of engaging and listening to stakeholders, particularly the communities where they operate and the cultural heritage that needs to be protected. For Liquid, listening attentively and preserving our cultural heritage is a fundamental aspect of being a responsible corporate citizen and can lead to a more inclusive and sustainable approach to business.

Listen Attentively

Communities represent a diverse range of individuals who are directly affected by our activities and decisions. Their perspectives, needs, and aspirations hold immense value, and listening attentively and engaging with them fosters trust, collaboration, and ultimately, mutual respect and benefit. It also ensures that Liquid aligns with societal expectations, contributes to social-economic development and shapes our strategy to create shared value.

For Liquid, cultural heritage holds immense significance in our rapidly changing world. Preserving our cultural heritage is not only a matter of safeguarding our shared history, but also an essential endeavour that enriches our present and shapes our future.

This pillar covers our stakeholder engagement, particularly with the communities where we operate, our corporate social investment and how we preserve our cultural heritage relevant to Liquid's operations including:

- **Stakeholder engagement**
 - Community engagement
 - Community grievance management
- **Corporate social investment**
- **Cultural heritage**

The information below outlines Liquid's management approach and alignment with the IFC Performance Standards as well as the Sustainable Development Goals (SDGs) relevant to this pillar.

IFC Performance Standards

IFC Performance Standard	Standard objective
<p>1: Assessment and management of environmental and social risks and impacts</p>	<ul style="list-style-type: none"> • To identify and evaluate environmental and social risks and impacts of Liquid's operations • To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimise, and, where residual impacts remain, compensate/offset for risks and impacts to workers, affected communities, and the environment • To promote improved environmental and social performance through the effective use of management systems • To ensure that grievances from affected communities and external communications from other stakeholders are responded to and managed appropriately • To promote and provide means for adequate engagement with affected communities on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated
<p>8: Cultural Heritage</p>	<ul style="list-style-type: none"> • To protect cultural heritage from the adverse impacts of operational activities and support its preservation • To promote the equitable sharing of benefits from the use of cultural heritage

Sustainable Development Goals

<p>SDG 1: No poverty</p> <p>Seeks to ensure health and wellbeing for all, at every stage of life. It also calls for more research and development, increased health financing, and strengthened capacity of all countries in health risk reduction and management.</p>	
<p>SDG 4: Quality education</p> <p>Aims at ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all. This goal ensures that all girls and boys complete free primary and secondary schooling by 2030.</p>	
<p>SDG 8: Decent work and economic growth</p> <p>Promote inclusive and sustainable economic growth, employment and decent work for all. Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards.</p>	
<p>SDG 11: Sustainable cities and communities</p> <p>Aims to renew and plan cities and other human settlements in a way that offers opportunities for all, with access to basic services, energy, housing, transportation and green public spaces, while reducing resource use and environmental impact.</p>	
<p>SDG 17: Partnerships for the goals</p> <p>Calls for a global partnership for sustainable development. It highlights the importance of macroeconomic stability and of mobilising financial resources for developing countries. It also stresses the importance of trade and equitable rules for governing it.</p>	

SOCIAL MANAGEMENT

An effective stakeholder management approach and listening to our communities helps us identify the needs of our communities, potential risks and opportunities associated with our operations and contributes to shared value and sustainable business growth. Effectively managing, preserving and promoting our cultural heritage builds trust and can provide opportunities for job creation, entrepreneurship, and community development. Liquid values the communities where we operate as well as our rich cultural heritage and is committed to complying with all relevant legislation. We also strive to conform with the IFC Performance Standards and contribute to other relevant international best practice guidelines such as the SDGs and ISO standards.

We have several policies, procedures and frameworks in place to ensure we identify, monitor and mitigate possible community and cultural heritage risks, which are reviewed and updated on an ongoing basis.

Key policies, procedures and frameworks

Environmental, project screening and land acquisition

- Group Stakeholder Engagement Framework
- Group Corporate Social Investment Policy (draft)
- Group Environmental, Social, Management Systems Framework
- Group Archaeological Chance Find Procedure
- Group Land Acquisition and Compensation Guideline
- Group Incident Management Procedure
- Group External Grievance Management Procedure

Corporate social investment (CSI) is not managed universally across the group, however each operation takes responsibility for managing and committing to social upliftment, identifying and addressing community needs and ensuring ongoing community engagement. Although our operations continue to make a positive impact on their communities, we do believe a more structured approach will have an even greater impact on our communities. The group is in the process of developing a group CSI Policy that will structure our CSI contributions, projects and will guide the operations with regards to managing, monitoring and reporting on all our CSI initiative. Thereafter, each operation will need to develop an operational policy/procedure that supports the group policy.

Liquid South Africa is guided by the Broad-based Black Economic Empowerment (B-BBEE) Act where one of the pillars specifically focus on social economic development (SED), which is also known as corporate social investment (CSI). Liquid's transformation process is guided and supported by a team of employees addressing all five B-BBEE elements, including CSI. In FY23 Liquid South Africa obtained the maximum points allocated to the CSI pillar. The overall principles of the B-BBEE Act will be considered and, where relevant, included in the new Group CSI Policy.

As part of our CSI initiatives, we ensure ongoing engagement with communities but we also engage with the communities impacted by our infrastructure projects. We ensure that our communities are engaged through project notifications for new and ongoing projects; social impact assessments (SIA) where required; job opportunities; and external grievance procedures.

The following committees are in place to monitor and ensure effective stakeholder engagement:

- Social, Ethics and Transformation Committee (Liquid South Africa only): This committee is chaired by a non-executive board member (SA board) and meets quarterly to discuss various social aspects including:
 - o Corporate social responsibility
 - o Good or responsible corporate citizenship
 - o Organisational ethics
 - o Stakeholder engagement and concerns
 - o Sustainable development
- Executive Committee (Exco): Exco reviews and provides guidance to the operations on all CSI aspects
- Health, Safety and Environmental (HSE) Committee: This committee monitors CSI and project approvals

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is essential for Liquid to operate in a sustainable and responsible manner. Through regular engagement with our key stakeholders, we can make better-informed decisions, enhance our reputation, increase innovation and mitigate potential risks. We are committed to continually improve the quality of our engagements, to ensure we stay in touch using methods most suited to each stakeholder. Our stakeholder engagement approach is guided by our Group Stakeholder Engagement Framework (SEF), which is embedded throughout all operations and helps us to manage material project risks and inform strategic business decisions. This SEF has been developed as a guideline for each OPCO to adopt relevant stakeholder engagement protocols. This is achieved by the development, adoption and implementation of a specific OPCO Stakeholder Engagement Plan (SEP), relevant to their key stakeholders.

Our SEF sets out the:

- Principles that will underpin our engagement activities
- Executive Committee (Exco): Exco reviews and provides guidance to the operations on all CSI aspects
- Distinct levels of engagement and the mechanisms we will use to engage with our stakeholders, recognising that tools and strategies must be tailored to suit the decisions, activities and processes we are seeking to engage on
- Guidance on the development of a SEP for each OPCO across the organisation

As part of Liquid's new sustainability strategy approach, we will review and prioritise our stakeholders and update our current SEF as well as develop new operational engagement plans for implementation.

For more detail on our group's stakeholders, our engagement topic and methods of engagement refer to the section Stakeholder Engagement and Management on page 29.

COMMUNITY ENGAGEMENT

We acknowledge that although all stakeholders play a role in the management and operation of our business, some stakeholders have more influence, and it is our responsibility to ensure we prioritise these engagements. Our community is one such stakeholder that can significantly impact our operational projects. Therefore, it is important to engage with them on a regular basis.

Communities have valuable local knowledge and expertise that can contribute to the development of new products, services, and solutions. By harnessing this collective intelligence, Liquid can enhance our ability to anticipate emerging trends, respond to changing needs, and create long-term value for both Liquid and the community. Effective community engagement ensures our social licence to operate. Liquid uses various mediums to engage a wide range of topics with our communities. Refer to Our Sustainability Journey page 35, for a summary of our community engagement practices.

COMMUNITY GRIEVANCE MANAGEMENT

Grievances may encompass minor concerns as well as significant or long-term issues. They can be expressed by a variety of parties, including individuals, groups, communities, or other parties affected or likely to be affected by the social or environmental impacts of Liquid projects. We believe it is essential to have a robust mechanism to systematically handle and resolve any complaints or grievances that might arise, to prevent escalation and mitigate any risks.

Liquid's formal External Grievance Management Procedure (EGMP) has been designed to meet the requirements of the International Finance Corporation (IFC) Performance Standards in relation to external grievance management. The EGMP forms part of Liquid's ESMS and its specific objectives include:

- Establishing a mechanism for responding to grievances in an understanding, transparent and culturally suitable manner
- Developing an accessible, no cost grievance procedure for project affected communities and other stakeholders such as contractors and suppliers
- Ensuring effective dialogue and transparent open lines of communication with contractors, the public and our partners
- Helping to prevent unrealistic expectations and/or negative perceptions from the communities towards Liquid projects
- Establishing a system of investigation, response and quick grievance resolution.
- Reducing the number of grievances received over time
- Improving social performance through the analysis of grievances and refinement of work practices
- Ensuring that non-compliances with project environmental and social commitments are adequately corrected in a timely fashion and are subsequently monitored

To maximise an effective grievance procedure, Liquid applies the following factors:

- Commitment to fairness in both process and outcomes
- Clear grievance management rules, and accountability
- Validation of all complaints submitted by actively engaging with the complainant to fully understand and address their concerns and needs
- Confidentiality as required or where requested

During the reporting period the following measures existed to ensure that external grievances were reported and captured:

- Community Liaison Officers (CLOs) engage with communities and other external stakeholders
- Our External Grievance Management Procedure is communicated to communities and can be received through in person submission, email or telephone calls. Grievances are escalated accordingly, and specific corrective action plans are identified, and direct feedback provided
- Prior to the implementation of projects, letters of intention are written and submitted to each community household within the area of influence of a specific project. The letters alert and describe the project that is going to be undertaken and the potential benefits that will arise from the project. Households then sign and acknowledge receipt of communication

In addition, anonymous grievances can be reported through the whistleblowing mechanism operated by Deloitte. Such grievances can be reported at ethics@liquid.tech or liquid@tip-offs.com. Copies of the grievance procedure can be downloaded from the liquid website <https://www.liquid.tech/about-us/governance/> or a hardcopy can be obtained from the Community Liaison Officer or the HSE Manager.

