

SAFARICOM'S SUSTAINABILITY JOURNEY

Promoting environmental stewardship

March 2025

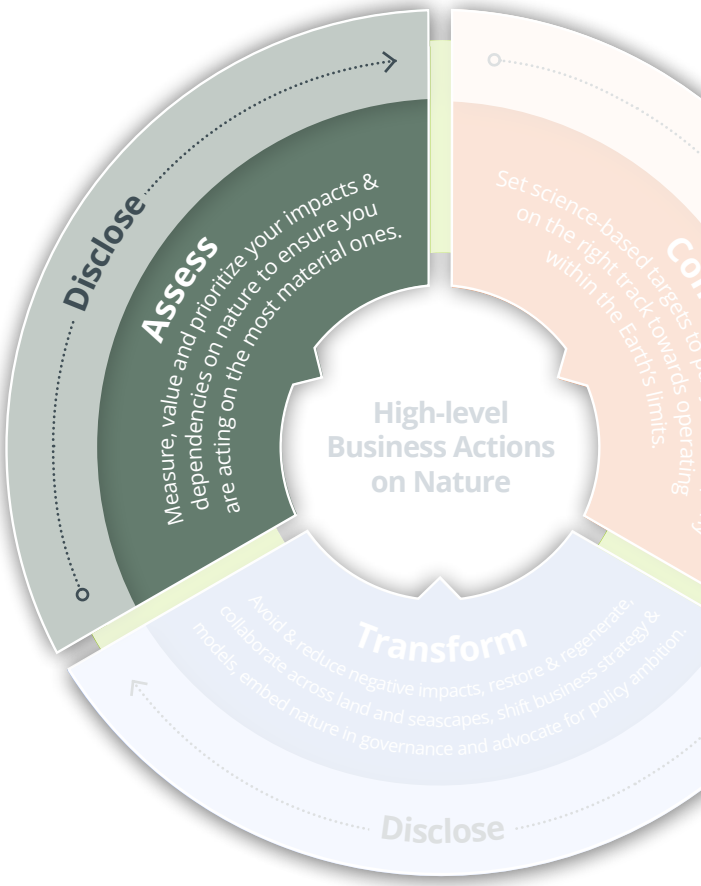
Connecting the African continent one innovation at a time, Safaricom aims to be Africa's **leading purpose-led technology company**. With over 49 million customers across Kenya, Ethiopia, and beyond, the company is **transforming lives and livelihoods** through its cutting-edge mobile financial services, digital platforms, and connectivity solutions.

Safaricom is shaping its **sustainability journey** in alignment with the **ACT-D high-level business actions on nature** — Assess, Commit, Transform, and Disclose. The company began this journey in 2012 when it developed its first sustainability framework. Today, its approach blends innovative, **nature-conscious solutions** with a commitment to creating long-term value for both **business and society**.

Key highlights

- **1,432** solar-powered base stations, up from 310 in 2022, with a target to power 5,000 sites with solar and battery storage by 2030
- **2,048** tons of e-waste collected and recycled by the end of 2024, supporting a circular economy
- **2.3 million** trees planted, restoring thousands of hectares of degraded public forests in partnership with the Kenya Forest Service and local communities





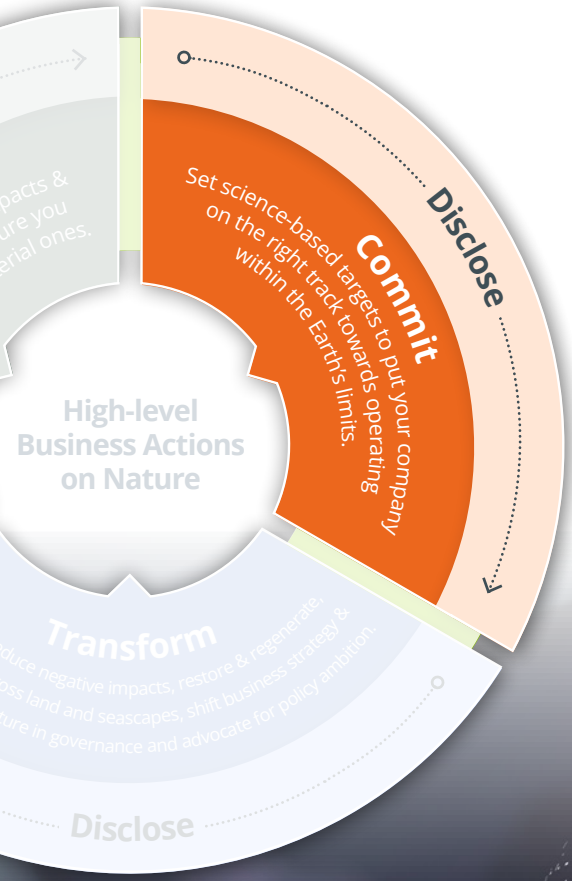
Assess: Laying the foundations with data-driven insights

