

# Safaricom — a connected vision for sustainable transformation

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In 2016, Safaricom began a journey to integrate the Sustainable Development Goals (SDGs) into its business strategy. Since then, nine priority SDGs have been incorporated into the organization's performance objectives, both at company and individual employee levels. Each of the divisions is implementing projects or developing products and services in line with the SDGs. Reporting on SDG-related targets is now central to the company's ways of working, seeking to empower all those with whom Safaricom works — employees, partners, and other stakeholders — to set their own.

The SDG guiding framework includes a commitment by the company to deliver connectivity and innovative products and services (SDG 9) that will provide unmatched solutions to meet the needs of Kenyans, by enabling access (SDG 10) through technologies and partners (SDG 17), and by exploring opportunities in health (SDG 3), education (SDG 4)

and energy (SDG 7). Safaricom has committed to do so by managing its operations responsibly (SDG 12) and ethically (SDG 16), and in return stimulating growth and generating value (SDG 8) for the company, society, and economy. The SDGs represent humanity's shared vision of the actions that need to be taken to create growth for the benefit of everyone and is a social contract between the world's leaders and people.

Safaricom is a purpose-led technology company, operating in Kenya and Ethiopia, providing a wide range of services, products, and solutions, including mobile voice, messaging, data, financial and converged services. The company also provides digital services that enable commercial and personal platforms as well as ecosystem partnerships. It is one of a group of about 400 companies across Africa whose annual revenues amount to more than US\$ 1 billion. Safaricom, the leading telecommunication company in East Africa with over 45 million customers, is guided by its purpose: to transform lives.



Safaricom supports smallholder farmers both through the Foundation's economic empowerment programme and the Digifarm platform that helps farmers become commercially sustainable



Image: Safaricom

#### Foundations programmes on health

In 2006, Safaricom signed up to the United Nations Global Compact and in 2012 began reporting on its approach and progress to sustainability. In 2016, the company aligned its approach with the SDGs, translating ideals into meaningful and concrete plans. The current strategy incorporates nine of the 17 SDGs and builds on a strong history of results and partnerships to contribute to the company's next phase of growth.

Safaricom believes its role extends far beyond making profits, which is why the company sees technology as an opportunity to improve the quality of life, contribute to sustainable livelihoods and enable platforms and ecosystem partnerships. Safaricom's purpose encompasses four key pillars: creating shared value by leveraging the power of connectivity and digital services to create inclusive business platforms and strengthen the resilience of economies throughout the entire value chain; managing the impact on the environment and developing solutions to help customers mitigate their environmental footprint, which means achieving net zero by 2050, building a circular economy, and helping society to decarbonize; operating responsibly by focusing on ethics and integrity; tackling bribery and corruption as well as promoting human and digital rights for all; and nurturing the people and the world around us by creating a great place to work and harnessing the power of the company's brand and assets to connect Kenyans to opportunities, knowledge, and the world.

Through its Safaricom and M-PESA foundations, the philanthropy arm enables access for Kenyans to quality healthcare, education, skills and sustainable employment by providing resources, opportunity, hope, and dignity to communities.

In September 2023, Safaricom announced a multi-billion Sustainability Linked Loan (SLL) to strengthen its Environmental, Social and Governance (ESG) agenda. The KES 15 billion (US\$ 102.6 million) deal is the largest ESG-linked loan facility ever undertaken in East Africa, and the first of its kind for Safaricom as well as the first Kenya Shilling-denominated SLL on the market.

#### Contribution to the SDGs

##### *SDG 3: Good health and well-being: ensure healthy lives and promote well-being for all at all ages*

The company has leveraged its mobile technologies and foundations to transform lives by improving access to quality and affordable healthcare services and by promoting well-being for all. M-Tiba, a mobile phone service to put funds aside for healthcare, has close to four million users and over 6,000 approved health facilities, with more than US\$ 24m paid out to approved health facilities.

Afya Moja, which loosely translates as 'one health', is a medical records portability platform with a consortium of partners (Savannah Informatics Ltd, Intellisoft Consulting Ltd) to help patients achieve a continuum of care and to access their medical records using the Unstructured Supplementary Service Data protocol (USSD).