For the FY23 reporting period three external grievances were raised. Two grievances related to wage payments by contractors (both in the DRC) and one safety-related grievance was reported in South Africa, where a manhole cover posed a safety risk. All three grievances were investigated, addressed, and closed within 30 days of the grievance being logged.

To our knowledge no community fatalities, serious incidents or emergency situations were reported FY23. We would like to believe that this is because of the ongoing engagement with communities, as part of project notifications and project progress meetings, on emergency response plans, drills and site safety requirements.

CORPORATE SOCIAL INVESTMENT

We believe that our business' duty extends beyond just stimulating economic growth and creating corporate profits. We appreciate that through our product offerings and service delivery, we can change lives and preserve the environment while creating value for all stakeholders. As a group we aim to leverage our core capabilities to inspire social change in the regions we operate, through impactful innovation, technology and social upliftment.

Liquid does not have a formal CSI policy but as a group our CSI initiatives are focused on:

- Inspiring social change through impactful innovation
- Developing an accessible, no cost grievance procedure for project affected communities and other stakeholders such as contractors and suppliers
- Making relevant and notable contributions to the education sector
- Building strong and lasting relationships with our communities and CSI partners
- Ensuring we maintain our social licence to operate and enhance our business value proposition

To formally guide, manage and report on future CSI commitments, the group is in the process of developing its first Group Corporate Social Investment Policy. This policy will be drafted with a focus on identifying relevant group and operational projects, annual CSI spend, identifying project focus areas such as education, health, youth development and technology advancements as well as ensuring that all CSI initiatives are monitored for impact and relevance to the community.

Depending on final board approval, Liquid aims to allocate a minimum of 1% of its net profits after tax to CSI initiatives. This approach represents international best practice for companies that manage their businesses in an ethical and responsible manner. To strengthen our sustainability drive, we are moving beyond corporate social responsibility to corporate social innovation and investment which is more sustainable and impactful. Our social impact is therefore constantly being reviewed to remain relevant to our communities by integrating economic, environmental and social considerations, in all decisions affecting our operations, to the benefit of current and future generations.

CSI PROJECTS AND SPEND

Although the group has no formal CSI reporting or budgeting processes in place, other than Liquid South Africa that follows the B-BBEE act, we did identify the following CSI spend per country. The total unverified CSI spend in FY23, for projects reported is indicated below. We anticipate that this amount will increase significantly in FY24 when all operations start tracking and monitoring their CSI spend in accordance with the new Group CSI Policy.

Operation	CSI spend (USD)	CSI focus and projects
Botswana	15,000	<ul style="list-style-type: none"> • Education <ul style="list-style-type: none"> - Regional school donations • Welfare <ul style="list-style-type: none"> - Dare to dream
DRC	70,000	<ul style="list-style-type: none"> • Education <ul style="list-style-type: none"> - Renovated a computer room - Donated 20 computers to a local university - Provided connectivity to a local school's computer room • Job creation <ul style="list-style-type: none"> - Provided internships to university students
Kenya	159,009	<ul style="list-style-type: none"> • Health <ul style="list-style-type: none"> - Financial support to a local children's home that supports HIV/AIDS children • Education <ul style="list-style-type: none"> - Provided free connectivity to 17 special needs school - One full year scholarship donation - Training for 40 schools on Internet of Things (IoT) • Sports <ul style="list-style-type: none"> - Sponsored a sports event to support Paediatric Cancer treatment programmes - Sponsored staff taking part in a local marathon - Sponsored a Kenyan esports team to attend the Commonwealth Games in Birmingham, UK • Job creation <ul style="list-style-type: none"> - Provided internships to women in technology - Sponsored connectivity at local innovation hubs
Nigeria	700	<ul style="list-style-type: none"> • Sports <ul style="list-style-type: none"> - Sponsored a local chess event
Rwanda	120,000	<ul style="list-style-type: none"> • Culture <ul style="list-style-type: none"> - Pledged USD100,000 per year for the next 10 years to preserve the memory of the Genocide Against Tutsi, including restoration and research projects • Education <ul style="list-style-type: none"> - Provided free Wi-Fi to a local college to support science and technology centres • Health <ul style="list-style-type: none"> - Provided free internet to a local hospital kitchen to improve food collection services to the community • Free internet <ul style="list-style-type: none"> - Public areas such as airports, public gardens and car free areas in cities - Innovation and start up hubs

Operation	CSI spend (USD)	CSI focus and projects
Liquid South Africa	214,812	<ul style="list-style-type: none"> • Education <ul style="list-style-type: none"> - Mathematics and Physical Science lessons for High School Learners - Coding and robotics for Primary School Learners • Youth development <ul style="list-style-type: none"> - Unemployed Youth Programme • Job creation <ul style="list-style-type: none"> - Provided internships to university students
ADC South Africa	59,136	<ul style="list-style-type: none"> • Disaster relief • National Animal rescue • Education <ul style="list-style-type: none"> - Special school sponsorship - Back-to-school drive
South Sudan	36,750	<ul style="list-style-type: none"> • Education <ul style="list-style-type: none"> - Provided guidance to learners on the ITC industry • Youth development <ul style="list-style-type: none"> - Free internet to Innovation hubs - Improved awareness around cyber security
Tanzania / Zanzibar	4,885	<ul style="list-style-type: none"> • Environmental initiatives <ul style="list-style-type: none"> - Waste clean-up and tree planting • Education <ul style="list-style-type: none"> - Provided free internet to a centre that supports children and families living with HIV/AIDS • Sport events <ul style="list-style-type: none"> - Provided free internet to local sports events • Job creation <ul style="list-style-type: none"> - Provided internships to university students
Zambia	6,139	<ul style="list-style-type: none"> • Environmental <ul style="list-style-type: none"> - Supported the sinking of a borehole for water • Health <ul style="list-style-type: none"> - Installed a water tank at a local mother's shelter • Education <ul style="list-style-type: none"> - Provided school essentials to vulnerable school children - Sponsored a career excursion in the ITC sector - Provided free internet to a school's computer lab • Job creation <ul style="list-style-type: none"> - Provided internships to university students
Zimbabwe	382,531	<ul style="list-style-type: none"> • Health <ul style="list-style-type: none"> - Provided free connectivity to public health institutions • Education <ul style="list-style-type: none"> - Provided free connectivity to public schools - Provided internships to students in the company • Social Welfare <ul style="list-style-type: none"> - Financial donations supporting marginalised and vulnerable people in our community
Uganda	2,419	<ul style="list-style-type: none"> • Education <ul style="list-style-type: none"> - Sponsored a female student to finish high school • Women empowerment <ul style="list-style-type: none"> - Sponsored a facility that assists women in ITC
TOTAL GROUP CSI SPEND	USD1,071,381	

For more information on operational ESG performance refer to page 120-141.

Case Study:

Enhancing Mathematics and Physical Science Skill

Liquid is dedicated to empowering learners and equipping them with essential digital skills. The Mathematics and Physical Science Project focuses on enhancing skills and knowledge among students in South Africa's North West Province. This project goes beyond traditional classroom teaching by providing additional sessions in mathematics and physical science. We recognise the importance of hands-on experience and extra support in helping learners excel in these subjects. To supplement their learning, we provide carefully designed workbooks that complement the Mathematics, Science, and Technology Learner and Teacher Support Materials.

Our primary goal is to support and elevate learner performance in mathematics and science, aiming for an overall improvement of 15%. To track progress accurately, we conduct baseline assessments at the start of the year, focusing on the Grade 11 curriculum.

By nurturing learners' skills and knowledge in mathematics and physical science, we empower them for future success in STEM (Science, Technology, Engineering, and Mathematics) fields and related careers. In underprivileged areas, access to quality STEM education can be limited, leading to a lack of opportunities for students to pursue higher education or careers in STEM. By equipping them with strong foundations in these subjects, we aim to break the cycle of limited opportunities and open doors to a brighter future.

Impact:

- 187 learners from across seven high schools in the North West province benefited from the programme through:
 - o Corporate social responsibility
 - o Good or responsible corporate citizenship



Case Study:

Connecting Innovation Hubs to High-Speed Internet to Spur Entrepreneurship to Entrepreneurship Hubs

Innovation hubs have become an important local resource for youth across Africa, providing entrepreneurship training and incubating innovative ideas addressing problems in their communities. However, most hubs – particularly those in rural areas – struggle with the high cost of reliable internet connectivity.

Our Hub of Hubs programme addresses this issue by providing hubs with affordable, dedicated, high-speed internet links across our operating markets. This has enabled many hubs to launch programmes that rely on good connectivity, such as Liquid's 21C Skills, a digital skills training platform. Affordable connectivity has also allowed them to expand their services and locations to better serve the needs of their communities.

In order to help bridge the digital divide, this initiative has a particular focus on connecting hubs in rural and underserved areas. In Kenya, we have connected over 50% of the hubs across the country, the majority of which are outside Nairobi.

An initiative of Innovation Partnerships, the Hub of Hubs programme works closely with the Pan-African hubs network AfriLabs (with a membership of over 400 hubs and growing) as well as regional and national hub networks.

Liquid has also joined with International Telecommunications Union through the Partners to Connect (P2C) Initiative and has pledged to impact 500,000 people through the Hub of Hubs programme by 2025.

The Hub of Hub programme has enabled revenue growth in addition to building brand awareness and visibility, while growing brand loyalty from a singular location to the current 4 locations.



Case Study:

Unemployed Youth Development Programme: Unlocking Entrepreneurship Opportunities

This transformative initiative empowers unemployed youth in Rustenburg and Gauteng. It provides comprehensive technical training in smartphone and tablet repairs, along with personal development mentorship and coaching. The programme offers a Business Start-up Package, granting a small business grant to participants with promising business plans. This financial boost helps them kickstart their ventures and turn their ideas into reality. By nurturing and equipping young entrepreneurs, this programme paves the way for their success and contribution to economic growth and job creation. This opportunity combines technical skills, personal development, and financial support to empower young individuals in entrepreneurship, while opening doors for a brighter future in their communities.

Impact:

- 40 unemployed youth have undergone the programme - 20 in Rustenburg and 20 throughout Gauteng



Case Study:

Mthatha Innovation and Digital Learning Hub

As part of our commitment to fostering innovation and building digital skills, even in rural areas, we heralded in a new digital dawn in the Eastern Cape with the opening of the first Innovation and Digital Skills Centre (IDSC) in Mthatha.