Safaricom uses **data-driven insights** to guide its sustainability efforts. Since 2015, Safaricom has used KPMG's True Value Assessment, a comprehensive framework that measures Safaricom's broader impact on society, the environment and the economy - **going beyond traditional financial metrics**. This framework helps the company understand and manage its total value creation by integrating social, environmental and economic dimensions into decision-making. Specifically, the True Value assessment evaluates their environmental footprint, including emissions, water consumption and waste disposal. These results are available in Sappi's 2024 Sustainable Business Report.

Safaricom also conducts materiality assessments through a comprehensive and ongoing process, engaging senior decision-makers, evaluating its business model and strategy, and considering both the operating environment and stakeholder interests. This approach enables the company to identify key environmental, social, and governance (ESG) issues: highlighting risks and opportunities, guiding strategic priorities, and aligning efforts with global sustainability goals. A material topic for Safaricom is environmental stewardship focusing on climate action, the circular economy, and biodiversity conservation and restoration. Safaricom conducted its last materiality assessment in 2021, and their priorities align with the 2023 materiality assessment conducted by the GSMA[1] for mobile operators.



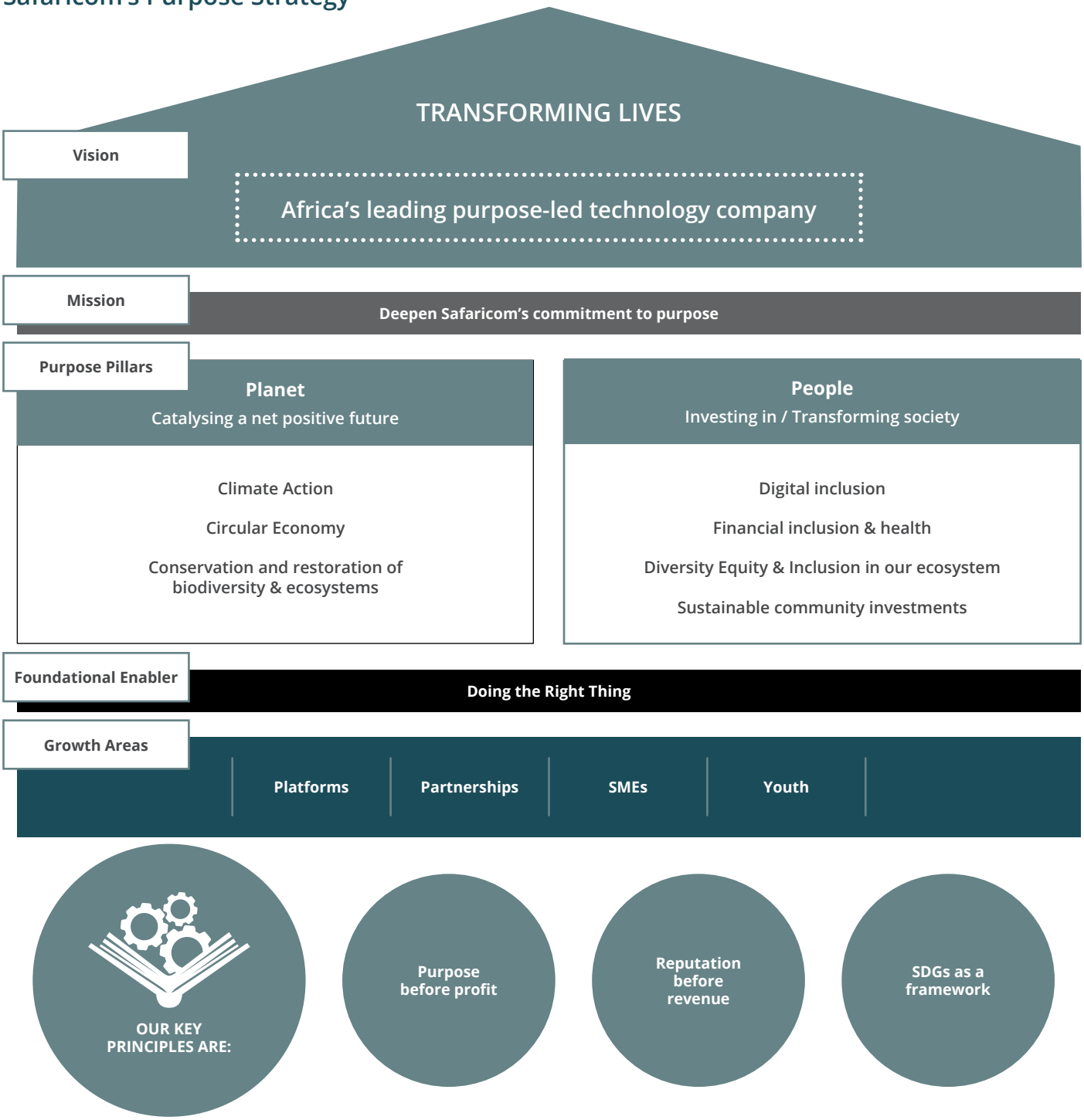
[1] *The GSMA is a non-profit organization that represents mobile network operators and companies in the mobile ecosystem. The GSMA's mission is to help businesses and society thrive by developing and delivering mobile technology innovations.*



