

## C0. Introduction

### C0.1

#### (C0.1) Give a general description and introduction to your organization.

Launched in 1994, the MTN Group is a leading emerging market operator with a clear vision to lead the delivery of a bold new digital world to our customers in 20 countries in Africa and the Middle East. We are inspired by our belief that everyone deserves the benefits of a modern connected life. MTN acknowledges that COVID-19 led to a new normal of working and learning more remotely which laid bare the extent of the digital and financial divide across the world. We remain committed to bridging this divide, furthering digital and financial inclusion, and advancing the attainment of the United Nations Sustainable Development Goals through our core business activities and our support to governments, communities and customers.

In 2020, we continued to deliver on our BRIGHT strategy's clearly defined KPIs, which was introduced in 2017 and enabled us to lead the race to connect Africa and its people, towards accelerating and delivering a range of platforms to further digitise the lives of all. The strategy has now evolved to the new - Ambition 2025 strategy. When we started our journey, it was our ambition to brighten lives through the power of connectivity, and this continues to be a priority for us. We believe that Africa is young, dynamic and ambitious, therefore the KPI's were designed to build our core business sustainably and strengthen our operations. We see the opportunity to continue harnessing the power of MTN – not only through our brand strength, our footprint and best-in-class connectivity infrastructure, but by offering technology platforms that are second to none, through Ambition 2025, our integrated platform strategy. Ambition 2025 is focussed on leading digital solutions for Africa's progress and looking ahead we will measure our performance KPI's against Ambition 2025.

The MTN Group is listed on the Johannesburg Stock Exchange in South Africa under the share code "MTN" and has a market capitalisation of R108 billion at the end of 2020. On the 31st of December 2020, the Group had approximately 280 million subscribers across 21 Operating Companies (OPCOs) managed as: Southern and East Africa (SEA), West and Central Africa (WECA) and Middle East and North Africa (MENA).

Our countries of operation are Afghanistan, Benin, Cameroon, Côte d'Ivoire, Ghana, Guinea-Bissau, Guinea Republic (Conakry), Iran (this is a joint venture - we only have 49% control), Liberia, Nigeria, Republic of Congo (Congo-Brazzaville), Rwanda, South Africa, Sudan, South Sudan, Eswatini (this is a joint venture - we only have 30% control), Uganda and Zambia. We also have a presence in Kenya and Namibia through ISP business.

### C0.2

#### (C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

### C0.3

#### (C0.3) Select the countries/areas for which you will be supplying data.

Afghanistan  
 Benin  
 Cameroon  
 Congo  
 Côte d'Ivoire  
 Eswatini  
 Ghana  
 Guinea  
 Guinea-Bissau  
 Iran (Islamic Republic of)  
 Kenya  
 Liberia  
 Namibia  
 Nigeria  
 Rwanda  
 South Africa  
 South Sudan  
 Sudan  
 Uganda  
 Zambia

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	Climate change is a priority to the MTN Group. The board has overall accountability for climate-related issues and sustainability. As such, the MTN Group assigned the Chairman of the Social and Ethics Committee the role of designated climate change Board Member. He is responsible for ensuring climate related risks and opportunities are appropriately addressed within the MTN Group. He will support the MTN Group Board in remaining accountable to its shareholders for the long-term sustainability of the organisation and overseeing effective management of climate-related risks, opportunities and impacts. In this role, he will also encourage the identification of climate-related risks in the short, medium and long term and ensure appropriate action. He is also responsible for the oversight of sustainability activities which are delegated to the Group's Social and Ethics Committee. One of the climate-related decisions made by the Board has been MTN's Project Zero strategy, targets and implementation plan to meet Net Zero by 2040 aligned to our Ambition 2025 strategy as an example.
Other, please specify (Social and Ethics Committee )	The Social and Ethics committee's mandate is to approve MTN's strategy and monitor implementation as well as the development or review of policies, governance structures and existing practices. The committee is also responsible for carrying out climate related responsibilities, such as providing oversight in the identification of climate risks and opportunities and ensuring improvements in MTN's carbon and sustainability reporting.
Other, please specify (Board/ Executive Board)	The Group President and CEO has delegated executive responsibility to Group Chief Regulatory and Corporate Affairs Officer, to whom Group Corporate Affairs & Sustainability reports. Group Corporate Affairs and Sustainability working alongside Group Technology is responsible for sustainability and climate change and sustainability strategy, initiatives and practices focuses on building the foundations for a more sustainable business. Environmental, Social and Governance practices are implemented across our markets guided by Group sustainability in partnership with functional areas and business functions.

C1.1b

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Setting performance objectives</p> <p>Monitoring implementation and performance of objectives</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<Not Applicable>	<p>Sustainability is at the core of MTN's business strategy as we strive to create shared value for our stakeholders. Our sustainability vision is to drive economic value sharing through responsible environmental, social and governance practices as outlined within our sustainability framework. To realize our vision, our sustainability approach is categorized into four pillars with defined performance objectives, (sound governance, sustainable economic value, eco-responsibility and sustainable societies), that identify the areas we most focus on, to ensure we operate responsibly and sustainably. MTN Group's sustainability approach focuses on reducing the Group's environmental impact, supporting vibrant and successful communities, enabling a strong governance and ethical culture, and improving digital and financial innovations. Climate-related issues and sustainability are considered and reviewed by the board's designated climate change board member, the Chairman of Social and Ethics committee who oversees and ensures that the board and MTN remain accountable for long term sustainability strategy, policies, guidance, monitoring and management. At quarterly social and ethics board committee meetings, sustainability reports are presented and reviewed, ensuring that the MTN Chief Group's Regulatory and Corporate Affairs Officer and Group Executive: Corporate Affairs and sustainability accounts for the business's sustainability risks, opportunities and performance. This includes climate change related issues which include energy consumption, climate risks and opportunities, as well as alternative energy and energy efficiency initiatives at scheduled intervals. Working alongside MTN's Chief Technology and Information Systems Officer given that majority of MTN's emissions stems from its network infrastructure. Sustainability is implemented by dedicated section within the Corporate Affairs &amp; Sustainability department forming part of Group Regulatory and Corporate Affairs function, which is managed by the Group Chief Regulatory and Corporate Affairs Officer who is a member of the Group Executive Committee and the Group Social and Ethics Committee. Execution is driven by Group Executive: Corporate Affairs and Sustainability. This ensures that sustainability requirements are driven by and within core business functions and business areas, and integrated within business strategy, planning and management cycles. On a monthly basis, the Group Principal Risk Report includes risk assessment and quantification of MTN's environmental emerging and existing risks. Given that the largest impact stems from energy consumption, our Technology teams are responsible for ensuring energy efficiency and reduction. Business plans and objectives in this regard are overseen jointly with Group Technology function, and reports are compiled on a monthly basis by operations in partnership with the various markets.</p>

**C1.2**

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Climate-change dedicated board member (Chairman of the Social and Ethics Committee))	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other C-Suite Officer, please specify	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other, please specify (Group Social and Ethics Committee complemented to in-country Board sub-committees )	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Other, please specify (GM: Sustainability & Share Value )	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Environment/ Sustainability manager	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other, please specify (Group Executive Corporate Affairs and Sustainability working alongside Executive: Network Design & Planning)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other, please specify (General Manager: Group Sustainability & Share Value)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly

**C1.2a**

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Climate-related issues are the responsibility of the board and are designated to the climate change dedicated Board Member who is also the Chairman of the Social and Ethics Committee. The board member is responsible for ensuring climate risks and opportunities are appropriately addressed within the company, and ensuring that the board is held accountable to its shareholders for the long-term sustainability of the organisation and overseeing effective management of climate-related impacts. The climate change designated Board Member is also responsible for the identification of climate-related risks in the short, medium and long term and ensuring appropriate actions to address these.

Group Corporate Affairs and Sustainability, together with Group Technology is responsible for all environmental and climate change risk identification, issues management and initiatives at MTN. Group Corporate Affairs and Sustainability compiles and monitors reports for monthly executive committee reviews, quarterly Social and Ethics Committee presentations and annual sustainability reporting. Group Technology is responsible for driving energy efficiency and reduction, since MTN's largest greenhouse gas impact stems from energy consumption by MTN's network infrastructure. MTN Group monitors the energy use in its operations on a monthly basis and calculates its monthly greenhouse gas (GHG) emissions. MTN also works towards reducing the emissions by implementing energy efficient initiatives. The Group's risk management framework, which includes principal risks regarding environmental risks and impacts to MTN. Risks are jointly identified and managed through Group Corporate Affairs and Sustainability and Group Technology functions.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	In line with MTN's board incentives and remuneration KPI structure, the board member dedicated to climate-change related issues ,Chairman of the Social and Ethics Committee, has KPIs related to ensuring climate issues are appropriately addressed, ensuring sustainability of the organization and overseeing effective management of climate-related impacts. The Group Executive for Corporate Affairs who reports to the Group Regulatory and Corporate Affairs Officer and all their direct reports have KPIs related to Sustainability including climate-related issues. KPIs are defined and tracked on an annual basis. Climate Change initiatives specific KPIs. Both performance bonus and annual increases, is determined on basis of meeting defined KPIs. MTN is finalizing Project Zero strategy incorporating MTN's current performance, gaps and proposed initiatives including setting climate related targets. Targets developed in 2020are being revised to ensure alignment to achieve Net Zero by 2040.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other, please specify (Group Executive Corporate Affairs & Sustainability working alongside Executive: Network Design & Planning)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases Company performance against a climate-related sustainability index	Climate-related issues are integrated into our KPI structure for incentives. These are considered for short, medium and long term horizons. MTN actively acknowledges the need for a sustainable future and aims to align business strategy and growth to a sustainable growth framework.
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases	Climate-related issues are integrated into our KPI structure for incentives. These are considered for short, medium and long-term horizons. MTN actively acknowledges the need for a sustainable future and aims to align business strategy and growth to a sustainable growth framework.
Board/Executive board	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases	Climate-related issues are integrated into our KPI structure for incentives. These are considered for short, medium and long-term horizons. MTN actively acknowledges the need for a sustainable future and aims to align business strategy and growth to a sustainable growth framework.
Board Chair	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases	Climate-related issues are integrated into our KPI structure for incentives. These are considered for short, medium and long term horizons. MTN actively acknowledges the need for a sustainable future and aims to align business strategy and growth to a sustainable growth framework.
Other, please specify (Climate-change dedicated board member)	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases	Climate-related issues are integrated into our KPI structure for incentives. These are considered for short, medium and long term horizons. MTN actively acknowledges the need for a sustainable future and aims to align business strategy and growth to a sustainable growth framework.
Other C-Suite Officer	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases Supply chain engagement Company performance against a climate-related sustainability index	Climate-related issues are integrated into our KPI structure for incentives. These are considered for short, medium and long term horizons. MTN actively acknowledges the need for a sustainable future and aims to align business strategy and growth to a sustainable growth framework.