The purpose of the Centre is to::

- Offer ICT Skills to high school learners and unemployed Youth of Mthatha
- Offer skills and related courses to high school learners, which will make them ready for the University environment
- Offer skills and related courses to unemployed youth of Mthatha and the surrounding areas

“The Centre is a great steppingstone for my career. The opportunity to attend informative seminars has contributed to my technical skills growth. I have written and passed two courses so far. I have enjoyed the opportunity to continue learning and look forward to continuous development.
- Sindi Ndabeni
Community member**”**

Through this initiative, communities close to the Centre will be exposed to local learning and business opportunities. In addition, the IDSC is a technology hub where learners and entrepreneurs can equip themselves with the latest and most relevant digital skills. The IDSC is equipped with state-of-the-art classroom learning facilities with high-speed connectivity, helping positively impact the education system in the city.

“The introduction of basic information, Microsoft packages and Excel has enlightened me greatly. I've learnt that computers can make the world accessible, through the connections that can be created globally. Thank you, Liquid!
- Sihomana Babalwa
Community member**”**

Impact:

- A total of 347 Learners registered accredited certification course on the Microsoft Digital Literacy and the Introduction to Microsoft Office Fundamentals

“Liquid Intelligent Technologies has elevated, motivated, and unlocked our potential. This opportunity has benefited us not only through the Digital Literacy courses but has also been successful in teaching us resilience in an ever-changing environment.”



CULTURAL HERITAGE

Cultural heritage serves as a bridge that connects us to our roots, offering a sense of belonging, continuity, and pride. By safeguarding and nurturing our cultural heritage, we ensure the preservation of unique identities and the empowerment of communities that find strength and resilience in their rich cultural legacies.

For Liquid, the term 'heritage' does not only refer to our emotional connection to the past but also our historical structures, archaeology and public monuments. To ensure that we as a group continue to identify, support and protect the rich heritage of all our communities, Liquid has developed a Group Archaeological Chance Find Procedure (ACFP) and a Land Acquisition and Compensation Guideline that provides our employees and contractors with the appropriate response guidelines that should be implemented in the event of any new land acquisitions and/or archaeological finds being discovered that dates back to any heritage resources, during the construction of Liquid infrastructure.

This procedure and guideline are used for the development of operational specific procedures and must comply with local legislative requirements. Where no such in-country requirements exist, the group procedure and guideline document will take precedent.

To ensure the correct implementation of the procedure, the following is required:

- Each Regional HSE Manager must compile an operational or regional specific ACFP in line with the group procedure
- Operational specific ACFP must be part of all contractor agreements
- Contractors are to report all chance finds to the Liquid OPCO HSE Officer within 24 hrs
- Liquid site HSE Officers are to report all chance finds to the Regional HSE Manager within 24 hrs
- Regional HSE Managers are to report all chance finds to the Liquid Group Head: Environmental, Social and Governance within 48 hours of a chance find
- The Group Head: Environmental, Social and Governance will in turn report any finding to Liquid's major shareholders within 72 hours followed by a detailed report within two weeks of the find

No new cultural finds or impacts on any cultural heritage were reported since the previous reporting period.

LOOKING AHEAD

Some of our high-level action points include:

- Improving overall CSI project spend and project reporting
- Developing the first Group Corporate Social Investment Policy
- Updating our Group Stakeholder Framework to align with the new sustainability strategy
- Developing operational stakeholder engagement plans
- Operational and/or Archaeological Chance Find Procedure (ACFP) to be updated where available and if such a procedure does not exist the operation will develop a procedure




Lead Impactfully

In a world where trust and integrity are increasingly valued, leading a business through ethical behaviour has become a cornerstone of good leadership. For Liquid, ethical leadership goes beyond achieving organisational goals and focuses on doing what is morally right, just, and fair. This involves us setting a positive example, making decisions based on ethical principles, and inspiring others to follow suit. By embodying ethical behaviour, we not only enhance our own credibility and reputation but also foster a culture of trust, respect, and accountability within the communities where we operate.

Lead Impactfully

Ethics in the workplace, advocating for human rights, embracing a code of conduct and ensuring compliance are essential to Liquid and establishes clear expectations of how we lead impactfully. As a group we believe that by always doing business in a responsible and ethical manner we are building trust and respect, enhancing our reputation and stakeholder confidence, promoting employee retention, mitigating risks, and encouraging responsible decision-making. By prioritising ethics, we create a foundation for success, sustainability, and long-term growth.

 Our Lead Impactfully pillar covers various ethics, compliance and governance related aspects relevant to Liquid's operations including:

- **Ethics management**
 - Liquid's Code of Conduct
 - Business integrity
 - Anti-bribery and corruption
 - Whistleblowing
 - Fraud risk management
 - Gifts and entertainment
 - Sanctions compliance
 - Internal and external grievance management
 - Ethical supply chain
- **Human rights**
- **Risk management**
- **Legal compliance**

The information below outlines Liquid’s management approach and alignment with the IFC Performance Standards as well as the Sustainable Development Goals (SDGs) relevant to this pillar. We recognise that all IFC Performance Standards generally imply good governance and ethical conduct but we believe that these two Performance Standards are most applicable to this pillar. Performance Standards as well as the SDGs relevant to this pillar.

IFC Performance Standards

IFC Performance Standard	Standard objective
<p>1: Assessment and management of environmental and social risks and impacts</p>	<ul style="list-style-type: none"> • To identify and evaluate environmental and social risks and impacts of Liquid’s operations • To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimise, and, where residual impacts remain, compensate/offset for risks and impacts to workers, affected communities, and the environment • To promote improved environmental and social performance through the effective use of management systems • To ensure that grievances from affected communities and external communications from other stakeholders are responded to and managed appropriately • To promote and provide means for adequate engagement with affected communities on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated
<p>2: Labour and working conditions</p>	<ul style="list-style-type: none"> • To promote the fair treatment, non-discrimination, and equal opportunity of workers • To establish, maintain, and improve the worker-management relationship • To promote compliance with national employment and labour laws • To protect workers, including vulnerable categories of workers such as migrant workers, seasonal or temporary workers engaged by third parties, and workers in Liquid’s supply chain • To promote safe and health working conditions, and the health of workers. • Compliance with the 8 ILO Core Conventions which also include forced/child labour

Sustainable Development Goals

<p>SDG 8: Decent work and economic growth</p> <p>Promotes inclusive and sustainable economic growth, employment and decent work for all. Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards.</p>	
<p>SDG 9 – Industry, innovation and infrastructure</p> <p>Seeks to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. Industrialisation drives economic growth, creates job opportunities and thereby reduces income poverty.</p>	
<p>SDG 16: Peace and justice strong institutions</p> <p>Aims to promote peaceful and inclusive societies. It advocates reducing all forms of violence, ending torture and combating all forms of organised crime. In addition, it focuses on significantly reducing corruption and bribery as well as money laundering.</p>	

ETHICS MANAGEMENT

An effective management approach to ethical conduct in both the workplace and general operations requires dedication, commitment and clear guidelines. Ethics in the workplace involves leading by example, communicating clear ethical expectations, integrating ethics into decision-making, evaluating performance based on ethical behavior, establishing support systems, providing training and development, and continuously monitoring and improving ethical practices. Liquid’s business ethics reinforces our workplace ethics as we embrace an approach that drives business integrity, and corporate responsibility throughout the organisation, contributing to long-term success, growth and sustainability.

Liquid has a responsibility to ensure that our business practices are conducted according to local and international laws and adhere to the highest levels of ethical and moral conduct, and this extends to our suppliers. We embrace this across all parts of our business, and we expect the same from our business partners. Our Group Code of Conduct and our Supplier Code of Conduct helps the continued implementation of our commitment to international standards such as the IFC Performance Standards and the Core Conventions of the International Labour Organisation (ILO).

Key policies, procedures and frameworks

Codes

- Group Code of Conduct
- Group Supplier Code of Conduct

Policies

- Group Anti-Bribery and Corruption Policy
- Group Fraud Risk Management Policy
- Group Whistleblowing Policy
- Group Supplier Policy

Statement

- Group External Grievance Management Procedure
- Group Internal Grievance Procedure

The following ISO standard has been implemented and certified for both ADC South Africa and ADC Kenya, as part of our commitment to ensure good business conduct.

- ISO 22301: Business Continuity

The board is responsible for setting corporate objectives and targets and making strategic decisions on Liquid’s governance practices including ethics, human rights and risk management and legal compliance. Other governance structures and forums that hold employees accountable for meeting environmental, social and governance targets include the Audit and Risk Management Committee and the Nomination, Governance and Impact Committee.



In today’s digital and connected world, our collective and individual actions can have a powerful impact on our customers, shareholders, communities and governments.

It has never been more important to act responsibly and with the utmost integrity. This is key to our reputation as a trusted partner and employer

NIC RUDNICK
GROUP DEPUTY EXECUTIVE CHAIRMAN



As required by the Companies Act in South Africa, Liquid also has a Social, Ethics and Transformation Committee (SET) that is required to report on business integrity risk management on an annual basis. These committees meet quarterly and are responsible for keeping the board apprised of business progress concerns and possible opportunities. Going forward, a new Environmental Social and Governance (ESG) Executive Committee will be established and will meet quarterly, with a focus on driving the group's ESG and sustainability strategy and overseeing the group's ESG performance.



Compliance to governance best practice is a responsibility of all entities within Liquid, including specific accountability as defined to the relevant board of directors, related subcommittees and management

*HARDY PEMHIWA
PRESIDENT AND GROUP CEO*

The Group CEO with the support of the executive management team is accountable for ensuring that all operations instil an ethical culture and that all the above-mentioned codes of conduct, policies, statements and procedures are embedded, and relevant systems are in place to monitor Liquid's ethical and legal compliance performance. The Regional and OPCO management teams work closely to ensure all employees take reasonable care to ensure they embrace Liquid's ethics and abide by the Group Code of Conduct on a day-to-day basis.

LIQUID'S CODE OF CONDUCT

Our Code of Conduct sets out the standards of behaviour that all employees should follow at Liquid. Individuals' commitment to the standards set out in the Code is critical to support our business strategy. This Code also sets out the global policies of Liquid, expressing the high standards of integrity we are committed to upholding. Our Code resonates with Liquid's vision of connecting every individual on the African continent as depicted below.