Commit: Ambitions for a sustainable future

Safaricom's 2025 - 2030 corporate strategy is aligned with its new Purpose Strategy, ensuring business goals and sustainability ambitions are seamlessly integrated. Both strategies share common targets, reinforcing alignment and driving cohesive growth. This Purpose Strategy is designed to solidify Safaricom's aim to be Africa's leading purpose-led technology company, ensuring that their progress is both impactful and sustainable and enabling them to create lasting value for the communities they serve.

Safaricom's Purpose Strategy



Source: Safaricom Sustainability Report, 2024

Based on this strategy and guided by data from its assessments, Safaricom has committed to the following sustainability goals. More details about Safaricom's environmental material priorities and commitments can be found in their 2024 Annual Report.



Climate action:

- **SBTi targets**: Reduce indirect and direct emissions (Scope 1 & 2) by 43% by 2030 and 74% by 2050 compared to a 2017 baseline.
- **SBTi targets**: Reduce absolute Scope 3 emissions by 41% by 2030 and 72% by 2050 (2017 baseline).
- Grow 5 million indigenous trees in degraded forests by 2025 to offset emissions by 26%.
- Source or generate 50% of energy needs from renewable sources by installing solar PV and battery storage for 5,000 sites.

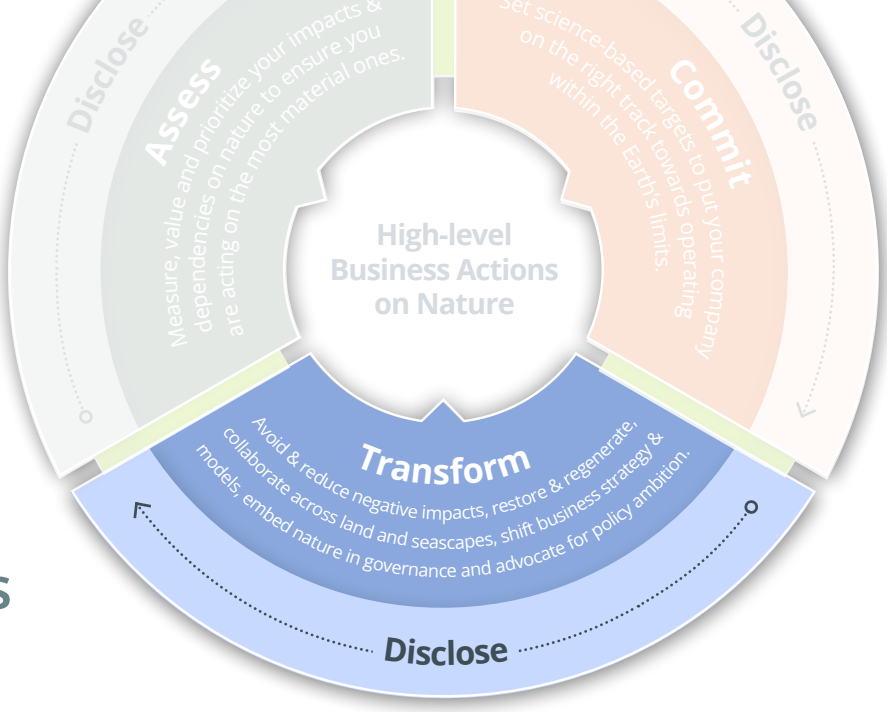
Circular economy:

- Reuse or repurpose 100% of solid waste from operations.
- Achieve a 20% year-on-year growth in e-waste collection.
- Recycle, reuse, or resell 100% of network waste.
- Eliminate single-use plastics entirely from operations.

Conservation and restoration of biodiversity:

- Conduct biodiversity impact assessments for direct and upstream activities to determine the impacts of operations on biodiversity.
- Explore shared value partnerships for nature and technology convergence.





Transform:
Taking action to meet social and environmental needs

Climate action:

Safaricom is **committed to achieving net-zero emissions** by 2050. In 2024, Scope 1 and 2 emissions increased by 9% and 3% respectively due to infrastructure expansion and national power outages causing increased reliance on diesel generators. Despite these challenges, Safaricom is dedicated to reducing its Scope 1 and 2 emissions. Scope 3 emissions, however, decreased by 2% owing to reduced upstream transportation and distribution emissions, despite a rise in business travel emissions.