## C2. Risks and opportunities

### C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

## C2.1a

### (C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	Short term horizons are considered to be between 0 and 3 years and could be any events that could affect the organisation almost immediately. This is also in line with our target setting process for short, medium and long term targets.
Medium-term	3	5	Medium term horizons are considered to be between 3 and 5 years and could be any events that are foreseen in the near future and could be planned for. This is also in line with our target setting process for short, medium and long term targets.
Long-term	5	10	Long-term horizons are considered to be 5 years and longer, and could comprise of any events that could affect the organisation in the longer-term future. This is also in line with our target setting process for short, medium and long term targets.

## C2.1b

### (C2.1b) How does your organization define substantive financial or strategic impact on your business?

With regard to climate-related issues, substantive financial or strategic impact on business is considered to be impacts which affect MTN's ability to remain accountable to its shareholders for the long-term sustainability of the organisation, and its ability to oversee effective management of climate-related impacts. MTN has undergone a high-level TCFD gap assessment and as part of this assessment are in the process of considering climate related issues more purposefully to reduce substantive financial or strategic impacts on the business by improving risk and opportunity climate-related assessments, as well as climate-related strategy. Appropriate risk governance structures are in place within the MTN Group. At Group level, the structures include Board, Group Risk Management, Compliance and Corporate Governance Committee, Group Executive Committee. Risk management roles differ between levels.

It should also be noted that the Technology functions, often supported by Corporate Affairs and Sustainability function, at each MTN operation are responsible for identifying and managing climate change related risks using the Enterprise Risk Management (ERM) methodology. ERM provides an approach to uniformly identify and evaluate potential events which may impact MTN's ability to achieve its objectives, in line with its strategy, risk appetite and risk preferences. The Risk identification stage identifies risks, which could affect MTN's achievement of objectives and opportunities to enhance business performance. A common risk universe referred to as the Principal Risks, facilitates identification of risks that affect the MTN Group. Of the Principal Risks at Group level, climate change is covered under Principal Risk 20 (Continuity Risk) and Principal Risk 23 (Social and Environmental) due to its potential threat to continuity of operations; and risk of not meeting stakeholder's social and environmental expectations.

Risks are assessed by MTN as follow –

- A Risk Universe is in place at all levels of management. This includes the full gamut of strategic, financial and operational risks, both inherent to our industry and globally.
- To help with Board and Management focus and enhance our capabilities to identify and manage risks, the Risk Universe is broken down to L1 – L4 risks. Level 1 - Higher Level categories that are largely static categories (strategic, financial, operational, technology, external, compliance); Level 2 - principal risks which are fixed for the short-medium, and undergo revision based on strategy revision or Board focus and prioritisation; Level 3 - risk issues; Level 4 - process and functional. MTN has six L1 risk categories and 27 L2 Principal Risks. Risk management and assessment is an ongoing, continuous process.
- L2 Principal Risks are then classified as - High | Medium | Modest | Low.
- A risk is then assessed for having a substantive financial or strategic impact by assessing if the risk affects financial growth, customer growth, operating model, governance, people, technology and reputation.

The climate change designated board member oversees all climate related issues. Technology function, supported by Corporate Affairs & Sustainability, at each MTN operation are responsible for identifying and managing climate change related risks using the Enterprise Risk Management (ERM) methodology at a country level, this is consolidated into a group-wide view. ERM provides an approach to uniformly identify and evaluate potential events which may impact MTN's ability to achieve its objectives, in line with its strategy, risk appetite and risk preferences. Appropriate risk governance structures are also in place within the MTN Group. At Group level, the structures include Group Board, Group Risk Management, Compliance and Corporate Governance Committee, Group Executive Committee, this is complemented by Boards and sub-committees at a country level.

## C2.2

### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

#### Value chain stage(s) covered

Direct operations

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

More than once a year

#### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

#### Description of process

MTN Group monitors climate-related risks and opportunities at a group-wide level. There are certain risks and opportunities related to climate change that impact all our OPCOs and we endeavour to decrease our environmental impact on a group-wide level, whilst ensuring sustainable growth. This has for example been considered in our Net Zero by 2040 target which considers climate related risks and opportunities across all OPCOs whilst we have decided to play our part in reducing global carbon emissions in alignment to the Paris Agreement. Additionally, each MTN OPCO is responsible for reporting, evaluating and monitoring risks and opportunities under the leadership of the MTN Group. The Group provides necessary resources to the OPCOs to assist with this process. This falls under the responsibility of the Social and Ethics Committee. Each OPCO reports on their energy usage, energy efficiency initiatives, risks and opportunities, and changes to their operation on a monthly and annual basis. Information is provided to a third party service provider who evaluates and validates the data and information and sends queries based on the information to each OPCO. It should also be noted that the Technology functions, often supported by Corporate Affairs Sustainability function, at each MTN operation are responsible for identifying and managing climate change related risks using the Enterprise Risk Management (ERM) methodology. ERM provides an approach to uniformly identify and evaluate potential events which may impact MTN's ability to achieve its objectives, in line with its strategy, risk appetite and risk preferences. The risk identification stage identifies risks, which could affect MTN's achievement of objectives and opportunities to enhance business performance. A common risk universe referred to as the Principal Risks, facilitates identification of risks that affect the MTN Group. Of the Principal Risks at Group level, climate change is covered under Principal Risk 20 (Continuity Risk) and Principal Risk 23 (Social and Environmental) due to its potential threat to continuity of operations; and the risk of not meeting stakeholder's social and environmental expectations. The identified risks are prioritised based on a quantified probability and impact assessment, and response strategies developed based on the nature and materiality of the risk, and reported to the local operations' executive, audit and risk compliance committees as appropriate. The identification and mitigation processes of environmental, physical, financial and regulatory risks is managed or coordinated in conjunction with the risk owners by trained Energy and Carbon champions and other individuals within each country of operation. The Group ensures that each country's operation actively manages physical, financial, and regulatory risks and impacts in a customised manner within local operating and environmental contexts by ensuring energy and carbon managers/ champions in technical functions. These champions are supported by finance, facilities, business risk management and corporate services team members. The Group's sustainability function undertakes the consolidation and reporting of each country's activities and results through monthly and quarterly energy and carbon foot printing, analysis and reporting, and through monthly overall risk and legal reports to their Group Business Risk Management functions. Group level environmental risks are incorporated into sustainability, energy and carbon reports, CDP reports, Global Compact Reports, and our annual Sustainability Report which is prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards; which are ultimately presented on an annual basis on the company's website. These are also presented to the Group Social and Ethics Committee on a scheduled basis and included in monthly reports to the Group Risk and Compliance function. Consolidated reports are consolidated and reviewed annually by the Group Executive for Corporate Affairs and Sustainability working alongside Group Technology. These reports are reviewed and approved by Group Executive Committee and Group Social and Ethics Committee for integration into MTN annual sustainability report.

**Value chain stage(s) covered**

Upstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

MTN intends to improve its value chain understanding in FY2021 and it aims to undergo a materiality screening of all Scope 3 related emissions. However, MTN does consider risks in the value chain and these risks are identified and managed in the same way described above for Direct operations. A notable risk that has been identified by MTN to affect our upstream operations relates to the instability of electricity supply by grid suppliers in many countries in which our OPCOs operate which in turn affects operation of sites in those areas. Many of our OPCOs are now investigating alternative renewable energy sources to power their sites and this will be rolled out as part of our initiative programmes to achieve Net Zero by 2040.

**Value chain stage(s) covered**

Downstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Annually

**Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

**Description of process**

MTN intends to improve its value chain understanding in FY2021 and it aims to undergo a materiality screening of all Scope 3 related emissions. However, MTN does consider risks in the value chain and these risks are identified and managed in the same way described above for Direct operations. A notable risk that has been identified by MTN to affect our upstream operations relates to the risk of changing customer behaviour and demands towards more sustainable products/ services and which will require us to carefully manage any potential reputational risk by maintaining and adhering to sustainable practices that help to address climate change. Whilst we recognise the huge challenge, MTN welcomes climate change mitigation and adaptation as an opportunity as well as a risk which will inform our overall growth plan and future role in society.