At the very core of our business is our belief that every individual on the African continent has the right to be connected. We believe that the power of technology will create better and brighter lives for everyone.

<p>We're for everyone Being connected should not be just for the privileged few. We believe it is for everyone. We believe access to the internet is a human right. The sense of doing the right thing runs through every aspect of our business.</p>	<p>Only the best will do We are constantly striving to deliver the best communications technology to everyone – from the smallest communities to the biggest businesses in the region.</p>	<p>Pioneering change We like to shake things up. We don't follow convention or the crowd – it isn't always easy, but it has helped us create powerful end-to-end solutions. So we are always pushing to find new and better ways to do things.</p>
<p>Integrity Having integrity in everything we do has made us what we are today. Everyone who works with us is encouraged to play their part and take responsibility for doing things right – and doing the right thing.</p>	<p>In it for the long run We've invested heavily in our own network and technology. We have created the largest pan-African fibre network that stretches across borders to connect people locally, nationally and internationally, from Cape Town to Cairo.</p>	<p>Don't talk, do We listen carefully to our customers, then we deliver beyond their expectations. This 'can do' attitude is key to our success.</p>

We all have a role to play in creating a working environment that promotes integrity, teamwork and trust. All our employees are expected to follow the Code and we also expect the people that work with us to be familiar with the Code and follow it when acting on our behalf. Each employee is responsible to act responsibly and with integrity and always treat people fairly and with respect as well as embrace an open communication channel to raise concerns and that build trust. Liquid's line managers are expected to ensure all employees understand the Code and be a role model by following the Code as well as encouraging employees to raise any concerns, which the line manager must address.

Liquid's Code of Conduct, which applies to all employees extends to various ESG-related issues/ functions within the group as indicated below.

<p>Whistleblowing</p>	<p>Conflicts of interest</p>	<p>Bribery and corruption</p>
<p>It can take courage to raise concerns about wrongdoings. Our whistleblowing policy will support you in speaking up and give you trust and confidence in how we will treat your concerns. We encourage you to speak up about actual or suspected wrongdoings at work whether in the past, occurring or likely to happen.</p>	<p>We must avoid conflicts of interests in our business dealings and be transparent if we have personal circumstances where a conflict might arise. Actual or potential conflicts must be managed effectively.</p>	<p>We will not tolerate bribery or corruption.</p>
<p>Gifts and entertainment</p>	<p>Respect in the workplace</p>	
<p>Offering and accepting business entertainment or gifts builds goodwill in our business relationships. It is acceptable when what is given or accepted is modest, reasonable, appropriate, and lawful.</p>	<p>We must treat all of our colleagues and business partners inclusively, with dignity, and with respect. We value diversity and inclusion and we seek to prevent harassment.</p>	
<p>Safe and healthy workplace</p>	<p>Human rights</p>	<p>Using social media responsibly</p>
<p>We want a healthy, safe and productive working environment for all our people, our business associates and visitors to our offices.</p>	<p>We value the safety, dignity and wellbeing of our people and those who support our business.</p>	<p>We use social media responsibly to represent the best of what we do and the business have to offer.</p>
<p>Accuracy of accounting records and disclosure</p>	<p>Confidential information</p>	<p>Protection of corporate resources</p>
<p>Honest, accurate and objective recording and reporting of financial and non-financial information is essential to the group's reputation, to meet external obligations, and for supporting business decisions and actions by group companies.</p>	<p>We must maintain the confidentiality of all commercially sensitive information and other confidential information relating to the group. We only share confidential information with those who need to see it.</p>	<p>We are all responsible for safeguarding and making appropriate use of corporate resources with which we are entrusted.</p>

<p>Information security</p>	<p>Protecting personal information</p>	<p>Complying with tax requirements</p>
<p>We must keep sensitive information, business processes and our systems safe from misuse.</p>	<p>We respect personal information and handle it with care and in accordance with our legal obligations.</p>	<p>We must comply with tax laws and regulations.</p>
<p>Communications with investors, analysts and the media</p>	<p>Competing fairly</p>	<p>Money laundering</p>
<p>We should present a consistent message in all communications with investors, analysts and the media.</p>	<p>We are committed to competing fairly and ethically, in line with all competition laws that apply to our business.</p>	<p>Money laundering is concealing illegal funds or making them look legal. We take active steps to avoid the risk of money laundering.</p>
<p>Complying with international sanctions and trade restrictions</p>	<p>Respecting the environment</p>	<p>Charitable and political donations</p>
<p>We are committed to ensuring that our business is conducted in compliance with all lawful sanctions' regimes, and that we do not engage with any sanctioned parties.</p>	<p>We value the safety, dignity and wellbeing of our people and those who support our business.</p>	<p>We use social media responsibly to represent the best of what we and the business have to offer.</p>
<p>Accuracy of accounting records and disclosure</p>	<p>Confidential information</p>	<p>Protection of corporate resources</p>
<p>Honest, accurate and objective recording and reporting of financial and non-financial information is essential to the group's reputation, to meet external obligations, and for supporting business decisions and actions by group companies.</p>	<p>We are committed to introducing more environmentally sustainable ways of working.</p>	<p>We recognise the role of business as a corporate citizen and group companies are encouraged to support local community and charitable projects. We don't support or make donations (in cash or kind) to any political party.</p>

BUSINESS INTEGRITY

Liquid's effective management of business integrity involves creating an ethical culture, ensuring compliance, fostering transparency and accountability and promoting fair practices. By extending our integrity expectations to suppliers, contractors and business partners we continue to promote and support various IFC Performance Standards and SDGs. By prioritising our business integrity principles and consistently upholding ethical standards, we continue to build a reputation of integrity, trust, and long-term success.

During the reporting period, various business integrity training was conducted at operations that addressed topics such as fraud and corruption. Training also covered various legislative requirements such as the US Foreign Corrupt Practices Act and the UK Bribery Act. In the DRC and Nigeria, additional training was conducted to include stakeholder specific contractual compliance requirements.

ANTI-BRIBERY AND CORRUPTION

The group takes a zero-tolerance approach to all forms of corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. To guide this process we developed, implemented and continue to monitor and enforce effective systems to eradicate any form of corruption. This process is managed and overseen by our internal Group Audit, Risk & Forensics (GARF) team.

The documents listed below underpin our approach to combatting bribery and corruption and are available to all employees through Liquid’s intranet. In addition, the group mitigates the risk of fraud and corruption through our robust risk management approach and regular training and awareness interventions.

Code of Conduct	Gifts and Entertainment Policy	Anti-Bribery and Corruption Policy
Fraud Risk Management Policy	Sanctions Compliance Policy	Whistleblowing Policy

WHISTLEBLOWING

All employees within Liquid are responsible for reporting incidents if they are known to be unethical, unlawful and/or where integrity has been compromised, as defined in our Whistleblowing Policy. Employees can report any unethical or unlawful event using any of the following three platforms:

- Liquid’s whistleblowing hotline managed by Deloitte (<https://www.tip-offs.com>) or liquid@tip-offs.com
- Reporting the incident through a confidential e-mail (ethics@liquid.tech) that goes to the Group Audit, Risk & Forensics (GARF) team
- Reporting it directly to our GARF team

All incidents reported through the whistleblowing process are investigated by the GARF team and handled with the necessary sensitivity and confidentiality. Liquid does not tolerate retaliation against an individual who discloses an incident. Any concerns raised maliciously may lead to disciplinary action. Third parties may not receive the same protection as employees, but the group will endeavour to maintain the confidentiality of the whistleblower and will comply with relevant legislation.

FRAUD RISK MANAGEMENT

Preventing and detecting fraud is a priority at Liquid and it is the responsibility of each employee to act with integrity and immediately report any actual or suspected fraudulent activity. Our Fraud Risk Management Policy provides guidance on the responsibility of employees to help prevent fraud or to report fraud. Employees can report any fraud using platforms mentioned above, or they can log the incident with their line manager or HR. The incident will be elevated to the GARF department, who will investigate the allocations and provide feedback to management along with mitigation measures.

The group continues to identify the possible risk of fraud through cyber-attacks, as cyber criminals remain agile and up-to-date with technological advances and innovations, and seek to exploit vulnerabilities. As technology evolves and consumers become increasingly dependent on mobile devices for communication, online shopping and banking, the risk of cyber-attacks increases. As a group we continue to improve our own internal employee awareness through monthly compulsory online IT security training sessions and also monitor external cyber risks including phishing, vishing and malware fraud.

GIFTS AND ENTERTAINMENT

Gifts and entertainment should never be offered or accepted with the intention to influence – or appear to influence – business decisions or relationships in any way. Liquid's Group Gifts and Entertainment Policy outlines the group's position with respect to gifts and entertainment. Breaches of this policy may lead to disciplinary action, up to and including termination of employment.

Our Gifts and Entertainment Policy is managed by the HR department and ongoing updates are provided to OPCOs, where relevant. Liquids GAFR team continues to review and assure the gifts and entertainment process and register and conducts annual awareness training on the policy to all employees.

SANCTIONS COMPLIANCE

Before engaging in any commercial relationship or transaction Liquid ensures that these relationships and transactions comply with applicable sanctions regulations. The level of screening and due diligence undertaken will depend on the risk profile of the relationship or transaction, with enhanced due diligence undertaken where the risk is greater. We also ensure that our business partners, including any shareholders or joint ventures, comply with sanctions regulations and that our relationship with them does not breach sanctions regulations.

Ongoing audits on contractors, suppliers and where relevant, employees are conducted to ensure that all stakeholders comply with the necessary sanction requirements, as indicated in the above policies, and that all possible conflict of interest is reported and addressed.

INTERNAL AND EXTERNAL GRIEVANCE MANAGEMENT

Liquid prioritises ongoing and transparent dialogue with all its stakeholders including contractors, suppliers, communities and customers. We believe it is essential to have a robust engagement mechanism to systematically handle and resolve any complaints that might arise, to prevent escalation and mitigate any operational, health, safety, environmental or human rights risks. A well-managed, and effective grievance mechanism will develop positive, long-term, mutually beneficial relationships, and build trust with contractors and stakeholders.

Our Internal and External Grievance Management Procedures provide an avenue for all stakeholders to express their concerns, so that we can investigate and take corrective actions as required. These procedures provide stakeholders with the necessary comfort that they can raise or report any issue that they feel aggrieved about. For more detail on Liquid's internal and external grievance processes as well as grievances registered, refer to pages 89 and 97 respectively.