M-PESA Foundation, in partnership with Gertrude's Children's Foundation, through a telemedicine project dubbed Daktari Smart is aimed at providing access to specialist care to four underserved and hard to reach counties. The three-year programme targets over 32,000 children.



Image: Safaricom

Improving basic literacy and numeracy skills

In Homa Bay County, which is in Kenya's Lake Region, Safaricom supports the Uzazi Salama (safe parenting) programme, a partnership with Amref Health Africa and the county government. This programme also entails training of community health volunteers through a mobile platform known as LEAP to enable them to achieve safe deliveries.

Safaricom Foundation has set up newborn units and provided equipment such as incubators to ease access to neonatal and child health. In the coastal region of Lamu County, the programme has achieved a 60 per cent reduction in infant mortality rates. In Garissa County, in the northern part of Kenya, the Safaricom Foundation's Children with Diabetes programme has availed insulin and syringes and training for the management and treatment of diabetes in turn benefiting over 5,000 children and youth under 21 years with Type 1 diabetes.

**SDG 4: Quality education: ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

The company has been expanding access to education through innovative solutions, a robust network, and strategic partnerships. For instance, over 350,000 pupils have downloaded the Zeraki Learning app which provides secondary school children with access to affordable education services from well trained teachers; Eight teacher training colleges benefitted from digital infrastructural improvements; Shupavu 291 is an SMS-based service that offers learning materials, tutorials, and assessments to children in marginalized areas. This service brings education closer to pupils. Also, in partnership with UNICEF, Safaricom established the GIGA Project that seeks to ensure that children from the poorest and most marginalized communities are able to access the Internet at school, are protected from violence and abuse, and receive life-saving information during droughts, floods, and disease outbreaks.

Through the Safaricom Foundation Technical And Vocational Education and Training Scholarship Programme, 1,027 youth trainees were equipped with sustainable skills for the construction and hospitality industries while the Waithaka Vocational Training Centre was renovated and equipped as a centre of excellence.

In 2018, the Foundation supported the Accelerated Learning Programme to improve children's basic literacy and

numeracy skills. At least 36,000 pupils have benefitted and about 100,000 reading and learning resources have been distributed since the programme's inception.

The M-PESA Foundation Academy currently provides 414 poor students with access to high-quality education and has further supported 574 learners/alumni in various tertiary institutions.

Launched in 2021, the Wezesha Elimu (Enable Education) programme — a partnership between Safaricom Foundation, AIC Cure and CBM Kenya to support children with disability access education — has offered rehabilitative surgery to over 700 children across the country and set up centres of excellence that are friendly to children with disabilities.

Keeping Girls in School is an initiative where sanitary towels are distributed to primary and secondary school students who cannot afford them. According to a Government of Kenya survey, girls miss at least 13 days of school every term due to periods.

Under Safaricom Foundation, schools from primary to tertiary level are supported with infrastructure, technology, and equipment to enable a conducive environment for learning in all 47 counties. Safaricom also equips special units to support children with disabilities.

**SDG 7: Affordable and clean energy: ensure access to affordable, reliable, sustainable, and modern energy for all**

As part of our ongoing commitment to the SDGs, Safaricom continues to work towards improving energy and resource efficiency in our network and facilities to reduce carbon emissions and fuel consumption. The company is committed to becoming net zero carbon-emitting by 2050.

An ongoing priority is the carbon offset reforestation programme which aims to grow five million indigenous trees by 2025. In partnership with local communities and the Kenya Forest Service, the programme is transforming lives through income generation, skills, and climate mitigation. The programme will offset an estimated 26 per cent of the company's emissions.

About 1,432 of Safaricom's sites have been transitioned to renewable and hybrid energy sources against a target of 5,000 sites by 2025. In partnership with M-Kopa Solar, Safaricom has provided access to solar energy to over 800,000 households



Image: Safaricom

The pay-as-you-go energy solution that enables Kenyans to access clean, affordable, and reliable gas



The Safaricom Chapa Dimba tournament aims to transform the lives of young people, male and female aged 16–20 years by giving them a platform to showcase their talent and an opportunity to earn from their passion

impacting 3.3 million lives and resulting in over 1.7 tonnes of avoided emissions. As part of its energy strategy, Safaricom continues to modernize and optimize its energy infrastructure by upgrading capacity and retrofitting rectifiers, lithium-ion batteries, super-capacitor storage, efficient air conditioners and hybrid power solutions.