C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	MTN ensures that it is compliant with regulation and standards across all countries it operates in, and this is of top priority for the Group. All OPCOs are asked to report annually on the risks and opportunities that may affect the company in terms of climate related via the risk and opportunities template that is circulated to all operations. This is then reviewed by a third party service. Examples of MTNs consideration of current regulation include: 1. The introduction of Mandatory Reporting in 2017 and 2. National Pollution Prevention Regulations and 3. The introduction of the South African Carbon Tax in 2019. 1. In 2017, the South African Department of Environment, Forestry and Fisheries (DEFF) introduced the National GHG Emission Reporting Regulations, which required the immediate attention and action of companies. Companies needed to register all facilities where activities exceed the thresholds of certain activities. Companies also needed to submit GHG emissions and activity data for the preceding calendar year for all the facilities registered under these regulations by 31 March annually. MTN has been compliant with the process annually. 2. We are also aware of the National Pollution Prevention (PPP) Regulations that were published and gazetted by DEFF on the 21st of July 2017 and undertook an assessment of the implications of these regulations. We determined that the PPP regulations do not affect MTN or require any further action from the company at this stage. 3. The South African National Treasury first introduced the idea of carbon tax in a discussion document in 2010. The design was proposed in 2013 followed by the publication of the Draft Bill late in 2015 which announced the expected start date to be in 2017. After numerous iterations and consultations, the Bill was finally signed into law by the President on 2019 and has come into effect from 1 June 2019. This risk currently only affects MTN South Africa; however, MTN Zambia also reported increasing legislative activity with respect to carbon taxes. While MTN South Africa is one of the largest operations in the MTN Group, the financial impact of the current tax regime is estimated to range between R22 000 and R60 000 per annum, depending on applicable allowances, which is not currently considered material to the Group. We will continue to track and assess how emerging regulations relating to climate change/ energy/ carbon taxes will impact MTN in the coming years.
Emerging regulation	Relevant, always included	MTN sees continual and fast evolution in relation to climate change and energy/ technology regulations. Therefore, we consider understanding and assessing emerging regulation to be very important and relevant for our operations. We understand that preparedness helps us ensure sustainable growth of our services and operations which in turn secures our revenue and profit. An example of this is around regulations aimed at decreasing overall emissions into the atmosphere and utilizing cleaner and more energy efficient technologies. MTN has placed focus on improving its technology to be more innovative. This includes measures being put in place to reduce energy usage and source lower carbon energy supplies. MTN also looks at key energy market trends and emerging regulations in each region and how these will support the decarbonisation of our network.
Technology	Relevant, always included	Being a company in the ICT sector, we consider technology to be very important and relevant to our growth and place specific focus on the way we can improve our technology across the Group. We are always looking for more innovative and sustainable ways of doing things. We are focused on solutions to enhance digital inclusion and transform societies. We firmly believe that technology and connectivity can accelerate transformative solutions to some of the world's complex challenges. For example, with the rapid growth in the Internet of Things (IoT) as well as increased connectivity (including 5G in future), we envisage increased demand in energy requirements to further support our delivery of services to customers. We regard this increased demand of energy to be a cost and climate change related risk regarding technology. We continually seek efficiencies in our network technologies, site construction and operations. We continually work to replace inefficient and old products with more efficient equipment and solutions whilst investing in renewable energy sources for sites owned and operated by MTN. We also engage with partners and suppliers on alternatives of enhancing the efficiency of our sites to help us meet our objective of increasing the use of renewable and low-carbon energy. Monitoring energy consumption on an ongoing basis and analysing consumption trends in each operation also helps us to identify any problems that may drive sudden increases in reported consumption. To date, alternative energy and energy efficiency solutions have been implemented in more than 12 000 MTN-owned sites and in more than 6 000 leased sites.
Legal	Relevant, sometimes included	The risks associated with climate-related litigation is considered to be relevant and always considered by MTN to ensure full compliance with legal requirements. While we have not formally identified these as part of our Group's climate-related risk assessments, we maintain awareness and understanding of the growing regulatory environment around climate change in various countries where we operate which could require us to comply with specific requirements, in order to leverage potential incentives and avoid penalties. As MTN, we continue to ensure that we respect existing legal requirements to mitigate risk of penalties. For example, by responding to South Africa's national GHG reporting regulations, we have mitigated the potential risk of financial penalties or imprisonment of officers for non-compliance with regulations.
Market	Relevant, always included	All OPCOs monitor how climate related risks and opportunities affect the markets in which our services are offered. Increasing general costs of (mainly fossil fuel-based) energy pose financial risks to us as a result of the use of grid power, gas and diesel. Some of these costs are due to national energy landscapes, while other costs are due to evolving international energy demand-supply dynamics and other macro issues. These impact MTN operations in various ways e.g. where national fuel subsidies may be removed, where electricity and fuel tariffs are increased or where tariffs may be raised for the upgrading of national energy supply infrastructure. Examples of such instances in our operations in the past few years include in Iran, Nigeria, Ghana, Benin and South Africa. Given the importance of energy and the contribution of energy costs to the overall operating cost of the Group, improving energy use and efficiency is a key component of the Company's overall cost-efficiency drive.
Reputation	Relevant, always included	There are growing stakeholder expectations of companies' contribution to the acceleration of climate action and good corporate governance in a manner that preserves and protects people's basic human rights have increased. MTN's investor community and other stakeholders are increasingly exerting pressure on the Group to demonstrate targets, performance and business plans for managing environmental, social and governance matters material to the business, including climate change management. MTN is listed in the JSE-FTSE4Good Emerging Markets series, and as a constituent, is required to demonstrate climate-related performance to maintain its reputation in the ESG investment sector. MTN conducts stakeholder reputation index survey on an annual basis to assess MTN's reputation on various matters including climate/ environmental reputation among our customers, employees, civil society and other stakeholder groups. MTN has to carefully manage the associated risks and demonstrate environmental credentials that can meet the needs and expectations of our stakeholders in a manner that is aligned to organisational values.
Acute physical	Relevant, always included	Extreme weather events such as floods and snow affect MTN operations. For example, in one of our Western Africa operations, a number of BTS (base transceiver station) sites and data centres were exposed to high intensity thunder and heavy rainfall. This resulted in an increase in CAPEX due to infrastructure degradation; loss of telephone, radio and internet services; service disruptions to domestic and emergency services as well as public services (e.g. traffic lights); and higher costs for the provision of telecommunications services. In another country, flooding of MTN facilities and base stations because of increase in rainfall and a surge in sea levels disrupted some operations. In the Middle East, abnormally high snow and ice covered some network sites significantly. Although affected sites remained operational, maintenance was challenging. In other areas of the region, significant flooding also affected the ability to access/ maintain some sites. The Group continually motivates all operations to identify and report on physical climate change related risks on a monthly basis through the carbon footprint reporting process and to ensure mitigation and business continuity plans through the Group's risk and compliance management processes.
Chronic physical	Relevant, always included	Longer term shifts in climate patterns affect MTN operations. For example, in instances where climate projections indicate increased temperatures, this will most likely increase our power consumption for cooling BTS and Switches. For example, in several African and Middle Eastern countries where we operate and where the general environment is mostly arid and hot, climate change is likely to intensify the severity and duration of hot days annually. This would likely result in increased energy consumption for cooling purposes. Shifts in precipitation will also affect operations in countries where national grids rely on hydro-electric dams for power provision, including in some central and south-eastern African countries where we operate e.g. as drought conditions experienced a few years ago in Zambia demonstrated.

**C2.3**

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.3a**

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

The South African National Treasury first introduced the idea of carbon tax in a discussion document in 2010. After numerous iterations and consultations, the Act was finally signed into law by the President on the 22nd of May 2019 and has come into effect from 1 June 2019. While the initial tax rate was set at R120/ tonne of CO<sub>2</sub>-equivalent, it increases year-on-year based on CPI. The carbon tax law allows for various allowances, with taxpayers eligible for allowances for up to 95% of their emissions. This risk currently only affects MTN South Africa; however, MTN Zambia also reported increasing legislative activity with respect to carbon taxes. While MTN South Africa is one of the largest operations in the MTN Group, the financial impact of this tax is estimated to range between R0 and R22 199 for 2020 which is not considered material to the Group. The current calculated financial figure is calculated based on a 60% basic allowance. However, it is expected that after Phase 1 of the carbon tax, allowances may be removed and MTN may have to pay the full tax.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

0

**Potential financial impact figure – maximum (currency)**

22199.6

**Explanation of financial impact figure**

The tax rate has increased from R120/ tCO<sub>2</sub>e in 2019 to R127 tCO<sub>2</sub>e in 2020. As such MTN South Africa is expected to pay up to R22 199.80 in FY2020 based on its emissions from stationary combustion. We have calculated the financial impact figure taking into account all allowances applicable to the proposed in the Carbon tax Act and based on IPCC code. As such, the only applicable allowance was that of the basic allowance of 60%. It is expected that the carbon tax allowances may fall away at the end of Phase 1, as such we estimate the liability to increase to around R60 000 in Phase 2,

**Cost of response to risk**

10000000

**Description of response and explanation of cost calculation**

MTN is focussed on reducing its overall emissions in line with a Net Zero commitment by 2040. As such, specific focus has been placed on moving MTN away from the need to use fossil fuels for energy generation and several of our initiatives are focused on utilizing renewable energy alternatives. The cost figure provided is based on several energy efficiency initiative roll outs across our OPCOs and the estimated cost of these roll outs. Although several of our initiatives have already been rolled out, many are still in implementation phase. MTN is always considering new technology and innovative means to reduce its climate related footprint and ensure sustainable growth.

**Comment**

MTN ensures compliance to current and emerging regulations and have incorporated assessing risks linked to this in their risk analyses as conducted by each OPCO/country.

**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation	Carbon pricing mechanisms
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**Primary potential financial impact**

Decreased access to capital

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Carbon pricing uncertainty in the international carbon market is regarded as a regulatory climate change risk to MTN, but also poses potential financial opportunity as most countries in which we operate are classified as emerging countries, and some also hold Least Developed Country status. MTN South Africa is currently evaluating the value of trading verified certified emission reduction (CER) credits from some of its installations. However, the generation of UNFCCC Clean Development Mechanism (CDM) credits in MTN is not a priority given the status of international pricing, and the value of MTN's saved or avoided emissions in mitigating MTN South Africa's potential carbon taxes liability or leveraging other national tax benefits.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

131250

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The financial figure was calculated using the current spot price of CERs. The financial implications of potentially not participating in these schemes is about R131 250 per annum which are estimated costs that are incurred from not taking advantage of the CDM platform.

**Cost of response to risk**

22000000

**Description of response and explanation of cost calculation**

CAPEX for tri-generation test switch and data centre for MTN South Africa: R22 000 000 in 2010.

**Comment****Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical	Changes in precipitation patterns and extreme variability in weather patterns
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**Primary potential financial impact**

Increased direct costs

**Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

**Company-specific description**

Extreme weather events such as floods and snow affect MTN operations. For example, in one of our Western Africa operations (OPCOs), a number of BTS sites and data centres were exposed to high intensity thunder and heavy rainfall. This resulted in an increase in CAPEX due to infrastructure degradation; loss of telephone, radio and internet services; service disruptions to domestic and emergency services as well as public services (e.g. traffic lights); and higher costs for the provision of telecommunications services. In another country, flooding of MTN facilities and base stations as a result of increase in rainfall and a surge in sea levels disrupted some operations. In the Middle East, abnormally high snow and ice covered some network sites significantly. Although affected sites remained operational, maintenance was challenging. In other areas of the region, significant flooding also affected the ability to access/ maintain some sites. The Group continually motivates all operations to identify and report on physical climate change related risks on a monthly basis through the carbon footprint reporting process and to ensure mitigation and business continuity plans through the Group's risk and compliance management processes. Longer term shifts in climate patterns affects MTN operations. For example, in instances where climate projections indicate increased temperatures, this will most likely increase our power consumption for cooling BTS and Switches. For example, in a number of the African and Middle Eastern countries where we operate and where the general environment is mostly arid and hot, climate change is likely to intensify the severity and duration of hot days annually. This would likely result in increased energy consumption for cooling purposes. Shifts in precipitation will also affect operations in countries where national grids rely on hydro-electric dams for power provision, including in some central and south-eastern African countries where we operate e.g. as drought conditions experienced a few years ago in Zambia.

**Time horizon**

Medium-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

1000000

**Potential financial impact figure – maximum (currency)**

10000000

**Explanation of financial impact figure**

Changes in precipitation patterns and extreme variability in weather patterns affect MTN financially in terms of incorporating mitigation and adaptation measures. Often extreme weather conditions cause server damage to sites and require capital investment to fix. Flooding risks and the impact to equipment and service delivery requires flood management and control and backup for critical sites.

**Cost of response to risk**

15000000

**Description of response and explanation of cost calculation**

Operating equipment, such as generators, have been raised above the flood level in some MTN countries/regions most at risk. In addition, future site planning has adopted the lessons learned about defending against floods.