Grievances can also be reported at liquid@tip-offs.com or <https://www.tip-offs.com> or by dialling one of the OPCO-specific telephone numbers

ETHICAL SUPPLY CHAIN

Liquid regards its supply chain as an extension of its operations, and we expect our supplier to always act ethically and with integrity. An ethical supply chain offers numerous benefits, including an enhanced reputation, brand value and increased customer loyalty. It also reduces our legal and reputational risks, improves supplier relationships, contributes to our environmental sustainability, and contributes to our social impact. To achieve an ethical supply chain, Liquid developed a Supplier Code of Conduct. This Supplier Code of Conduct sets out Liquid's approach to maintain high ethical standards and sustainable business practices. It outlines our expectations from our supply chain to respect and promote human rights and fair workplace practices, including equal opportunities, environmentally sustainable business activities, and a zero-tolerance to bribery and corruption.

We expect our suppliers to embrace this commitment by complying with and training its employees and subcontractors on the Supplier Code of Conduct. The Supplier Code of Conduct defines minimum standards that our suppliers, their employees and subcontractors must respect and adhere to when conducting business with Liquid. This Code is not intended to change or replace any specific contractual or legal requirements but highlights the basic principles for business conduct we expect from suppliers. If a contract between ourselves and a supplier, or local laws and regulations, contain stricter or more detailed requirements then we expect our suppliers to meet these requirements.

Liquid verifies our suppliers' compliance with the Supplier Code of Conduct by performing ongoing audits or other assessments of suppliers' facilities, records and business processes. Any violation of the Supplier Code of Conduct may result in disqualification and the termination of our business relationship with a supplier. The Code encompasses key requirements in four different areas:

- Business ethics and compliance
- Labour and human rights
- Health, safety and environment
- Management systems

Liquid's supplier ethics and compliance practices incorporate the following principles.

Anti-Fraud and Zero-Tolerance: Suppliers shall conduct business in accordance with the highest ethical standards and practices applicable to their respective business and industry (including their affiliates) and Liquid's Supplier Code of Conduct. Should unethical conduct be identified, suppliers are expected to deal appropriately with the respective employees or subcontractors, or affiliates from a consequence management perspective.

Anti-Bribery and Corruption Policy: Suppliers and their employees must never, directly or indirectly through intermediaries, offer bribes, donate gifts or make any financial contributions, payments, remuneration, gratuities, donations or comparable benefits to Liquid employees, directors, shareholders, or any other person or entity associated with Liquid. They must also not promise any personal or improper advantage which may be perceived to be an attempt to influence such a person or to otherwise gain an unfair advantage to obtain or retain business. All suppliers shall annually certify their ongoing compliance with their obligations relating to the Anti-Corruption Laws and Anti-Bribery Laws.

Conflict of Interest: Suppliers shall avoid the appearance of or actual improprieties or conflicts of interests with any Liquid employees, directors or shareholders. Suppliers must declare any potential conflict of interest upfront when dealing with Liquid and if such conflict is undeclared and identified later, it will be treated as a breach of Liquid's supplier code.

Receiving of gifts and benefits: Group employees may receive gifts or hospitality from suppliers however such acceptances must, at all times, be in line with our group's Gifts and Hospitality Policy.

HUMAN RIGHTS

Respecting human rights is one of the fundamental operational principles of Liquid. As our policy states, we are committed to ensuring, as far as we are able, that there is no modern slavery, child labour or human trafficking in any part of our business, including our supply chain. Our Human Rights Policy is comprehensive and covers all forms of human rights abuses including modern slavery, child labour and human trafficking. It also focuses and supports, equality, diversity and Inclusion practices. This policy applies throughout Liquid and its operating entities as well as to all employees whether permanent, full time, part time, fixed term, or home workers. It also applies to all persons working for us or on our behalf in any capacity, including agency workers, seconded workers, volunteers, interns, agents, external consultants, third-party representatives, suppliers and business partners.

Child labour, as defined by the ILO Convention is work by children under of age of 18 that is hazardous to the child's physical or mental health. In conducting business, Liquid does not employ children that fall into the definition as stipulated by the ILO Convention, notwithstanding any national law or local regulation. We also expect our business partners and suppliers to have and uphold similar standards and/or abide by country-governing laws where they operate. Should violations of these principles become known to Liquid and not be remediated, Liquid will act, and measures may include the discontinuation of the business relationship.

Similar to child labour, Liquid expressly prohibits any form of work or service, not voluntarily obtained, under threat of any punishment, work as a way of cancelling a debt or leave any kind of deposit to ensure or maintain a working relationship with us or any of our business partners. To manage and control any form of modern slavery, all our operations provide contracts to their employees in accordance with the laws of the countries we operate in. Liquid also updated its Human Resources Policy (currently being approved) to include the above aspects and to ensure that our own internal process monitors and protects the rights of our employees.

During the reporting period, no human rights abuses were reported in the group and to our knowledge none of our suppliers or contractors were implicated in any human rights abuses. The group continues to monitor any forms of human rights abuse.

RISK MANAGEMENT

Risk management is an essential element in creating business integrity. It helps to identify ethical risks, establish ethical standards and controls and mitigate reputational risks. Effective risk management also ensures compliance with laws and regulations and promotes continuous improvement. By integrating risk management into our operations, we continue to demonstrate our commitment to ethical conduct, building trust with stakeholders, and contribute to a sustainable and ethical business environment.

To support our risk management process each operating company maintains a risk register for enterprise functional and operational risks. The GAFR team oversee the management and risk consolidation process and reports quarterly to:

- Operational boards and subcommittee such as South Africa's:
 - o Social, Ethics and Transformation (SET) Committee
 - o Audit and Risk Committee
- Group board committee and subcommittees including:
 - o Nomination, Governance and Impact (NGI) Committee
 - o Audit and Risk Committees in South Africa and at the group level

The frequency of most of our Operational Risk Committees has been increased from quarterly to monthly meetings. There are also risk management processes in place at a functional level to manage risks related to third parties, including agents, suppliers, contractors and partners. Internal assessments are also conducted by finance and reported through to the risk management committees. Liquid's previous external risk assessment review was conducted in 2021 and the next assessment is planned for FY24.

Please refer to page 39 where our risk management approach and performance is comprehensively outlined.

LEGAL COMPLIANCE

Legal compliance is critical to avoid legal consequences and to mitigate legal and regulatory risks. It allows us to maintain reputational integrity, build stakeholder confidence and ensure ethical conduct. Liquid prioritises legal compliance as we continue to demonstrate our commitment to responsible and sustainable business practices, fostering long-term success and a positive impact on society.

Each operation has a legal register that contains all relevant ESG and HSE-related local legislation. These registers are reviewed and updated regularly to ensure we manage our operations in accordance with updated legislation. Liquid maintained compliance with all valid HSE permits.

LOOKING AHEAD

Some of our high-level action points include:

- Ensuring process implementation on risk, controls and assurance elements, including updating relevant charters and committees are done in FY24
- Ensuring climate risk matters are integrated within the existing environmental and social committees
- Conducting supplier governance reviews as part of our ESG supplier survey
- Aligning and implementing the IFC Performance Standards as part of the group's new sustainability strategy
- Conducting our next external risk assessment review in FY24



OUR OPERATIONS

Liquid is a pan-African technology group with company operations in various countries across Africa. As a group we are proud of the work and contributions made by all our operations with regards to social, environmental and governance initiatives. The operational information in this section provides some insights from the Chief Executive Officers on each operation's sustainability journey thus far, some key ESG information relevant to FY23 and also a few focus areas for FY24.

Liquid Botswana ESG Overview

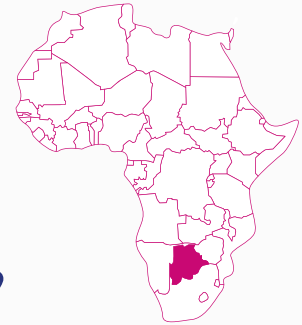


Odirile Tamajobe
CEO

“

Wherever Liquid operates in society, we need to contribute meaningfully. As a responsible corporate I am dedicated to continuing to make a difference wherever we operate.

”



In Botswana, we are making good progress in reducing our carbon footprint through our investment in renewable energy technologies.

We use solar power at our backbone sites and have decreased our use of grid power by approximately 50% since April 2022. We have also reduced the use of generators to almost zero, which helps us implement our projects according to our approved environmental management plans and local legislation. In addition, we continue to focus on reducing our energy use in our offices by, for example, implementing technology to switch off lights when not in use and training our staff on responsible electricity use.

Our array of recent corporate social responsibility (CSR) initiatives have strengthened our commitment to uplifting communities where we operate. These initiatives range from providing free Wi-Fi and data to educational and non-profit organisations, to supporting institutions promoting excellence in science, technology, engineering, arts, and mathematics.

Liquid Botswana also takes pride in promoting gender equity and diversity, where half of our executive team and almost half of our engineering team are women. Gender equality remains a focus area for our operation.

ESG FOCUS AREAS FY24

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



SasaiFintech

855KM

Fibre in country

24

Headcount: Liquid

0

ESG Incidents

165,026 L

Water consumption

37MWh

Scope 2 emissions

USD15,000

CSI Investments

<p>Environmental</p>	<ul style="list-style-type: none"> • Ensuring 100% training of employees in environmental impacts, policies and procedures • Developing an ISO 14001 system • Improving the reliability and accuracy of ESG data
<p>Social</p>	<ul style="list-style-type: none"> • Consulting with all stakeholders on projects being implemented in their communities • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Ongoing HSE audits with different stakeholders • Continuing diversity and gender equality • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Building a digital future for Botswana

Listed below are a few ways that Liquid Botswana’s CSR initiatives contribute to building a digital future for Africa:

- **Connecting education:** We have started connecting a nursing school in Botswana with free Wi-Fi to support students with their learning activities
- **Dare to Dream** is receiving free internet for three years. This is a coding hub that teaches digital literacy to youth
- **Furnishing a school computer lab:** We have donated furniture to the dilapidated computer lab of Letsebe Primary School in the rural community of Mmathubudukwane, to improve learning abilities
- **Closing the digital gap:** We sponsor the Mzinda Hub, a coding school that reaches 40 000 students online in over 20 African countries



Liquid Democratoc Republic of Congo (DRC) ESG Overview

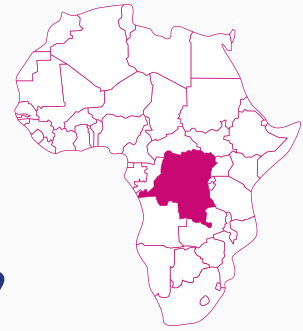


Eric Waku
CEO & Finance
Operations

“

We are using ‘Visible Felt Leadership’ principles to guide our teams on aspects of ESG. People are at the centre of our thinking, demonstrating that we care about our employees and not only the bottom line. Employees are our backbone – respect and trust is crucial.

