HOW WE DETERMINE OUR MATERIAL TOPICS

In FY15, an in-depth exercise took place to identify our material topics. This process included a series of workshops which analysed our sustainability context, stakeholder issues, and the associated risks and opportunities for Safaricom. Since then, minor adjustments have been made to these in order to reflect our evolving business and changing operating environment.

Our material topics are grouped under five main categories, each of which has a direct impact on our business, and also affect a wide range of our important stakeholders. In FY19, Regulatory Environment has emerged as a new material topic. These are: Governance, Business Ethics and Risk; Regulatory Environment; Our Network; Environmental Stewardship and Innovation.

	Governance, Business Ethics and Risk	Regulatory Environment	Our Network	Environmental Stewardship	Innovation
DESCRIPTION	If the business is not run in an ethical, transparent and accountable manner, Safaricom is likely to be impacted by legal and reputational risks, as well as being disadvantaged as a result of eroded employee and investor trust and confidence, which quickly translates into lost opportunities and diminished success.	We recognise that a robust regulatory management system provides an enabling environment for competition between businesses and enforces fair practices, driving equal opportunity and inclusive participation of all segments of society in the economic and social spheres. We remain compliant with regulatory requirements by assessing our processes against all applicable laws and regulations.	Our network remains a material topic from a sustainability perspective because it is essential to our business. It is a fundamental aspect of our operations as all of the services we provide to our customers are delivered through the network platform.	We recognise that environmental considerations are not separate from our core business, but have an impact on our overall commercial sustainability and success.	Innovation is central to achieving our strategic objectives, retaining our competitive edge, and ensuring that we continue to grow.
TOPICS COVERED	• Corporate Governance • Ethical Behaviour • Risk Management • Fraud and Anti-Corruption	• Data Protection Bill & Policy • Finance Act 2018 • Quality of Service (QoS) framework • Universal Service Fund (USF) Initiative	• Coverage • Voice and data QoS • Fibre Optic Footprint • Tech 3.0 Digital Transformation	• Energy consumption • Carbon footprint • Water and waste management • E-waste	• New products and services • Customer satisfaction • Mobile data • Technology for development • Financial Inclusion • Strategic partnerships

We do not believe that there are any major material economic, social or environmental impacts of the organisation that have been excluded from this report.