**Comment**

MTN's infrastructure plan includes ensuring redundancy and backup. If a single base station site is unavailable, traffic is switched to an alternative site. If a few sites are unavailable, the situation is classified as an Incident. Catastrophic incidents will trigger business continuity processes. One of the main elements of network performance is the availability of power. We deploy a range of solutions to primary power sources, including battery back-ups and diesel generators. Our main element of availability is power, and we maintain autonomy via battery backup solutions and direct power generation. If there is an issue related to transmission, we re-route network traffic where applicable. Network traffic may be routed to other operational sites. In rural areas or areas with low volumes of network traffic, sites may be non-operational from a few minutes to a few hours and worst case of unavailable for less than 24 hours. It is not possible to estimate the cost of this risk

**C2.4****(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**C2.4a****(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.****Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Move to more efficient buildings

**Primary potential financial impact**

Returns on investment in low-emission technology

**Company-specific description**

There are several tax incentives, research and development incentives and government grants in the area of energy and climate change which MTN could take advantage of. These are mainly available in South Africa, but may become available in other MTN countries of operation. South African incentives being explored by MTN include: Income Tax Act, Section 12.K: Carbon credits generated by Clean Development Mechanism projects will be exempt from normal tax. Section 12.L: An income tax allowance is available for energy efficiency savings. The 12L tax rebate is an incentive for increased energy efficiency, available in the form of an allowance/deduction allowed from taxable income based on demonstrable energy efficiency savings created through the implementation of energy efficiency measures. The tax incentive is available for savings in all energy forms and not only electricity. The rebate is equivalent to 95 cents per kilowatt hour or kilowatt hour equivalent of energy saved. In addition, because MTN South Africa can earn carbon credits from the CDM project there is the potential for tax related savings. MTN South Africa participated in the Private Sector Energy Efficiency (PSEE) programme and has reviewed its energy policy identifying further opportunities for energy efficiency investments, and assessing the financial penalties and incentives available from local regulatory authorities for energy efficiency investments. In addition, there are growing pressures within other regions to comply with environmental legislation.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

549298.63

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

The figure was calculated by looking at the total energy saving by MTN South Africa and the applicable tax rebate to estimate the savings based on the baseline year. MTN is currently saving approximately 18 000 MWh of electricity per year in South Africa from energy efficiency and low carbon energy initiatives. Using a tax incentive rate of R0.95, these energy savings could have translated into MTN paying over R5.5 million less tax for FY20. This cost estimation has also assumed that all projects would have qualified, and all savings were generated in a single year which is not necessarily the case. MTN is currently in the process of applying for a rebate and this could result in a potential saving for MTN annually, excluding the cost required for measurement and verification.

**Cost to realize opportunity**

500000

**Strategy to realize opportunity and explanation of cost calculation**

Because energy consumption and the management thereof is important, tax incentives, research and development incentives and government grants will be looked into in order to aid the occurrence of energy efficiency measures at MTN South Africa. MTN South Africa is in the process of securing benefits for energy efficiency investments under Section 12L of the Income Tax Act. MTN proactively engages with regulators in its different operating countries which puts the company in a position to take advantage of any regulatory opportunities that may develop. For example, in Sudan, MTN is the only company within the telecommunications sector that is part of the Supreme Committee for Environmental Affairs. MTN is currently working towards confirming its 12L savings with an accredited inspection body to realise their savings and

claim the rebate. The costs of managing this risk relate to the costs associated with an external consultant that manages all carbon and energy related services, as well as the costs involved for the procurement of a Monitoring and Verification (M&V) accredited body.

#### Comment

The costs of managing this risk relate to the costs associated with an external consultant that manages all carbon and energy related services, as well as the costs involved for the procurement of an M&V accredited body.

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#### Identifier

Opp2

#### Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Products and services

#### Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

#### Primary potential financial impact

Reduced direct costs

#### Company-specific description

Regulations are affecting the cost of energy for customers. According to the Global e-Sustainability Initiative (GeSI), ICT can enable solutions to 21st century challenges. The Internet of Things (IoT), including smart devices, Machine-to-Machine (M2M) and cloud-based solutions, enables a wide range of industries to connect networked devices that exchange information, perform actions and respond intelligently to the environments without direct human intervention. This transforms devices into intelligent assets offering a range of possibilities to improve business efficiency, performance, effectiveness, accuracy, and provide other economic benefits. Demand for ICT solutions offered by MTN that enable clients to reduce their energy consumption/ GHG emissions is likely to increase. This could include contributions to smart systems (smart grids, smart transport, smart logistics etc.) or 'smart working' (working remotely). For example, we offer fleet management solutions in several countries, ensuring efficient use of assets and fuel for vehicles. In South Africa, we have trialled smart refrigerator management solutions and low-power wide area networks and narrow band IoT technologies to facilitate the IoT solutions we offer in an energy-efficient manner. Against the backdrop of energy poverty and the cost of accessing digital services in many of our operating countries, MTN has partnered with lease-to-own solar product manufacturers to offer affordable, environmentally responsible and safe solutions that enable people to keep their phones and other electronic devices charged and connected to digital services. We first launched this solution in Uganda in 2014, and it is now available in five markets, with plans to launch in more countries in 2019 and 2020. We estimate that we have positively impacted around 2.3 million lives, from children who are able to study for longer hours at night to small businesses able to extend their trading hours and offer MTN Mobile Money services. Over 1, 9 million kilowatt hours of energy was produced in 2018 (assuming 1, 5 charge cycles per day). We estimate savings of between US\$0.15 and US\$0.48 per day in energy costs for users, depending on the country in which they live. We replaced more than 10 million litres of kerosene with safe, clean and renewable energy.

#### Time horizon

Medium-term

#### Likelihood

Virtually certain

#### Magnitude of impact

Low

#### Are you able to provide a potential financial impact figure?

No, we do not have this figure

#### Potential financial impact figure (currency)

<Not Applicable>

#### Potential financial impact figure – minimum (currency)

<Not Applicable>

#### Potential financial impact figure – maximum (currency)

<Not Applicable>

#### Explanation of financial impact figure

The Group has not quantified the financial impact of this, due to the significant variances in this opportunity element across our 21 countries of operation. The Global System Mobile Association (GSMA) has forecasted that the Internet of Things (IoT) has estimated that by 2025 there will be 3.5 billion cellular IoT connections, including 1.9 billion licensed LPWA connections market will be worth \$ 1.1 trillion by 2025.

#### Cost to realize opportunity

#### Strategy to realize opportunity and explanation of cost calculation

Internet of Things (IoT) market is estimated to grow to an installed base of 75.4 billion devices in 2025, and that by 2020 annual revenues could exceed \$470 billion for the IoT vendors selling the hardware, software and comprehensive solutions. We launched our IoT platform in 2015. This enables us to offer services to a wide range of industries, connecting an otherwise fragmented population of devices and systems through an open platform that enables networked devices to exchange information and perform actions, responding intelligently to their environments without human intervention. Our Machine2Machine (M2M) solutions include enterprise mobility management platforms, fleet and private vehicle management and asset tracking, fuel and utilities management, and security solutions, among others. As an ICT operator, we are aware of the role we can fulfil in assisting our customers to reduce the number of physical materials and businesses. In 2018 our key focus area was to develop a clear vision for MTN's future participation in IoT and articulate a cohesive strategy to achieve this vision. Our key priorities were to implement a proof of concept solution, develop knowledge in predictive analytics, and show customers that we can realise IoT use cases and to translate these to their specific contexts. We also began to look for key partners to work with across the value chain and across various markets.

#### Comment

Isolating the component of the investment in innovative products that relate specifically to climate change drivers is not feasible at this stage and therefore the cost of this opportunity is included our operating costs which we reported in our FY2018 Annual Financial Statements. It's not possible to estimate the cost of this opportunity.

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#### Identifier

Opp3

#### Where in the value chain does the opportunity occur?

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Use of new technologies

**Primary potential financial impact**

Other, please specify (Reputational benefits resulting in increased demand for goods/services)

**Company-specific description**

Technologies such as artificial intelligence and the Internet of Things (IoT) are changing industrial and economic ecosystems. As the digital economy evolves, these opportunities are also forcing new ways of thinking around how spaces, resources and assets are used efficiently. The ability to improve resource efficiency in a climate stressed world can be enabled using smart devices. MTN can develop innovative products using mobile wireless systems, sensors etc. that can provide customers with access to information that could reduce costs/ losses and contribute towards greater resilience in the face of changing climatic conditions. These could include up-to-date information on weather and access to the latest planting/growing/ harvesting information for farmers; early warning systems for communities; Group communication platforms in times of disasters, resource monitoring programmes. We are actively developing new products and partners with value —add service providers to address the requirement for climate-centric ICT solutions. Our IoT solutions include enterprise mobility management platforms, vehicle management and asset tracking, fuel and utilities management, connectivity, and security solutions. MTN is particularly concerned about resources such as water, energy, food, biodiversity and wildlife, among others. We operate in emerging markets where the need to adapt to changing environmental conditions, coupled with the lowest levels of financial and other resources, is becoming increasingly evident. We are, therefore, well placed to offer products that support resilience in the face of these challenges, while representing commercial opportunities for us. In 2018, our key focus area was to develop a clear vision for MTN's future participation in IoT and articulate a cohesive strategy to achieve this vision. Our key priorities were to implement a proof of concept solution, develop knowledge in predictive analytics, and show customers that we can realise IoT use cases and to translate these to their specific contexts. We also began to look for key partners to work with across the value chain and across various markets. We implemented small-scale projects in several countries to address issues such as water, energy and livestock and wildlife management.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Unknown

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

6000000

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact figure**

The Group has not quantified the financial impact of this, due to the significant variances in this opportunity element across our 21 countries of operation. In South Africa, it's forecasted that the IoT/M2M installed base will reach 35 million by 2020, showing a CAGR (compound annual growth rate) of 32% over the period from 2015 to 2020.

**Cost to realize opportunity****Strategy to realize opportunity and explanation of cost calculation**

MTN explored opportunities: agricultural solutions, animal tracking, anti-poaching initiatives and health solutions. Smartcam in Ghana combines a video camera and a security system in one, ensuring real-time alerts and live monitoring to mobiles devices. Vehicle tracking location solutions in Uganda and Cameroon in 2015. In 2016, fleet monitoring solutions in Uganda, Benin, Zambia and Ivory Coast, and plan to extend to Botswana, Ghana, Namibia, Swaziland and Zambia in 2017. A smart water-metering proof of concept service in South Africa, enables automated gathering of utility meter data -customers monitor water consumption, improve consumption efficiency and identify water pipeline leakages. A smart energy metering solution in South Africa and Cameroon monitors energy consumption and potentially reduces indirect (GHG) emissions. In Nigeria, a solar-powered GPS-enabled solution defines geo-fenced areas for grazing - possible disease outbreaks can be contained and human conflicts reduced. In 2018 MTN South Africa developed a dam and tank level monitoring solution, and continued trialling wildlife tracking through geo-fencing of animals. In 2017, phase 1 of a smart city for waste management, green space irrigation and other services was launched in Iran; in 2018 a vehicle asset tracking was launched using GPS to control fleets remotely, ensure services such as dispatch management, driver behaviour, axle load, fuel consumption, temperature management, repair and project scheduling, and efficient fuel utilisation.

**Comment**

Isolating the component of the investment in innovative products that relate specifically to climate change drivers is not feasible at this stage and therefore the cost of this opportunity is included our operating costs which we reported in our FY2020 Annual Financial Statements. It is not possible to estimate the cost of this opportunity.