”



Liquid DRC is committed to embedding our safety and environment culture among employees, contractors and all those we work with. This is done through our Health, Safety and Environmental Policies. We also have plans to substantially reduce our carbon emissions over the coming years and to become a green partner in the DRC society.

For all major projects we conduct Environmental Impact Assessments and implement specific requirements identified as part of the assessment and any requirements stipulated in government agency environmental certificates.

Liquid Botswana also takes pride in promoting gender equity and diversity, where half of our executive team and almost half of our engineering team are women. Gender equality remains a focus area for our operation.

We are pleased that some of our ESG-related initiatives are showing results. These initiatives include among others:

- An annual review of environmental impacts using our environmental evaluation and monitoring tool
- The development of environmental and social management plans for major projects
- To apply and obtain relevant environmental and safety licenses, that affirms our commitment to environmental and safety stewardship

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



5,266KM

Fibre in country

82

Headcount: Liquid

0

ESG Incidents

15,371 L

Water consumption

7MWH

Scope 2 emissions

USD70,000

CSI Investments

Our ESG efforts are also growing internally with the appointment of environmental and safety stewards, that drive our strategy through ongoing HSE awareness campaigns. These campaigns have resulted in a reduction in HSE incidents, improved gender diversity and increased engagement with employees and communities.

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Re-initiating our HSE committee meeting in line with group requirements • Developing an ISO 14001 system • Improving the reliability and accuracy of ESG data
<p>Social</p>	<ul style="list-style-type: none"> • Improving the overall engagement with communities through Environmental and Safety Stewards • Developing a CSI Policy and increasing our CSI initiative
<p>Governance</p>	<ul style="list-style-type: none"> • Continuously reviewing our corporate ethics • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Connecting communities in the DRC

Liquid Intelligent Technologies Group partnered with Facebook (META) to provide Optic Fibre connectivity to all mobile network operators across the DRC. This link allows high-speed connectivity to DRC communities, businesses and remote areas. Our fibre built has positively impacted on the environment, community health and safety, community upliftment and job creation opportunities. As part of the project we:

- We created thousands of jobs per month of which 30% were occupied by females
- Constructed 15 bridges and drainage systems to mitigate floods (requiring 15 EIAs to be conducted)
- Training all works on relevant HSE requirement
- Created significant opportunities for local businesses to support the project and grow their businesses
- Donated 20 laptops, numerous food parcels and free internet to local communities



Collapsed bridge rebuilt by Liquid

Liquid Kenya ESG Overview

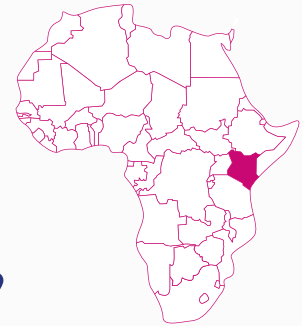


Adil El Youseffi
CEO

“

Safeguarding the wellbeing of all our staff and conducting responsible business with our clients and other stakeholders, has been a key focus in the past couple of years.

”



In Kenya, we ensure that we are compliant with national environmental, health and safety legislation and policies. We are proud that we are compliant, largely due to our rigorous engagement with and annual reporting to regulators.

We do however strive to go beyond just complying with legislative requirements. Liquid Kenya’s supplier code of conduct commits our suppliers to the Group’s environmental, social and governance framework (including health and safety), thereby passing Liquid’s commitment on to our broader business ecosystem, to ensure we operate in a sustainable and responsible manner. We also obtained a compliance certificate for the way we manage our electronic waste, allowing us to continue operating. We continue to create awareness among employees on all aspects of HSE.

Our employee health and wellbeing became particularly important since the COVID-19 pandemic. Our staff welfare committee ensured that all affected employees received the necessary support and care. Some staff initiatives include implementing mental health programmes to support the impacts of COVID-19, plans to plant trees on birthdays, using transport buses to reduce our carbon footprint, allocating a nursing room for new mothers, a social club as well as education around hybrid work.

With the guidance of the ESG framework, we continuously refine our local strategies around, for example, stakeholder engagement, grievance procedures, ESG, health and safety.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



SasaiFintech

8,330KM

Fibre in country

292

Headcount: Liquid

0

ESG Incidents

956,500 L

Water consumption

21 397MWh

Scope 2 emissions

USD159,009

CSI Investments

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Implementing and monitoring our Waste Management Plan • Developing an ISO 14001 system • Improving the reliability and accuracy of HSE data
<p>Social</p>	<ul style="list-style-type: none"> • Social impact project identification, implementation and reporting • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Monitoring and ensuring legal compliance with all local HSE legislation • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Supporting social causes

Liquid Kenya supports several initiatives in Nairobi that include the Standard Chattered Marathon, where staff were sponsored to run this marathon. We provided financial support to Horec Children’s Home, that provides shelter for children infected with or affected by HIV/ AIDS. We also sponsored The Higher Life Foundation Scholars with a full scholarship. Other support included providing connectivity to several special needs schools, with a focus on the needs of autistic learners as well as a golf sponsorship in support of a paediatric cancer diagnosis treatment programme.

Liquid sponsored 13 Kenyan esport players (5 women and 8 men) for the Maiden Commonwealth Esports Championship in Birmingham, UK. The event was an international event held between various national teams during the 2022 Commonwealth Games.



Kenya’s Commonwealth Esports team

Liquid Nigeria ESG Overview

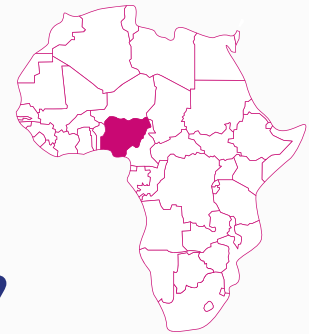


Wole Abu
CEO

“

To minimise our environmental footprint we focus on sustainable infrastructure possibilities, using existing infrastructure for any new purposes where possible.

”



Liquid Nigeria is committed to sustainability and has an ambition to be carbon neutral by 2050. We subscribe to the national plan to transition from fossil fuels to renewable energy. Therefore all our facilities have a five- to ten-year plan to implement clean energy systems.

Over the past financial year we also focused on sustainable construction in two projects: The construction of our data centre and laying our fibre optic cables, both in Lagos. As a result of construction activities in FY23, Nigeria depended on diesel generators to complete construction of the two projects. The operation will be switching over to gas generated grid power in FY24 and will report their first scope 2 emissions data.

In constructing our data centre, we supported Lagos city’s flood mitigation project by building it as part of the city’s shoreline protection project, which involved constructing embankments and drainage systems. During construction, we focused on minimising our impact on the environment by having ESG consultants and our internal ESG team involved in supervising construction activities. When we laid our long-distance fibre optic cable, which connects the cities of Lagos and Abuja with Portugal, we were careful to use existing ducts and infrastructure and we did not have to disturb the natural environment by digging new ducts.

We are extending our internal sustainability focus to our existing and new contractors. When we onboard them, we check the energy sources they plan to use, and make sure their plans are compliant with our own ESG policies and procedures.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



208KM

Fibre in country

21

Headcount: Liquid

0

ESG Incidents

1,367 L

Water consumption

452 tCO₂E

Scope 1 emissions*

USD700

CSI Investments

* See text alongside for more information.

We continue to ensure that our employees are safe, and that Liquid Nigeria is an employer of choice. We continue to support staff in remote-work arrangements, which started during the COVID-19 pandemic and has improved our staff work-life balance and decreased their carbon footprint. In addition, we are equipping personnel with future-proof skills including digital skills and technology skills, so that we are all better equipped to live in a rapidly changing world.

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Improving the reliability and accuracy of ESG data • Establishing waste reduction and recycling programs to minimise environmental impact • Improving ESG monitoring of our current and new contractors • Developing an ISO 14001 system
<p>Social</p>	<ul style="list-style-type: none"> • Developing a CSI Policy for the operation and reporting CSI spend • Supporting employee wellbeing through wellness programs, mental health resources, and work-life balance initiatives • Investing in employee training and development programs to enhance skills and promote career growth • Engaging in philanthropic activities and community outreach programs to address social issues and contribute to the betterment of society
<p>Governance</p>	<ul style="list-style-type: none"> • Reviewing and updating all ESG procedures in line with new group sustainability documentation • Implementing robust corporate governance practices and ethical standards, including transparency in financial reporting and compliance with regulations • Maintaining clear and effective communication channels between management, employees, and stakeholders

ESG Initiatives

Sponsoring the National Chess Tournament in Lagos

Our mission is to empower communities through technology and education, and supporting events like the National Chess Tournament is in line with that mission. Our sponsorship of the Lagos National Chess Tournament demonstrates our dedication to helping our local communities and advancing national growth. The best chess players in the nation, including three extraordinary young prodigies, attended the competition. We sought to support and nurture their development by giving them a forum to demonstrate their talents, ultimately assisting in the expansion of chess in Nigeria. It was also livestreamed to give the players and the game global exposure through our high-speed internet connection.



Liquid Rwanda ESG Overview

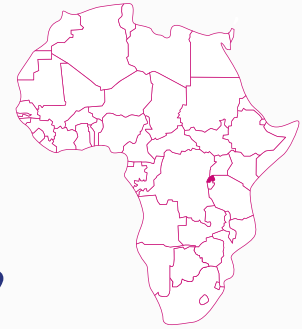


Alexis Kabeja
CEO

“

We're supporting the government to bridge the digital divide in Rwanda and to drive digital connectivity uptake

”



Bridging the digital divide in Rwanda is a key focus for Liquid Rwanda. This includes supporting a range of government initiatives to provide free Wi-Fi in public spaces, educational institutions, sports facilities and airports.

