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INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF TELKOM SA SOC LIMITED FOR THE YEAR ENDED 31 MARCH 2015

Scope of Our Engagement

We have completed our independent limited assurance engagement to enable us to express our limited assurance conclusion on whether anything has come to our attention that causes us to believe that the Telkom SA SOC Limited's Scope 1, 2 and 3 carbon emissions as appended hereto and initialled for identification purposes (refer Annexure A) for the year ended 31 March 2015, have not been prepared, in all material respects, in accordance with the Greenhouse Gas Protocol: A corporate accounting and reporting standard (GHG Protocol).

Our responsibility in performing our independent limited assurance engagement is to Telkom SA SOC Limited only, for purposes of reporting to the Carbon Disclosure Project that its Scope 1, 2 and 3 carbon emissions, as appended, have been independently assured, in accordance with the terms of reference for this engagement as agreed with them. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Telkom SA SOC Limited, for our work, for this report, or for the conclusion we have reached.

Telkom SA SOC Limited has elected to prepare the Scope 1, 2 and 3 carbon emissions in accordance with the GHG Protocol, of which a full copy can be obtained from the Greenhouse Gas Protocol Initiative's website.

Directors' Responsibility

The directors are responsible for the preparation and presentation of the Scope 1, 2 and 3 carbon emissions and the information and assessments contained therein in accordance with the GHG Protocol. The directors are also responsible for the preparation and presentation of the Scope 1, 2 and 3, and for such internal control as the directors determines is necessary to ensure that the information and data reported meet the requirements of the relevant criteria, and contains all relevant disclosures that could materially affect any of the conclusions drawn. The directors are also responsible for electing the relevant emissions factor(s) for conversion to tonnes CO₂.

Assurance Provider's Responsibility

Our responsibility is to express our limited assurance conclusion on the Scope 1, 2 and 3 carbon emissions based on our independent limited assurance. Our independent limited assurance was performed in accordance with *The International Framework for Assurance Engagements* and *International Standards on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000)* developed by the *International Auditing and Assurance Standards Board* and in accordance with *The International Standard on Assurance Engagements 3410: Assurance Engagements on Greenhouse Gas Statements* under the auspices of the *International Federation of Accountants (IFAC)*. These standards require us to comply with ethical requirements and to plan and perform our engagement to obtain the assurance as required by the scope of our engagement, as expressed in this report.

Basis of Work and Limitations

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the subject matter and the purpose of our engagement. In making these assessments, we have considered internal control relevant to the entity's preparation and presentation of Scope 1, 2 and 3 carbon emissions and the information contained therein, in order to design procedures appropriate for gathering sufficient appropriate assurance evidence to determine

that nothing has come to our attention to indicate that the Scope 1, 2 and 3 carbon emissions are materially misstated or misleading as set out in the summary of work performed below. Our assessment of relevant internal control is not for the purpose of expressing a conclusion on the effectiveness of the entity's internal controls.

We planned and performed our work to obtain all the information and explanations that we considered necessary to provide a basis for our limited assurance pertaining to Scope 1, 2 and 3 carbon emissions.

Where a limited assurance conclusion is expressed, our evidence gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement.

Our report does not extend to providing assurance on the election of an appropriate emissions factor, only on the application thereof.

Summary of Work Performed

Set out below is a summary of the procedures performed pertaining to the Scope 1, 2 and 3 carbon emissions:

- We obtained an understanding of:
 - The entity and its environment;
 - Entity-level controls;
 - The selection and application of carbon footprint reporting policies;
 - How management has applied the GHG Protocol in calculating the Scope 1, 2 and 3 carbon emissions;
 - The Scope 1, 2 and 3 carbon emissions calculation processes including how information is initiated, recorded, processed, reported and incorrect information is corrected, as well as the policies and procedures within this process.
- We made such enquiries of management, employees and those responsible for the preparation of the Scope 1, 2 and 3 carbon emissions, as we considered necessary.
- We inspected relevant supporting documentation and obtained such external confirmations and management representations as we considered necessary for the purposes of our engagement.
- We performed analytical procedures and limited tests of detail responsive to our risk assessment and the level of assurance required, including comparison of judgementally selected information to the underlying source documentation from which the information has been derived.

We believe that the evidence obtained as part of our limited assurance, is sufficient and appropriate to provide a basis for our findings and our limited assurance conclusion expressed below.

Conclusion

Based on the work performed and subject to the limitations described above, nothing has come to our attention that causes us to believe that the Scope 1, 2 and 3 carbon emissions, have not been prepared in all material respects, in accordance with the GHG Protocol.

Other matter

The maintenance and integrity of the Telkom SA SOC Limited Website is the responsibility of Telkom SA SOC Limited management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to either the information in the CDP Report or our assurance report that may have occurred since the initial date of presentation on the Telkom SA SOC Limited Website.

Ernst & Young

Ernst & Young Inc
Director – Jeremy Grist
Registered Auditor
Chartered Accountant (SA)
102 Rivonia Road
Sandton
2196
24 July 2015

Annexure A

Basis of measurement: Greenhouse Gas Protocol: A corporate accounting and reporting standard

Period covered: 1 April 2014 – 31 March 2015

Organisational boundary: Telkom SA SOC Limited

Emissions factor used: GHG Protocol

Specified Carbon Indicator	For the year ended 31 March 2015	
Scope 1 direct emissions from sources owned or controlled by Telkom using fossil fuels and refrigerant gases	Total scope 1:	43,488 tCO ₂ e
Scope 2 emissions from the generation of electricity using fossil fuels	Total scope 2:	684,306 tCO ₂ e
Scope 3 emissions from sources not owned or controlled by Telkom	Total Scope 3:	44,213 tCO ₂ e
Total carbon emissions		772,007 tCO ₂ e