**C3. Business Strategy****C3.1****(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes

**C3.1b**

**(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?**

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	Yes, we intend to include it as a scheduled AGM resolution item	With global warming on the rise and impacting countries, communities and people everywhere, climate-related issues are considered a resolution item at MTN AGMs. MTN has committed to Net Zero by 2040, and we are in the process of finalizing our revised emission reduction targets and low-carbon transition plan to achieve these targets and reach Net Zero. As such the Net Zero commitment and low-carbon transition plan will be scheduled resolution items at AGMs.

**C3.2**

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

**C3.2b**

**(C3.2b) Why does your organization not use climate-related scenario analysis to inform its strategy?**

While we do currently integrate climate change management issues into MTN's business strategy through our product development and innovation processes, and through our risk management processes, we do not yet apply climate-related scenarios in these processes. MTN has decided to improve its overall climate related disclosure by aligning with the TCFD recommendations and is undergoing a TCFD gap assessment in FY2021. Based on the TCFD assessment, MTN intends to incorporate climate-related scenario analysis to inform its strategy and transition towards Net Zero, and specific contingency and mitigation plans for each of the identified risk will be integrated in our medium and long term strategy plans.

Over the last few years we have developed several solutions that can help our communities mitigate impacts of climate change, given the lack of affordable, reliable and low-carbon energy access in our market, and the impact of climate change in Africa especially. These include prepaid solar powered energy solutions for domestic and Small, Medium and Micro-Enterprises (SMME) market use, energy and water metering and monitoring Internet of Things (IoT) solutions, solutions for wildlife and livestock tracking and others.

In terms of risk management, climate change is one of the Group's principal risks, due to the potential threat to the continuity of our operations because of political, environmental and macro-economic events. We monitor this risk on an ongoing basis and report on a regular basis to risk and compliance functions, and to executive and board sub-committees on our management response.

Additionally, MTN Group monitors the energy use in its operations every month and calculates its monthly and annual GHG emissions. MTN also works towards reducing emissions through implementing energy efficient initiatives and deploying renewable energy technologies. The responsibility for all climate change and sustainability initiatives and issues at MTN Group lies with the Group Regulatory and Corporate Services Officer. The Group Sustainability function compiles and monitors reports for monthly executive committee reports, monthly risk reports, quarterly Social and Ethics Committee presentations and annual sustainability and integrated reports. This includes climate change related issues which include energy consumption, climate risks and opportunities, as well as alternative energy and energy efficiency initiatives. MTN has also committed to Net Zero by 2040 and is in the process of aligning its targets and emission reduction plan.

**C3.3**

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Digitisation can enable a transition to a low-carbon economy. We are working to increase the roll out of infrastructure that will enable the uptake of the Internet of Things Solutions (IoT) by industries and enterprises across our operations in Africa and the Middle East. The IoT enables machines and infrastructure to be monitored and operated remotely. This technology can radically transform both large and small enterprises in terms of efficiencies, distribution and even business models. IoT, including smart devices, machine to machine (M2M) and cloud-based solutions enable a wide range of industries to connect networked devices that exchange information, perform actions and respond intelligently to their environments without direct human intervention. We are also piloting Narrow Band-IoT (NB-IoT) technologies, a new solution that extends the utilisation of IoT by making it more efficient to connect objects that require a long battery life and that are in areas where network signals may have difficulty penetrating. MTN, in partnership with a vendor management AI tool, embarked on a site optimisation platform proof of concept in 2020. The platform aims to reduce costs, ensure resilience and reduce MTN's carbon footprint. The vendor management platform first identifies built-in problems on each site upon installation. On a day-to-day basis the platform uses AI to optimise power usage of each tower site by monitoring the real-time status of site components including grid availability, battery life, solar availability and generator fuel levels. Magnitude of opportunity: high
Supply chain and/or value chain	Yes	MTN suppliers are expected to apply the precautionary principal in their use of natural resources, including energy. Suppliers shall implement and demonstrate sound measures to prevent pollution, reduce biodiversity impacts and minimise the generation of solid waste, wastewater and air emissions. We have worked with various governmental departments, corporate and other organisations to raise awareness, facilitate collection and improve e-waste management practices among handlers, albeit on a very small scale. Our partnerships focus on improving the volumes of waste collected both within our own operations and from the public. We also try to ensure that e-waste is diverted to responsible handlers who either extract valuable components or dispose of it in accordance with standards such as ISO 14001:2015, ISO 18001 or SERI (Sustainable Electronics Recycling International) R2. Our e-waste management programme is still at a nascent stage. Initiatives include supplier take-back agreements or waste collection agreements. Just over 31 tonnes of e-waste was recycled in 2020. These types of initiatives have provided a strong basis from which to engage with our value chain around other climate change issues. Magnitude of opportunity: medium
Investment in R&D	Yes	Through our partnerships, we have explored opportunities which include our rapid rural roll-out programme (R3). R3 focuses on providing voice and data services to previously uncovered areas reaching the most vulnerable, marginalised and underserved members of society. Extending coverage in these areas supports social and economic transformation and represents shared value creation. In 2020, we accelerated our R3 programme with 497 solar powered sites in nine countries in partnership with various vendors. Through various partnerships, MTN Iran cell has launched a pilot project using Narrowband (NB IoT) technology to offer smart parking solutions in Mashhad city in order to overcome the shortage of parking. NB-IoT smart parking solutions use magnetic parking sensors to detect the availability of parking spaces and use the NB-IoT network to synchronise a parking lot's status with an application server. Drivers are then able to search for available parking bays through an application resulting in a significant saving of time and frustration for the driver while reducing traffic congestion and air pollution/ emissions in the broader community. Magnitude of opportunity: medium
Operations	Yes	Our products and services include voice, data and digital services that we offer to retail customers, corporate and public sector customers. Some of the risks and opportunities identified include market changes, reputation, and general physical risks. Physical risks such as increased flooding and increased temperatures could affect our core infrastructure, such as base stations, which are critical to delivering our uninterrupted services. As a result, we had to make use of diesel generators during the high rainfall season. This will likely increase in the future. In some countries where we operate and where the main electricity supply is from hydro-powered grids, drought or changes that affected numerous countries has resulted in some increase in energy costs and increased energy insecurity from grid source over the past few years. Opportunities are available such as the use of solar to power our sites in rural areas where grid electricity is not easily accessible though our R3 programme which provides voice and data services to previously uncovered areas. Magnitude of opportunity: medium

**C3.4**

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	The revenue from identified climate change risks and opportunities is not quantified separately from the total Group Revenue. Some of the environmental and climate-related commercial solutions that we offer generate revenue for MTN, for example vehicle and asset tracking, livestock and wildlife tracking and connected devices for water and energy management. These solutions are offered in several MTN countries including South Africa, Nigeria, Benin, Cameroon, Ghana, Iran and others. Revenue is also earned from prepaid solar-powered charging devices for homes, small businesses and entrepreneurs in several countries including Uganda, Zambia, Nigeria and Cote d'Ivoire. To reduce our greenhouse gas emissions, reduce operating costs, mitigate and adapt to the negative impacts of climate change on our physical, financial and regulatory risk profiles, we have continued to modernise our existing network, and ensure that our new infrastructure investments are energy-efficient and make use of alternative energy solutions to be more resilient. Between 2011 and 2020, these initiatives have been implemented in more than 21 500 sites (including MTN-owned sites and outsourced sites). For 2020, our diesel consumption was reduced by 3 898 kt, while we saved 169 753 MWh of electricity, and saved/avoided 753 578 GJ of energy. In total, our overall emissions avoided due to diesel and electricity reductions increased from 2020 to 156 996 tCO <sub>2</sub> e. These reductions in energy use will have had a direct impact on our operating costs. Some of our most critical infrastructure such as base stations, data centres, switches and hubs are susceptible to physical climate change risks. We have continued to modernise our existing network, ensured backup sites for business continuity, and ensured that our new infrastructure investments are energy-efficient and make use of alternative energy solutions wherever possible to be more resilient. In our capital expenditures, we encourage our operations to investigate alternative energy and energy efficiency solutions that would provide a good return on investment. Although climate change risks and opportunities associated with acquisitions and divestments may exist within our value chain, we have not formally factored these within our financial planning processes. Although climate change risks and opportunities associated with access to capital may exist within our value chain, we have not formally factored these within our financial planning processes. We engage with tower management companies and equipment manufacturers and suppliers on ways of working together to enhance the efficiency of our sites and help us meet our objective of increasing the use of renewable and low-carbon energy. However, it should also be noted that our improved ESG position and commitment to align to TCFD recommendations and GNI principals improves also our access to capital and we will be considering opportunities to access green bonds and sustainable finance as part of the Net Zero commitment. Some of our most critical assets include infrastructure such as base stations, data centres, switches and hubs which are susceptible to physical climate change risks. These include physical risks such as increased flooding and increased temperatures. As part of our value chain climate change risk assessment process which is being developed, our operations may be required to improve their maintenance budget and capital expenditure plans to ensure that critical infrastructure does not fail should climate related risks emanate. Although climate change risks and opportunities associated with liabilities may exist within our value chain, we have not formally factored these within our financial planning processes.

**C3.4a**

**(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

Climate change related issues are integrated into MTN's business strategy, through the following elements:

- Climate-related issues are an item on the MTN Group's board meetings;
- Monthly integrated risk identification and management processes, and assurance processes are undertaken by the Group;
- The Group's Eco-Responsibility focus area which supports the Group's strategic pillar of "creating stakeholder value"
- The Group's drive to manage the carbon impact of energy use and reduce overall environmental impact (As outlined in the FY2020 Sustainability report - <https://www.mtn.com/wp-content/uploads/2020/03/MTN-Sustainability-report.pdf>)
- Quarterly oversight of the Group Executive and Social and Ethics Committees

We created our BRIGHT operational strategy (Best customer experience; Returns and efficiency focus; Ignite commercial performance Growth through data and digital; Hearts and minds; Technology excellence) to clearly define the areas on which we aim to focus to build our business sustainably and create value across the six capitals including environmental capital. The development of the BRIGHT strategy was influenced by climate-related risks and opportunities at short, medium and long-term horizons.

The Ambition 2025 strategy is an evolution from the BRIGHT strategy, which enabled us to lead the race to connect Africa and its people, towards accelerating and delivering a range of platforms to further digitise the lives of all people within the reach of MTNs network. Looking ahead we will measure our performance KPI's against Ambition 2025. Our revised strategy, Ambition 2025, is anchored in building the largest and most valuable platform business with a clear focus on Africa. This will rest on a scale connectivity and infrastructure business using both mobile and fixed access networks across the consumer, enterprise and wholesale segments. Implementing this growth strategy will be accelerated through selective partnerships and leveraging MTN's brand as the most trusted and valued in Africa, while it will be supported and funded through enhanced cost and capital expenditure efficiencies. The execution of Ambition 2025 is embodied in four clear strategic priorities, and we have identified five vital enablers to assist in operationalizing our strategy. This is further detailed in our Integrated Report and Sustainability Report ([https://www.mtn.com/wp-content/uploads/2021/06/MTN-IAR-2020-Interactive\\_HR.pdf](https://www.mtn.com/wp-content/uploads/2021/06/MTN-IAR-2020-Interactive_HR.pdf) and <https://www.mtn.com/wp-content/uploads/2020/03/MTN-Sustainability-report.pdf>). MTN has identified ESG as a vital enabler of the Ambition 2025 framework which is being integrated into the way that we operate and create shared value.