In partnership with M-Gas, Safaricom has developed a pay-as-you-go energy solution that enables Kenyans to access clean, affordable, and reliable gas. This innovation enables over 360,000 Kenyan households to purchase gas through a smart meter, leveraging Safaricom's connectivity.

***SDG 12: Responsible consumption and production: ensure sustainable consumption and production patterns***

Based on the principle that what is not measured cannot be monitored, managed, and mitigated, the company tracks its environmental performance carefully. Metrics include greenhouse gas (GHG) emissions, energy efficiency, resource consumption and cost, waste, and e-waste, as well as emissions reduction. Environmental impact assessments and audits are used together with international third-party standards such as the ISO 14001 environmental and ISO 50001 energy management systems. This approach enables the establishment of both negative and positive impacts and the implementation of mitigation measures where required. It also ensures responsible production and consumption. Safaricom achieves its environmental goals and embeds environmental responsibility and circularity through partnerships with various stakeholders across the value chain.

***SDG 17: Partnerships for the goals: strengthen the means of implementation and revitalize the global partnership for sustainable development***

Partnerships are at the heart of Safaricom's success and long-term strategy to transition from a telco to a technology company that meets the changing and expanding customer needs and societal challenges. Safaricom believes in partnerships that serve its purpose, partnering and building a collective capacity of people, organizations, and nations to promote and advance the nine embedded SDGs.

M-PESA, the world's first and largest mobile payment system and Africa's largest Fintech has, through various strategic partnerships with Visa, TerraPay, Paypal, Western Union among others empowered over 30 million customers to transact, save or borrow money through their mobile phone. The provision of accessible, affordable financial services to individuals and small businesses is promoting economic empowerment, entrepreneurship, and poverty reduction.

Safaricom has partnered with Nokia and UNICEF to connect 90 schools with the Internet to reach about 32,000 students with digital literacy. Safaricom has also signed an MOU with UNICEF under the Spot it, Stop it Campaign that seeks to minimize cases of violence and abuse against children by providing a hotline number for reporting.

CEO, Peter Ndegwa, was appointed to chair a 15-member national steering committee on drought in November 2022. The committee established the National Drought Mitigation Appeal Fund, with bank accounts operated by members of the private sector, the government and the Red Cross. The goal was to assist vulnerable communities in 20 counties in the Arid and Semi-Arid Land (ASAL) and nine non-ASAL counties. With the support of partners, Safaricom was able to raise the funds, and alleviate a dire situation that had been exacerbated by COVID-19 and disruptions in the global food supply chain as well as by climate change. Safaricom and the M-PESA Foundation also committed a foodstuff donation worth over US\$ 700,000 distributed to some of the hardest-hit counties.

Safaricom has also partnered with the Kenyan government, both national and local, on numerous initiatives to extend more services to citizens by digitizing primary school networks, connecting health centres, streamlining payments to farmers, and much more.

Collaboration leverages the strengths of different sectors to address complex challenges, drive innovation and foster economic growth which in turn benefits citizens through job creation and improved lifestyles. Moving forward, Safaricom will continue to explore partnerships with like-minded public and private organisations in health, agriculture, education, financial technology, digital payment solutions, e-commerce and other emerging sectors that align with the company's digital-first approach.

**Technology for development**

As a sustainable business, Safaricom does not innovate simply because it has the resources, but because it wants to combine technology and innovation to transform lives and the society in which it lives and works. Safaricom recognizes that the digital landscape is constantly shifting and, in response, the company is constantly innovating, refining, and redesigning the digital experience. The company will continue to invest in communities to build and transform lives, working towards sustainable transformation. As part of its ongoing commitment to the SDGs, Safaricom ensures that digital solutions are accessible, affordable, and inclusive, focusing on digital literacy, infrastructure development and regulatory frameworks that support innovation and protect users' rights to truly, transform lives. This will be vital to continue to connect people to people, people to knowledge and people to opportunities for growth, today and tomorrow.