Safaricom's environmental policy prioritizes renewable energy and efficiency. This includes optimizing solar PV plants and connecting sites to a hydro mini-grid. The number of solar power base stations has increased from 310 in 2022 to 1,432 in 2024. The company has about 5,300 base stations, which means that **23% are now powered by renewable energy**. This reduces their carbon footprint and mitigates fluctuating energy prices. Safaricom's long-term plan is to source or generate 50% of its energy needs from renewable sources by installing solar and battery storage at 5,000 sites by 2030.

The company **has planted 2.3 million trees** across five sites, restoring thousands of hectares of degraded public forests. In partnership with the Kenya Forest Service and nearly 3,000 members of Community Forest Associations (CFAs), Safaricom uses a custom application to **monitor tree growth and carbon sequestration potential**. This initiative offsets emissions, monitors tree health, and enhances biodiversity and ecosystem restoration.

Circular economy:

Safaricom generates solid waste and e-waste from daily operations, including packaging, office supplies, and outdated network equipment. Safaricom prioritizes responsible waste management, achieving a 98% recycling rate for municipal solid waste across 71 facilities and 100% recycling of network waste. The company aims to increase e-waste collection and recycling by 20% annually, digitize waste management processes, and establish circularity partnerships. Their partnership with the WEEE Centre provides e-waste collection boxes at retail centers and offices, allowing customers **to recycle old electronics** and support environmentally friendly practices. By the end of 2024, Safaricom had collected and recycled 2048 tons of e-waste.

Biodiversity:

Safaricom is part of the GSMA Biodiversity Taskforce. As part of its efforts to promote biodiversity in the telecom industry, Safaricom piloted their m-Twiga project in 2024. This was a collaboration with Vodafone and WWF-Kenya and is featured in the GSMA's ClimateTech research for its **innovative use of technology to address human-wildlife conflict**. Using AI, this project tested an early warning and deterrent system designed to notify communities and rangers of the presence of specific wildlife species and activate a deterrent, such as flashing lights or specific sounds to ward off the animal.