At MTN, we believe that everyone deserves the benefits of a modern connected life. Some of the constraints that hamper connectivity include distant locations and scattered areas of settlements, the lack of energy, road infrastructure and security in remote areas, the cost of civil engineering and radio and transmission equipment, and site maintenance access and costs. For example, in an effort to meet social needs while considering climate change impacts, we developed a Rural Roll-Out Programme. Rural areas have poor/ no grid electricity supply and therefore MTN has worked on rolling network sites powered by renewable energy. As a result, site deployment consisted of relatively smaller sites with a smaller carbon footprint. MTN's ambition is to incorporate a renewable-only approach as it rolls out new sites with one or a combination of solar, wind or hydro. In 2020, 300 additional rural sites powered by solar were rolled out, bringing it to a total of 1 331.

## C4. Targets and performance

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### C4.1

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**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target

### C4.1a

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**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**

Abs 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (location-based) +3 (upstream & downstream)

**Base year**

2019

**Covered emissions in base year (metric tons CO2e)**

2281348

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2030

**Targeted reduction from base year (%)**

100

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

0

**Covered emissions in reporting year (metric tons CO2e)**

100

**% of target achieved [auto-calculated]**

99.9956166266611

**Target status in reporting year**

Achieved

**Is this a science-based target?**

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

**Target ambition**

Well-below 2°C aligned

**Please explain (including target coverage)**

MTN has committed to Net Zero by 2040 and is in the process of finalising its 2030 interim emission reduction targets. We intend to reduce Scope 1, 2 and 3 emissions on a company-wide level. We intend to submit these targets to the SBTi for approval in the next 2 years. The targets are set in line with SBTi guidance for the ICT sector.

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## C4.2

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**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Net-zero target(s)

## C4.2c

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**(C4.2c) Provide details of your net-zero target(s).**

**Target reference number**

NZ1

**Target coverage**

Company-wide

**Absolute/intensity emission target(s) linked to this net-zero target**

Abs1

**Target year for achieving net zero**

2040

**Is this a science-based target?**

Yes, and we have committed to seek validation of this target by the Science Based Targets initiative in the next 2 years

**Please explain (including target coverage)**

MTN has committed to Net Zero by 2040 and is in the process of finalizing its revised 2030 interim emission reduction targets. We intend to reduce Scope 1, 2 and 3 emissions on a company-wide level. We intend to submit these targets to the SBTi for approval in the 2021. The targets are set in line with SBTi guidance for the ICT sector.

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## C4.3

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(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	10	
To be implemented*	10	
Implementation commenced*	0	0
Implemented*	1616	156996
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV
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Estimated annual CO2e savings (metric tonnes CO2e)

15304

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1374102

Investment required (unit currency – as specified in C0.4)

600000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

In many countries where we operate in Africa and the Middle East, rural areas typically do not have sufficient networks due to geographic location infrastructure constraints and other considerations required to implement a full-blown cell phone tower. A standard tower can cost up to about USD 1.4 million to set up, meaning that a mobile operator will usually have to wait up to 10 years to see a return on investment. Rural sites can cost between USD 10,000 to USD 20,000 and can be installed to meet the specific requirements of the location, without introducing unnecessary features/ services and costs. MTN and Huawei are introducing specialised, rapid-deployment of smaller towers that run on solar energy rather than on diesel in rural areas. This will reduce operational costs and emissions and ensure connectivity. We estimate the following: 1. Annual diesel avoided (litres) = 14 760 litres (assumed per site) 2. Estimated financial savings (Local currency) = ZAR 1,374,102 (assumed per site) 3. Capital cost of the project (Local currency) = ZAR 600 000 (assumed per site)

Initiative category & Initiative type

Other, please specify	Other, please specify (Energy efficiency in production processes: Lighting )
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Estimated annual CO2e savings (metric tonnes CO2e)

555

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

432614

Investment required (unit currency – as specified in C0.4)

185000

Payback period

Please select

Estimated lifetime of the initiative

Ongoing

Comment

In South Africa, we have the temperature controller renewal project to ensure we reduce the energy consumption after hours when it is cooler by using cooler ambient ventilation to cool the BTS and not using AC (air conditioning).

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	To reduce emissions, save operating costs, and mitigate the impact of climate change on physical, financial and regulatory risk profiles, MTN has continued to modernise the existing network, and to ensure that new infrastructure investments are energy-efficient and more resilient.
Lower return on investment (ROI) specification	As part of business case development, MTN determines the breakeven point and return on investment period. This applies to all projects, including energy and carbon reduction projects, which must meet internal return on investment criteria.

C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**C4.5a**

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Company-wide

**Description of product/Group of products**

According to industry projections on the 'Internet of Things' (IoT), it was expected that by 2020, 30 billion devices or connected things will be in use and interacting with the environment and providing actionable data or services. This development is one of the key opportunities shaping how MTN conducts business and contributes societal value. We are actively working on bundling our connectivity services with solutions that can reduce some of the daily problems faced in our African and Middle Eastern territories. As a result, we launched our IoT platform in 2015. This enables us to offer services to a wide range of industries, connecting an otherwise fragmented population of devices and systems through an open platform that enables networked devices to exchange information and perform actions, responding intelligently to their environments without human intervention. MTN's Machine2Machine (M2M) solutions include enterprise mobility management platforms, fleet and private vehicle management and asset tracking, fuel and utilities management, and security solutions, among others. The solutions we offer include energy and water monitoring and management, prepaid solar energy solutions for homes and businesses to replace the use of diesel, kerosene and other sources of energy, vehicle fleet management solutions that enable a number of services including efficient use of fuel, livestock and wildlife tracking, and narrow-broadband and low-power technologies that power IoT solutions using less energy than traditional solutions. The installation of phase 1 of smart city solution for water and waste management has been completed and future phases for municipal environmental resources and commuting are currently being assessed. Smart Home and Smart Refrigerator solutions have also been assessed. More information is available in the Group's 2018, 2019 and 2020 Sustainability Reports available on [www.mtn.com](http://www.mtn.com)

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Evaluating the carbon-reducing impacts of ICT

**% revenue from low carbon product(s) in the reporting year**

**% of total portfolio value**

<Not Applicable>

**Asset classes/ product types**

<Not Applicable>

**Comment**

The % Revenue from low carbon products is not quantified separately from the total Group Revenue. MTN Group invests in the research and development of all its products which includes IoT products and services. The amount of R&D allocated specifically for IoT products and services is not available separately as this forms part of the broader R&D budget for all products and services within the Group. The % Revenue from low carbon products is not quantified separately from the total Group Revenue.

**C5. Emissions methodology**

**C5.1**

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start  
January 1 2013

Base year end  
December 31 2013

Base year emissions (metric tons CO2e)  
769471

Comment

Scope 2 (location-based)

Base year start  
January 1 2013

Base year end  
December 31 2013

Base year emissions (metric tons CO2e)  
636184

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IPCC Guidelines for National Greenhouse Gas Inventories, 2006  
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)  
272695

Start date  
<Not Applicable>

End date  
<Not Applicable>

Comment  
Our scope 1 emissions for FY2020 include our operations across 20 countries.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based  
We are reporting a Scope 2, location-based figure

Scope 2, market-based  
We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment  
The grid structure in South Africa does not allow for individual purchases from individual electricity suppliers.

C6.3

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(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

953361

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Our scope 2 emissions for FY19 include our operations across 19 countries.

C6.4

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(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

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(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Scope 1, and 2 emissions from the following operating countries are not included: Syria, Mascom Botswana; Ethiopia; Dubai Head Office; Yemen.

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant but not yet calculated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Please select

Explain why this source is excluded

•MTN Syria and MTN Yemen are excluded due to challenges associated with network management in the context of the broader macro-political situation. •MTN Management Services in Dubai, UAE is excluded as the offices are on one floor in a leased premises and MTN does not offer telecommunication services directly in the UAE. This is a non-material impact on the overall footprint for MTN Group. •Mascom Botswana has been excluded based on indirect ownership holding.

C6.5

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(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

## Purchased goods and services

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

912471

### Emissions calculation methodology

The implementation of our strategy to outsource our base station/ network sites to tower management companies is ongoing. This has contributed to the increase in our Scope 3 emissions. Given that we are now leasing these sites, our ability to control efforts to improve energy efficiency and reduce GHG emissions is limited. Our network sites have been outsourced in Cameroon, Ghana, Ivory Coast, Nigeria, Rwanda, Uganda and Zambia. We continue to account for energy consumption at these sites. We report GHG emissions according to the operational control boundary approach, however outsourcing network sites results in emissions from these sites to be considered Scope 3 emissions. Given our reliance on these outsourced sites, we will regard these Scope 3 emissions as material over the medium to long term (while Scope 1 emissions will decline materially). Scope 3 GHG emissions from network sites managed by IHS Holdings in Cameroon, Ivory Coast, Nigeria, Rwanda and Zambia were previously calculated based on actual monthly diesel and electricity consumption data. Following the Group's changes to its investment stake in the IHS Group in 2017, IHS is no longer able to supply actual data. In line with the GHG Protocol's principals of completeness of reporting, we have therefore developed an estimation methodology, based on the Protocol's average data approach to account for these emissions. The method makes use of the average historical monthly energy consumption data and the historical average number of network sites per month to help MTN approximate the average energy consumption value per network site per month. This value is then multiplied by the number of network sites each month, to estimate the total monthly energy consumption for all network sites. This method ensures comparability of reported results in previous years, as recommended by the GHG Protocol. Going forward, this methodology will be reviewed and refined where possible as we work with our tower management partners and suppliers on the provision of actual data as required for disclosure of the Group's Scope 3 emissions.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

We are only able to obtain actual consumption data from one of the two infrastructure management partners that we work with. Going forward, the methodology provided will be reviewed and refined where possible as MTN works with our tower management partners and suppliers on the provision of actual data as required for disclosure of the Group's Scope 3 emissions. In addition, our energy management strategy has been evolving alongside our changing infrastructure investment and management strategy. Leasing infrastructure is resulting in a gradual shift in the classification of our GHG emissions from Scope 1 (direct) to Scope 3 (indirect) emissions. Given our reliance on leased sites, we regard Scope 3 emissions as material over the medium to long term, while Scope 1 emissions may decline materially. These changes also inform our efforts on the types of facilities (network, non-network technical, buildings, etc.) we manage, how we reduce energy consumption and GHG emissions, and which facilities we select for internal and external assurance.