Clean power is getting a boost with the revamp of our data centre where we are getting rid of power-hungry infrastructure and avoiding diesel generators in favour of solar energy technology. Simultaneously, we are contracting with a new e-waste company to ensure our obsolete electronic equipment is properly disposed. We also keep safety front of mind by improving safety training for technical staff and contractors involved in overhead fibre installations and ensuring our workplace remains safe.

Achieving gender equity remains a challenge for us. We currently only have 18% women employees but are working with the University of Rwanda's College of Technology, to help us recruit female staff, especially for our technical departments.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



7,182KM

Fibre in country

70

Headcount: Liquid

0

ESG Incidents

2,475 L

Water consumption

841MWh

Scope 2 emissions

USD120,000

CSI Investments

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Implementing an e-waste Management Plan and disposing decommissioned electronic equipment • Developing an ISO 14001 system • Improving the reliability and accuracy of ESG data
<p>Social</p>	<ul style="list-style-type: none"> • Social impact project identification, implementation, and reporting • Improving gender diversity • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Ensuring legal compliance of all local legislations • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Rwanda focused on connecting public spaces

In partnership with Kigali authorities we aim to provide free connectivity in a several places mentioned below:

- **Relaxing with free internet:** The city garden and the city’s car-free zone have free internet access where everyone can enjoy browsing, working and relaxing
- **Free Wi-Fi for the airport and sports arena:** We have extended connectivity free of charge to the multi-purpose BK Arena, mostly used for sports, and free internet access at Kigali International Airport
- **Connected education:** We have connected laboratories at the University of Rwanda’s College of Technology to enable student research, and we are in discussions with the Ministry of Education to connect other schools
- **Civic education:** We have committed \$1 million dollars (\$100 000 per year over 10 years) to the Ministry of Civil and Civic Education, to support their initiatives to preserve the memory of the Tutsi genocide
- **Empowering a resilient future:** We have signed a memorandum of understanding with the Rwanda United Nations Development Programme to provide services that support youth, in start-ups and universities. We also have an internship programme with four or five students who are training for a digital future



Handing over of \$1 million dollars to the Ministry of Civil and Civic Education

Liquid South Africa ESG Overview

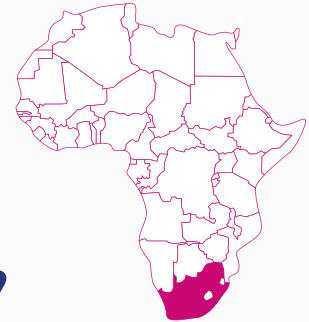


Deon Geyser
CEO

“

As an operation we continue to focus on all aspects of ESG and we are also engaging our contractors to ensure they adhere to and promote Liquid’s ESG objectives.

”



One of our biggest ESG priorities in Liquid South Africa’s is to reduce our carbon footprint by ramping up renewable energy use, to replace diesel generators and unreliable supply of grid electricity.

To date we have:

- Developed a hybrid working policy – this reduces our use of fossil-fuel powered vehicles and has also reduced energy, water and fuel consumption at our offices
- Installed solar batteries on site to reduce the use of diesel generators
- Commenced our 1200 kW solar plant initiative with the installation of 814.7 kW capacity already installed, with plans to increase solar energy in our offices and at our Points of Presence (POPs)

Broad-Based Black Economic Empowerment (B-BBEE) is a policy implemented by the South African government that aims to recognise the country’s full economic potential, while helping to bring the previously disadvantage citizens into the country’s economic mainstream. We recently achieved a B-BBEE Level 1 rating, something we are very proud of. Liquid South Africa’s B-BBEE initiatives resulted in 76% of our workforce being previously disadvantaged citizens whilst 34% of our workforce are women.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



34,175KM

Fibre in country

733 / 94

Headcount: Liquid / ADC

0

ESG Incidents

218 378 L

Water consumption

21 429MWh

Scope 2 emissions

USD214,812

CSI Investments

Legal compliance controls and monitoring activities are a key focus for the operation, and it supports our corporate governance strategy. Our internal legal risk and compliance policies ensures we remain complaint with all relevant legislation and that any contracts we enter in to align with group requirements.

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Improving energy data collection • Reducing and improving our e-waste management programme and contributing to a circular economy • Increasing renewable energy consumption and creating energy efficiencies • Improving the reliability and accuracy of ESG data
<p>Social</p>	<ul style="list-style-type: none"> • Continuing to contribute to CSI inline with our B-BBEE requirements • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Establishing a formal HSE governance structure • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Contribution to youth development

The youth of South Africa suffers from a disproportionately high unemployment. Liquid South Africa is trying to make a difference and have achieved the following as part of their Corporate Social Responsibility commitments:

- **1000+** underprivileged and disabled students assisted through bursaries over the past three years
- **719** school learning labs connected
- **389** virtual math and science schools supported in the Eastern Cape as part of our Mathematics and Physical Science Schools project
- **85** unemployed youths in the North-West Province were employed by Liquid
- **160** university bursaries awarded in 2022
- **142** beneficiaries of the ‘Yes Programme’ supported – this initiative aims to give unemployed youth 12 months of work experience



Liquid SA Supporting the “Yes Programme”

Liquid South Sudan ESG Overview

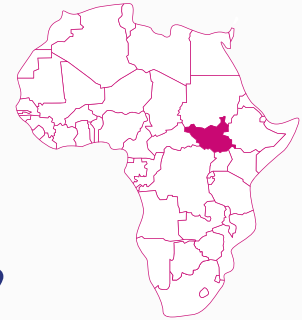


Martin Mushambadope
CEO

“

As part of our corporate responsibility, we are focusing on promoting internet access to remote and underserved communities, which is especially challenging in South Sudan.

”



By working closely with Liquid South Sudan’s wider ecosystem, including local communities and the regulator, we were able to successfully connect our second fibre link. We were fully compliant with the standards and specifications set by regulators and engaged local contractors to build local capacity for future projects. The safety of staff and contractors and the protection of the fauna and flora was paramount to the success of the project, resulting in no HSE incidents or grievances.

Community development remains front of mind at Liquid South Sudan and forms an integral part of our ESG commitment. Some of our projects include:

- Providing free connectivity to the Scenius Hub, an innovation hub that supports entrepreneurship and collaboration amongst the youth. The hub is a youth-led organisation focused on providing community-led solutions to socio-economic issues
- Providing connectivity to strategic government departments to enable real-time communication with relevant stakeholders
- Providing internship opportunities for ICT students from Juba University annually

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



506KM

Fibre in country

22

Headcount: Liquid

0

ESG Incidents

NO DATA

Water consumption

NO DATA

Scope 2 emissions

USD36,750

CSI Investments

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Implementing and monitoring our Waste Management Plan • Developing an ISO 14001 system • Improving the reliability and accuracy of HSE data
<p>Social</p>	<ul style="list-style-type: none"> • Social impact project identification, implementation and reporting • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Monitoring and ensuring legal compliance with all local HSE legislation • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Supporting social causes

- **Donated to Concern South Sudan**, a philanthropy organisation, to support returnees and refugees who are coming into South Sudan as they flee the ongoing conflict in Sudan
- **Support Safety Comm**, a community center that champions cyber security awareness in South Sudan



Cyber security awareness training for community members

Liquid Tanzania and Zanzibar ESG Overview

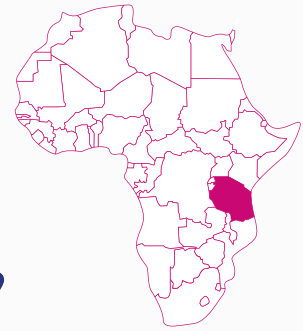


Manish Govindji
Acting CEO

“

Talent development is important at Liquid. This includes supporting staff studying internally and externally. In addition, informal skills sharing takes place at our ‘Level Up’ Friday sessions where our commercial team shares experiences and sales techniques with employees.

”



At Liquid Tanzania, bridging the digital divide and bringing connectivity to key, often remote community resources, is an important part of the work we do. To support this we aim to provide Wi-Fi hotspots (without the need to lay fibre) for internet access to remote hospitals, schools and farmers in FY24.

Employee and community safety and wellness remains one of our biggest ESG focus areas. We conduct HSE risk awareness for staff, especially for our technical field teams, and continually monitor compliance with occupational health and safety regulations and standards developed by the Ministry of Labour and Employment. This ensures that we create and maintain a work environment that is free from occupational hazards. Wellness Wednesdays and recreational, reflection and prayer areas, continue to be part of our employee wellness and safety initiatives, thereby maintaining oversight of employee wellbeing and safety. Close monitoring of driver behaviour and the condition of our vehicles also helps manage road accident risks.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



3,336KM

Fibre in Tanzania

240KM

Fibre in Zanzibar

91

Headcount: Liquid Tanzania

31

Headcount: Liquid Zanzibar

51MWh - TANZANIA

Scope 2 emissions

12,835 L - TANZANIA

Water consumption

111MWh - ZANZIBAR

Scope 2 emissions

USD4,885 (TANZANIA & ZANZIBAR)

CSI Investments

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Implementing and monitoring our Waste Management Plan • Developing an ISO 14001 system • Improving the reliability and accuracy of HSE data
<p>Social</p>	<ul style="list-style-type: none"> • Social impact project identification, implementation and reporting • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Monitoring and ensuring legal compliance with all local HSE legislation • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Connecting Tanzanian communities

We are making sure that Liquid Tanzania gives back as indicated below:

- Baobab Home is a small, community-based NGO located in Bagamoyo with a mission to serve children from families affected by HIV/AIDS, mental illness and poverty. In FY23, we improved their bandwidth capacity to ensure stable zoom calls and a seamless delivery of messages to their donors
- We provided free internet for the All-Africa Challenge Trophy, Africa’s women’s golf tournament hosted in Tanzania in 2022
- Staff planted trees and collected trash at Coco Beach on World Environment Day



Improve Baobab Home’s bandwidth



Free Internet to Africa’s womens golf tournament



Support World Environmental Day

Liquid Uganda ESG Overview

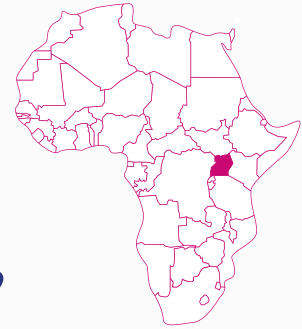


Dennis Kahindi
CEO

“

We are committed to supporting our communities, where we operate, and the customers we serve through our commitment to ESG initiatives.