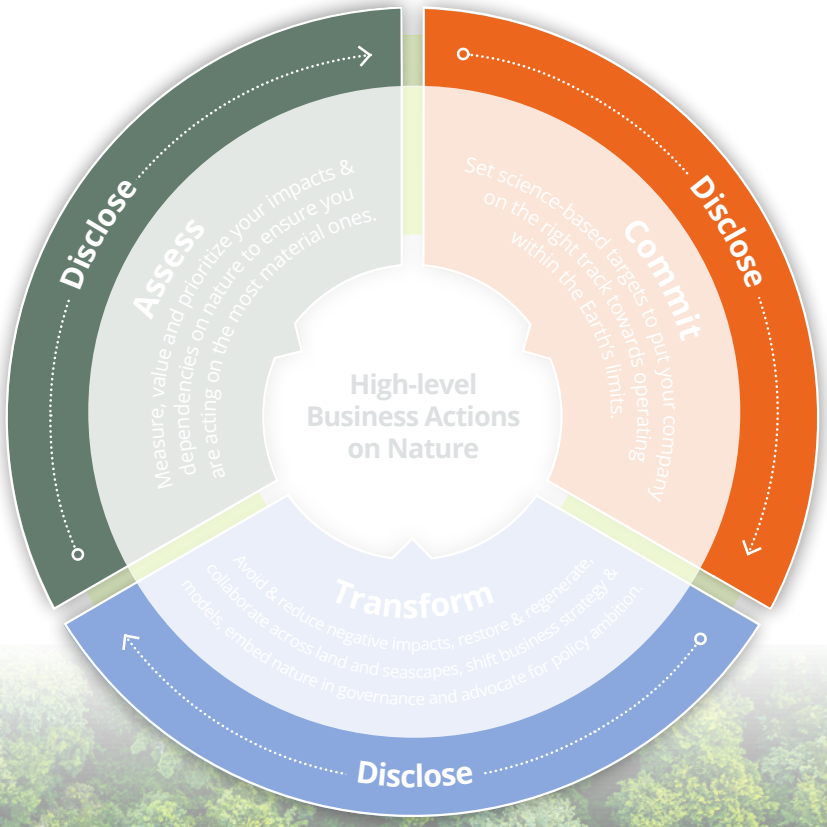
Safaricom is also working to prevent the extinction of the roan antelope. Partnering with the Kenya Wildlife Service, the Northern Rangelands Trust, and Back to Africa, Safaricom through its M-PESA Foundation donated KES 17 million to build an 8.6 km fence around Ruma National Park to protect the remaining 14 antelopes from fire, habitat loss and poaching. This initiative is part of a broader National Recovery and Action Plan aiming to secure the future of the species.

Disclose: Transparent and accountable

Safaricom communicates its sustainability progress through annual ESG reports, CDP reporting, adherence to international standards such as those from Global Reporting Initiative (GRI), the UN Global Compact and ISO14001:2015. These reports are audited by third parties like PwC.

Safaricom's public reports, including its annual report and sustainability report (published since 2012) provide detailed data on environmental metrics and KPIs including:

- Waste
- GHG emissions
- Energy consumption
- Water consumption





> "We are observing a shift in societal expectations, with increased demand for accountability. Recent unrest in Kenya, driven by younger generations but extending across age groups, reflects a heightened awareness and call for accountability from both government and businesses. As these expectations evolve, it becomes crucial for us to demonstrate the authenticity of our sustainability commitments and practices."
>
> Karen Basiye, Director, Sustainable Business and Social Impact



Insights from Safaricom on embracing nature and sustainability

1. **Start small, think big:** Begin with achievable sustainability goals and gradually expand the scope as the organization grows. Focus on minimizing, avoiding, or compensating for negative impacts.
2. **Digitization and automation:** Using technology to automate data aggregation and accuracy significantly reduces manual effort, turnaround time, and the potential for human error.
3. **External assurance:** Ensure the credibility and accuracy of sustainability data through external assurance.
4. **Continuous improvement:** Sustainability is an ongoing journey. Continually benchmark against global best practices to identify areas for improvement.