## Capital goods

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO2e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Upstream transportation and distribution

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Waste generated in operations

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

0

### Emissions calculation methodology

Business travel includes both flights (local and international) for business purposes as well as kilometres travelled in hire cars. The methodology followed to estimate the emissions involves multiplying activity data for mode of transport (e.g. distance travelled) by an applicable emission factor for that mode of transport (e.g. t CO<sub>2</sub>/km). Flights were categorised as being either long (>1600km) or short (<1600 km) haul flights. DEFRA default factors were used for all emission factors (0.11 kg CO<sub>2</sub>/km for short haul, and 0.12 kg CO<sub>2</sub>/km for long haul). Hire cars were categorised according to fuel type as well as by the engine capacity of the car. Petrol vehicles were categorised as either small (<1.4 litres), medium (>1.4 litres) or large (>2.0 litres).

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

MTN obtains all business travel data from a contracted Travel Agent. There was no business travel reported on in FY2020 due to COVID-19 travel restrictions.

## Employee commuting

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.



#### Upstream leased assets

##### Evaluation status

Relevant, not yet calculated

##### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

#### Downstream transportation and distribution

##### Evaluation status

Relevant, not yet calculated

##### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

#### Processing of sold products

##### Evaluation status

Relevant, not yet calculated

##### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

#### Use of sold products

##### Evaluation status

Relevant, not yet calculated

##### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

##### Emissions calculation methodology

<Not Applicable>

##### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

##### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## End of life treatment of sold products

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Downstream leased assets

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Franchises

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

## Investments

### Evaluation status

Relevant, not yet calculated

### Metric tonnes CO<sub>2</sub>e

<Not Applicable>

### Emissions calculation methodology

<Not Applicable>

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

### Please explain

This category, in accordance with WRI/GHG Protocol guidance, has historically been excluded due to lack of available data and the limited materiality of these emissions relative to the other categories. However, in FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

In FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

In FY2021 MTN is undergoing a Scope 3 materiality and relevance screening in line with their target setting ambitions. It is expected that all relevant and material Scope 3 category emissions will be calculated and reported on from FY2021 onwards.

C6.7

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(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

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(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000007

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1226057

Metric denominator

unit total revenue

Metric denominator: Unit total

179361000000

Scope 2 figure used

Location-based

% change from previous year

23.98

Direction of change

Decreased

Reason for change

In 2020, Scope 1 + 2 emissions decreased by 42% due to a significant decrease in fuel and electricity consumption as a result of the COVID 19 pandemic. The decrease is also attributed to a significant increase in energy efficiency initiatives as rolled out by the OPCOs. Our revenue increased by 18.42% compared to the previous year.

Intensity figure

0.004379

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1226057

Metric denominator

Other, please specify (GHG intensity per subscriber)

Metric denominator: Unit total

280000000

Scope 2 figure used

Location-based

% change from previous year

19.3

Direction of change

Decreased

Reason for change

In 2020, Scope 1 + 2 emissions decreased by 42% due to a significant decrease in fuel and electricity consumption because of the COVID 19 pandemic. The decrease is also attributed to a significant increase in energy efficiency initiatives as rolled out by the OPCOs. Our subscriber numbers have increased by 11.55% compared to the previous year.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?  
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	248739	IPCC Third Assessment Report (TAR - 100 year)
CH4	6363	IPCC Third Assessment Report (TAR - 100 year)
N2O	821	IPCC Third Assessment Report (TAR - 100 year)
HFCs	1530	IPCC Third Assessment Report (TAR - 100 year)
Other, please specify (R22)	9174	IPCC Third Assessment Report (TAR - 100 year)
Other, please specify (R407)	2315	IPCC Third Assessment Report (TAR - 100 year)
Other, please specify (R407C)	749	IPCC Third Assessment Report (TAR - 100 year)
Other, please specify (R410)	3004	IPCC Third Assessment Report (TAR - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Afghanistan	47675
Benin	9086
Cameroon	6616
Congo	13035
Côte d'Ivoire	1924
Ghana	8622
Guinea-Bissau	3091
Guinea	19995
Iran (Islamic Republic of)	4470
Kenya	109
Liberia	15111
Namibia	2
Nigeria	41575
Rwanda	1276
South Africa	22178
South Sudan	11923
Sudan	58299
Eswatini	378
Uganda	5028
Zambia	2302

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Mobile combustion	14962
Stationary combustion (Diesel)	237227
Stationary combustion (natural gas)	3735
Refrigerant Use	16771

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Afghanistan	7835		16174	
Benin	12755		27015	
Cameroon	4678		17420	
Congo	2955		8390	
Côte d'Ivoire	3986		10799	
Ghana	1562		33356	
Guinea-Bissau	932		3139	
Guinea	1458		4924	
Iran (Islamic Republic of)	306815		576504	
Kenya	142		1328	
Liberia	510		1375	
Namibia	3		61	
Nigeria	31237		111209	
Rwanda	2620		7060	
South Africa	521693		537827	
South Sudan	1228		1587	
Sudan	35599		112051	
Eswatini	3406		11498	
Uganda	9430		18953	
Zambia	4502		34209	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.  
By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
BTS Sites	722005	
Offices (Head Regional & Technical) & warehouses	39652	
Data Call and Service Centres and Switches	191704	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?  
Decreased

C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable >		Not Relevant
Other emissions reduction activities	156996	Decreased	12.8	Emission reduction initiatives implemented during 2020 resulted in a saving of 156 996 tCO2e. For 2020, our diesel consumption was reduced by 63 898kt, while we saved 169 753 MWh of electricity.
Divestment	6123	Decreased	0.5	As a result of the outsourcing of BTS sites to TowerCos in Ghana, Uganda, Cameroon, Cote d'Ivoire, Nigeria, Rwanda and Zambia, a total 912 471 tCO2e continued to shift from MTN's Scope 1 + 2 emissions to Scope 3 emissions, this shift was done in 2014. Scope 3 GHG emissions from network sites managed by IHS Holdings in Cameroon, Ivory Coast, Nigeria, Rwanda and Zambia were previously calculated based on actual monthly diesel and electricity consumption data. Following the Group's changes to its investment stake in the IHS Group in 2017, IHS is no longer able to supply actual data. In line with the GHG Protocol's principals of completeness of reporting, we have therefore developed an estimation methodology, based on the Protocol's average data approach, to account for these emissions. The method makes use of the average historical monthly energy consumption data and the historical average number of network sites per month to help MTN approximate the average energy consumption value per network site per month. This value is then multiplied by the number of network sites each month, to estimate the total monthly energy consumption for all network sites. This method ensures comparability of reported results in previous years, as recommended by the GHG Protocol. Going forward, this methodology will be reviewed and refined where possible as MTN works with our tower management partners and suppliers on the provision of actual data as required for disclosure of the Group's Scope 3 emissions.
Acquisitions		<Not Applicable >		No purchases of company/subsidiary/facility in the reporting year and thus no emissions changes occurred as a result.
Mergers		<Not Applicable >		No business mergers in the reporting year and thus no emissions changes occurred as a result.
Change in output	15019	Decreased	1.22	In 2020, MTN's total, Scope 1 and 2 emissions decreased by 42% to 1 226 057 tCO2e (FY19 : 1 361 911 tCO2e). The change in emissions as a result of emission reduction initiatives (minus 156 996 tCO2e), and divestment of BTS sites is 6 123 tCO2e, which has led to overall emissions decreasing.
Change in methodology		<Not Applicable >		Not Relevant
Change in boundary		<Not Applicable >		No changes in boundary in FY2020 reporting year
Change in physical operating conditions		<Not Applicable >		Not Relevant
Unidentified		<Not Applicable >		Not Relevant
Other		<Not Applicable >		Not Relevant

C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**  
 Location-based

C8. Energy

C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**  
 More than 5% but less than or equal to 10%

C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

**C8.2a**

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)		3900985	3900985
Consumption of purchased or acquired electricity	<Not Applicable>		1816851	1816851
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>		<Not Applicable>	
Total energy consumption	<Not Applicable>		5717836	5717836

**C8.2b**

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

**C8.2c**

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

3854993

**MWh fuel consumed for self-generation of electricity**

3821285

**MWh fuel consumed for self-generation of heat**

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

74.1

**Unit**

kg CO2 per MWh

**Emissions factor source**

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

**Comment**

Mobile Combustion

**Fuels (excluding feedstocks)**



Motor Gasoline

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

22400

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

22400

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

69.3

Unit

kg CO2 per GJ

Emissions factor source

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

23592

MWh fuel consumed for self-generation of electricity

21123

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

2470

Emission factor

56.1

Unit

metric tons CO2 per GJ

Emissions factor source

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

Comment

Natural gas is used for co-generation or tri-generation.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	3844877	3844877		
Heat				
Steam				
Cooling				

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

**Description**  
Energy usage

**Metric value**  
20584208

**Metric numerator**  
Energy consumption (GJ)

**Metric denominator (intensity metric only)**  
N/A

**% change from previous year**  
10

**Direction of change**  
Decreased

**Please explain**  
The energy consumption at MTN operating countries has decreased by 10% to 20 584 208 GJ (FY2019: to 22 808 701 GJ). The decrease in energy consumption is due decreased energy consumption as a result of the COVID-19 pandemic and the implementation of new energy efficiency projects

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

South Africa carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

**South Africa carbon tax**

**Period start date**

January 1 2020

**Period end date**

December 31 2020

**% of total Scope 1 emissions covered by tax**

85

**Total cost of tax paid**

22199.6

**Comment**

% = South African Scope 1 stationary combustion emissions = x (tCO<sub>2</sub>e) / MTN Scope 1 total emissions =x(tCO<sub>2</sub>e) Only South Africa pays this carbon tax, not the other countries.

## C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

MTN prioritises compliance and ensures that all OPCOs are compliant with relevant country regulations. Each OPCO has a designated compliance officer in charge of ensuring compliance with current regulation. The climate-designated board member and the Social and Ethics Committee is also responsible for ensuring climate related compliance.

The South Africa carbon Tax only affects MTN South Africa; however MTN Zambia also reported increasing legislative activity with respect to carbon taxes. While MTN South Africa is one of the largest operations in the MTN Group, the financial impact of this tax is estimated to range between R20 000 and R60 000 per annum. The South African National Treasury first introduced the idea of carbon tax in a discussion document in 2010. The design was proposed in 2013 followed by the publication of the Draft Bill late in 2015 which announced the expected start date to be in 2017. After numerous iterations and consultations the Bill was finally signed into law by the President on the 22nd of May 2019 and has come into effect from 1 June 2019. The carbon tax will initially only apply to scope 1 emitters in the first phase. The first phase will be from 1 June 2019 to 31 December 2022, and the second phase from 2023 to 2030. While the initial tax rate was set at R120/ tonne of CO<sub>2</sub>-equivalent it increases year on year. The carbon tax Act allows for various allowances, with taxpayers eligible for allowances for up to 95% of their emissions. National Treasury estimates that companies will effectively pay between R6 and R48 per tonne of CO<sub>2</sub>e depending on allowances applicable to the company.