”



Our ESG programme has been at the core of our business operations in Uganda as we believe that our actions have consequences and that we need to lead by example. Through our products and services, we aspire to create a sustainable impact within the company, for our customers, and in the communities where we operate.

Liquid Uganda is focused on promoting and supporting gender equality in the technology sector. We are especially proud of our very intentional drives towards gender diversity in Uganda, where 48% of our staff are women. All staff receive training on relevant health, safety and environmental policies as well as operational health and safety guidelines. These and other awareness campaigns resulted in no HSE incidents or grievances registered in FY23.

We have created a cross-functional, agile ESG team, which identifies initiatives that the business should contribute to, and align with our values and purpose. Each month we identify and celebrate our HSE champions, and the people-led programmes they are involved in.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



4,361KM

Fibre in country

80

Headcount: Liquid

0

ESG Incidents

NO DATA

Water consumption

374MWH

Scope 2 emissions

USD2,419

CSI Investments

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Implementing and monitoring our Waste Management Plan • Developing an ISO 14001 system • Improving the reliability and accuracy of HSE data
<p>Social</p>	<ul style="list-style-type: none"> • Social impact project identification, implementation and reporting • Developing a CSI Policy for the operation and reporting CSI spend
<p>Governance</p>	<ul style="list-style-type: none"> • Monitoring and ensuring legal compliance with all local HSE legislation • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Creating a sustainable impact

We are partnering with various organisations and our customers to create a sustainable impact. In the reporting period we:

- Worked with one of our customers to plant more than 1 000 trees in local communities
- Provided connectivity to the health sector to improve access to medical information
- Supported and funded women in the technology sector through the NGO, ‘Women in Technology’ initiative
- Liquid supports optical fiber termination workshop at the International Business, Science and Technology (ISBAT) University in Uganda



Training of ISBAT students on optical fibre termination

Liquid Zambia ESG Overview

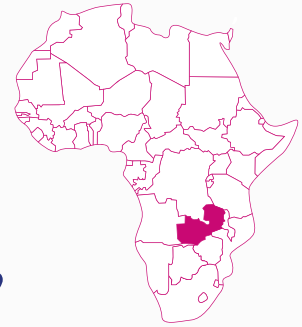


Mark Townsend
CEO

“

We are continuously refining our sustainability approach to find better ways to cover all sustainability areas. This is captured in a slogan we use – I am Liquid – which reminds each of us to think about what we can contribute every day.

”



Liquid Zambia’s six pillars - Delight, Sales, Finance, Progression, Performance and the Environment - guide all our company actions, including our ESG initiatives.

Environment-related actions have included replacing all our greenhouse R22 gas with R410A gas. This significantly lowered our contribution to ozone depletion emissions. We are also making sure we conform to all guidelines for e-waste disposal and have appointed a registered contractor. We no longer use pesticides to clear land (we do it purely by cutting vegetation) and make sure we never cut down indigenous trees or disturb sensitive fauna. To reduce our carbon footprint, we are in the process of moving from diesel generated power to solar batteries and inverters, and we continue to measure energy-use and emissions for all our equipment to guarantee compliance with local requirements and for continuous improvement initiatives.

Safety initiatives extend beyond just our employees to our contractors and suppliers. While staff receive training in firefighting, first aid and defensive driving, contractors are trained on all our HSE standards and are required too always be compliant.

We ensure the wellbeing of our staff through wellness programmes, safety programmes, providing fresh fruit daily, and sporting and fitness events.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



SasaiFintech

11,195KM

Fibre in country

198

Headcount: Liquid

0

ESG Incidents

29,001 L

Water consumption

111MWh

Scope 2 emissions

USD6,139

CSI Investments

We also provide learning webinars and LinkedIn learning sessions, and we have mechanisms in place to recognise and reward learners in the company. We are also proud that 55% of our executive team are women, supporting the group's diversity and inclusion strategy.

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Developing an ISO 14001 system • Improving the reliability and accuracy of ESG data
<p>Social</p>	<ul style="list-style-type: none"> • Developing a CSI Policy for the operation and reporting CSI spend • Continuing to identify and support community needs around health, education and youth initiatives
<p>Governance</p>	<ul style="list-style-type: none"> • Reviewing and updating all ESG procedures in line with new group sustainability documentation • Monitoring and ensuring legal compliance with all local HSE legislation

ESG Initiatives

CSI focus on health and education in Zambia

Our inter-departmental CSR committee meets regularly to review requests, guided by our focus on sport, culture and education needs. These were some of the CSI initiatives supported by Zambia:

- Donations were made to an orphanage in the area as part of our Women's Day celebrations
- A group of Liquid Zambia's men donated food and toiletries during a visit to the local prison
- Liquid Zambia supported the Commonwealth athletes through a local sponsorship programme
- We supported the eastern province music award by providing free Wi-Fi
- We contributed financially to the underprivileged scholarships programme



Muzala Samukonga won gold at Commonwealth 2022

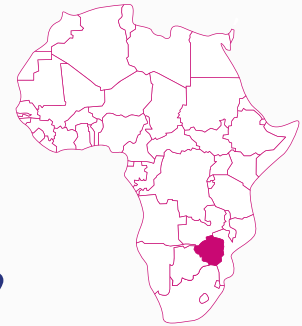
Liquid Zimbabwe ESG Overview



Wellington Makamure
CEO



Liquid Zimbabwe's commitment to environmental and safety stewardship are evident in a range of awards and licences obtained over the last few years.



Liquid Zimbabwe's commitment to environmental and safety stewardship are reflected in a range of environmental and safety awards and licences awarded over the past four years:

- Annual NSSA Safety Award 2022
- 22 environmental and safety licenses obtained during FY2021/22
- Environmental Stewardship Award 2021 from the EMA
- Environmental Stewardship Award 2020 from the Environmental Management Agency (EMA)

Our exceptional HSE performance is guided by our Environmental, Health and Safety Policy. We continue to also participate in the government's 'Environmental first Friday clean-up' initiative that resulted in us appointing environmental and safety stewards to drive this and other HSE initiatives. Our HSE stewards are also responsible for driving our health and safety agenda, which resulted in a continuous reduction in safety and environmental incidents.

Our staff participation programmes includes an award-based recognition system for employees, who contribute to ESG strategies, and a wellness programme that covers medical examinations, monthly health tests, and sporting activities.

We continue to support our community through CSR initiatives including donations, internet access for government and civic organisations, PPE provisions for Zimbabwe's police force, and borehole and solar bank installations.

COUNTRY SPECIFIC INFORMATION

Cassava companies operating in country:



22,627KM

Fibre in country

301

Headcount: Liquid

0

ESG Incidents

NO DATA

Water consumption

185MWh

Scope 2 emissions

USD382,531

CSI Investments

ESG FOCUS AREAS FY24

<p>Environmental</p>	<ul style="list-style-type: none"> • Collecting additional environmental KPI data • Developing an ISO 14001 system • Improving the reliability and accuracy of ESG data
<p>Social</p>	<ul style="list-style-type: none"> • Developing a CSI Policy for the operation and reporting CSI spend • Identifying and allocating approximately USD450 000 for CSI initiatives in line with the new CIS policy.
<p>Governance</p>	<ul style="list-style-type: none"> • Conducting bi-annual governance audits to assess performance and implementing corrective actions where required • Reviewing and updating all ESG procedures in line with new group sustainability documentation

ESG Initiatives

Zimbabwe’s focus on health, safety and the environment

Liquid Zimbabwe celebrated the World Day for Safety and Health at Work. The event was held on 23 April 2023 and involved the operational executives, heads of departments and employees from all departments. As part of the event, we invited speakers and medical institutions to highlight the importance of the day and demonstrate emergency scenarios including lifesaving medical techniques. The organization, through the HSE team, also distributed teas and healthy balance foods for employees as part of the event.



Liquid Zimbabwe celebrates World Day for Safety and Health at Work

In December 2018 the Government of Zimbabwe promulgated a national clean-up every first Friday of month in support of to uphold environmental fundamental rights and freedoms provided for in Section 73 of the constitution of Zimbabwe - “the right to an environment that is not harmful to their health and well-being”. Since the inception of this initiative in 2018 Liquid Zimbabwe has been conducting environmental cleanup campaigns within the areas allocated by the Environmental Management Agency(EMA).



Liquid Zimbabwe employees support the national First Friday Clean-up initiative in Zimbabwe

Abbreviations

ACFP	Group Archaeological Chance Find Procedure
ADC	Africa Data Centre
B-BBEE	Broad-Based Black Economic Empowerment
CAR	Central Africa Region
CDP	Carbon Disclosure Programme
CEO	Chief Executive Officer
CLO	Community Liaison Officer
CO₂	Carbon Dioxide
DEFRA	Department for Environment, Food and Rural Affairs
DFIs	Development Financial Institutions
DPA	Distributed Power Africa
DRC	Democratic Republic of Congo
E&S	Environmental and Social
EAR	Eastern Africa Region
ECMT	Electronic Compensation Management Tool
EIA	Environmental Impact Assessment
EMA	Environmental Management Act
EMP	Environmental Management Plan
EMPr	Environmental Management Programmes
ERP	Emergency and Response Plan
ESG	Environmental, Social and Governance
ESMS	Environmental and Social Management System
ESSP	Environmental and Social Screening Procedure
G-ARC	Group Audit and Risk Committee
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GMP	Grievance Management Procedure
GRI	Global Reporting Initiative
HIRA	Hazard Identification and Risk Assessment

Abbreviations

HR	Human Resources
H&S	Health and Safety
HSE	Health, Safety and Environment
HSS	Health, Safety and Security
ICT	Information and Communications Technology
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
ILO	International Labour Office
ISO	International Standards Organisation
ISSB	International Sustainability Standards Board
IMP	Incident Management Procedure
KPI	Key Performance Indicator
LIQUID	Liquid Information Technologies
LTI	Lost Time Injuries
LTIFR	Lost Time Injuries Frequency Rate
MNO	Mobile Network Operator
NGO	Non-Governmental Organisation
NOMCO	Nominations, Governance and Impact Committee
NSSA	National Social Security Authority
OHS	Operational Health and Safety
OPCO	Operating Company / Operations
PPE	Personal Protective Equipment
SDG	Sustainable Development Goal
SEP	Stakeholder Engagement Plan
SET	Social, Ethics and Transformation
SIA	Social Impact Assessment
TCFD	Taskforce on Climate-Related Financial Disclosures

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