MTN ensures compliance to regulatory systems, by monitoring development of regulatory (carbon pricing) systems in each country it operates in. MTN engages with specialists to assist in unpacking regulatory systems, such as the South African Carbon Tax, to ensure full compliance with the regulations

## C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

## C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

## C12. Engagement

### C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

### C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

#### Details of engagement

Climate change is integrated into supplier evaluation processes

#### % of suppliers by number

100

#### % total procurement spend (direct and indirect)

100

#### % of supplier-related Scope 3 emissions as reported in C6.5

0

#### Rationale for the coverage of your engagement

As the impacts of climate change become increasingly visible around the world, MTN believe in the benefits of a healthy planet and has pledged its commitment to achieve Net Zero emissions by 2040. This reflects MTN's recognition of the impact of its value chain on its overall footprint and as such we have also committed to sustainable procurement practices. In order to maximise our impact in carbon reduction, we are actively engaging with our value chain partners in 2021. We have asked our value chain to also pledge to commit to the low carbon economy transition and to support our Net Zero journey. Our source spend broken down by key supplier is as follows Huawei – 16%, Ericsson, 7%, ZTE 3%, Nokia 1%.

#### Impact of engagement, including measures of success

Although we are still in the early stages of engagement, we understand that several of our value chain partners have already committed to their own SBTs such as Ericsson, Apple and Nokia. We endeavour to expand our business whilst continuing to prioritize sustainable innovation and growth.

#### Comment

Listed below are some of the key requests we will be making to our value chain in the form of a letter to our partners requesting them to pledge support – 1. Setting a science-based carbon reduction target for your organization and publicly communicating commitment. 2. Prepare an annual emissions reports and submit a CDP response annually and sharing your emissions data with us; 3. Embedding GHG emissions reductions at both a services and product level; 4. Ensuring your own suppliers are aware of this call to action, so that it can then be cascaded through your business's supply chain, activity building the capacity of local suppliers in the process; and 5. Supporting the ECO rating of each device and activity supporting our activities to provide life cycle product service to customers including trade-ins and recycling options. More detail is provided in the following links – [https://www.linkedin.com/posts/mtn\\_mtnroadtozero-esgathecore-goodtogether-activity-6822842284703399936-jEPf](https://www.linkedin.com/posts/mtn_mtnroadtozero-esgathecore-goodtogether-activity-6822842284703399936-jEPf) <https://mtn-investor.com/mtn-road-to-zero/pledge.php> <https://mtn-investor.com/mtn-road-to-zero/pdf/letter-to-partners-mtn-road-to-zero-signed.pdf>

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#### Type of engagement

Innovation & collaboration (changing markets)

#### Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

#### % of suppliers by number

100

#### % total procurement spend (direct and indirect)

100

#### % of supplier-related Scope 3 emissions as reported in C6.5

0

#### Rationale for the coverage of your engagement

As the impacts of climate change become increasingly visible around the world, MTN believe in the benefits of a healthy planet and has pledged its commitment to achieve Net Zero emissions by 2040. This reflects MTN's recognition of the impact of its value chain on its overall footprint and as such we have also committed to sustainable procurement practices. In order to maximize our impact in carbon reduction, we are actively engaging with our value chain partners in 2021. We have asked our value chain to also pledge to commit to the low carbon economy transition and to support our Net Zero journey. Our source spend broken down by key supplier is as follows Huawei – 16%, Ericsson, 7%, ZTE 3%, Nokia 1%.

#### Impact of engagement, including measures of success

Although we are still in the early stages of engagement, we understand that several of our value chain partners have already committed to their own SBTs such as Ericsson, Apple and Nokia. We endeavour to expand our business whilst continuing to prioritize sustainable innovation and growth.

#### Comment

Listed below are some of the key requests we will be making to our value chain in the form of a letter to our partners requesting them to pledge support – 1. Setting a science-based carbon reduction target for your organization and publicly communicating commitment. 2. Prepare an annual emissions reports and submit a CDP response annually and sharing your emissions data with us; 3. Embedding GHG emissions reductions at both a services and product level; 4. Ensuring your own suppliers are aware of this call to action, so that it can then be cascaded through your business's supply chain, activity building the capacity of local suppliers in the process; and 5. Supporting the ECO rating of each device and activity supporting our activities to provide life cycle product service to customers including trade-ins and recycling options. More detail is provided in the following links – [https://www.linkedin.com/posts/mtn\\_mtnroadtozero-esgathecore-goodtogether-activity-6822842284703399936-jEPf](https://www.linkedin.com/posts/mtn_mtnroadtozero-esgathecore-goodtogether-activity-6822842284703399936-jEPf) <https://mtn-investor.com/mtn-road-to-zero/pledge.php> <https://mtn-investor.com/mtn-road-to-zero/pdf/letter-to-partners-mtn-road-to-zero-signed.pdf>

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#### Type of engagement

Engagement & incentivization (changing supplier behavior)

#### Details of engagement

Run an engagement campaign to educate suppliers about climate change

#### % of suppliers by number

100

#### % total procurement spend (direct and indirect)

100

#### % of supplier-related Scope 3 emissions as reported in C6.5

0

#### Rationale for the coverage of your engagement

MTN's suppliers are broadly categorised into three main areas: commercial and indirect (e.g. logistics, business consulting, device suppliers, etc.), information technology (e.g. infrastructure and systems), and networks (e.g. core and transmission solutions, etc.). We have approximately 160 Group suppliers, with agreements to cover

requirements for multiple locations across MTN's footprint. Our local operations also contract local suppliers who offer products and services usually required for specific markets. In total, we have approximately 13 000 suppliers. MTN's suppliers are located globally. Key network suppliers are in Europe and China, while our local supplier base is spread across Africa and the Middle East. Sector-specific characteristics include the fact that automation remains low and the use of labour therefore remains key to the operations of the supply chain, and that the telecommunications supply chain is subject to stringent custom regulations on imported items.

**Impact of engagement, including measures of success**

The impact of this engagement and its measure of success is deemed medium due to the limitations on data availability. MTN has noticed that due to the engagement there is increased awareness of the importance of provision of efficient energy sources/ renewable energy technologies. This in turn has led to more partnerships working on the deployment of solar sites/ technologies (an example is the rural roll-out programme that was mentioned in C3.1c.) This does not include TowerCos (i.e. ATC/ IHS) but rather network supplier such as ZTE, Huawei, and Ericsson etc.

**Comment**

The % of suppliers by number and % of total procurement spend are difficult to quantify due to the significant variances across our 21 countries of operation. Scope 3 GHG emissions from network sites managed by IHS Holdings in Cameroon, Ivory Coast, Nigeria, Rwanda and Zambia were previously calculated based on actual monthly diesel and electricity consumption data.

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**Type of engagement**

Innovation & collaboration (changing markets)

**Details of engagement**

Other, please specify (faster deployment with a smaller environmental footprint)

**% of suppliers by number**

100

**% total procurement spend (direct and indirect)**

100

**% of supplier-related Scope 3 emissions as reported in C6.5**

0

**Rationale for the coverage of your engagement**

Network suppliers and technical equipment suppliers. MTN's suppliers are broadly categorised into three main areas: commercial and indirect (e.g. logistics, business consulting, device suppliers, etc.), information technology (e.g. infrastructure and systems), and networks (e.g. core and transmission solutions, etc.). We have approximately 160 Group suppliers, with agreements to cover requirements for multiple locations across MTN's footprint. Our local operations also contract local suppliers who offer products and services usually required for specific markets. In total, we have approximately 13 000 suppliers. MTN's suppliers are located globally. Key network suppliers are in Europe and China, while our local supplier base is spread across Africa and the Middle East. Sector-specific characteristics include the fact that automation remains low and the use of labour therefore remains key to the operations of the supply chain, and that the telecommunications supply chain is subject to stringent custom regulations on imported items.

**Impact of engagement, including measures of success**

The impact of this engagement and its measure of success is deemed medium due to the limitations on data availability. MTN has noticed that due to the engagement there is increased awareness of the importance of provision of efficient energy sources/ renewable energy technologies. This in turn has led to more partnerships working on the deployment of solar sites/ technologies (an example is the rural roll-out programme that was mentioned in C3.1c.) This does not include TowerCos (i.e. ATC/ IHS) but rather network supplier such as ZTE, Huawei, and Ericsson etc.

**Comment**

The % of suppliers by number and % of total procurement spend difficult to quantify due to the significant variances across our 21 countries of operation. Scope 3 GHG emissions from network sites managed by IHS Holdings in Cameroon, Ivory Coast, Nigeria, Rwanda and Zambia were previously calculated based on actual monthly diesel and electricity consumption data.

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C12.1b

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement**

Education/information sharing

**Details of engagement**

Share information about your products and relevant certification schemes (i.e. Energy STAR)

**% of customers by number**

100

**% of customer - related Scope 3 emissions as reported in C6.5**

0

**Portfolio coverage (total or outstanding)**

<Not Applicable>

**Please explain the rationale for selecting this group of customers and scope of engagement**

We engage with our customers through the publication of our annual sustainability report, communications with media organisations on our sustainability initiatives, reporting publically to ESG and SRI (Socially responsible investing) investors and analysts, providing information from third party questionnaires and the assessments of our publicly reported performance by university organisations and other third parties not commissioned by MTN. We also encourage our customers in the retail, corporate and public services to become more aware of their environmental impact and wherever possible to increase their realisable environmental savings. Some operations also engage with our customers on environmental management and what MTN is doing in this regard. Additionally, we engage with our enterprise customers on a range of issues, most notably to understand their key challenges from a climate/environmental perspective in order to offer IoT solutions that can help them mitigate or reduce their environmental impact or potential losses, and how to use resources more efficiently as explained in previous sections on MTN's IoT product lines and opportunities.

**Impact of engagement, including measures of success**

Our solutions and engagement help community's access advice and assistance on health, education, energy, agriculture and many more vital services. In Rwanda, MTN customers can use their mobile phones to place orders for life-saving medicines to be delivered in remote areas using drones. Digital solutions also assist communities to mitigate and adapt to environmental impacts. For example, in Nigeria, we work with cattle owners and veterinarians to track the movements of livestock, enabling identification and validation of ownership, as well as disease control, and support for international beef exports. In South Africa, where water scarcity is a reality, we are trialing low-power solutions that will help industries control water flows and identify leakages. Solar energy for digital and financial inclusion: MTN has partnered with lease-to-own solar product manufacturers to offer affordable, environmentally responsible and safe solutions that enable people to keep their phones and other electronic devices charged and connected to digital, services and enjoy access to mobile financial services including remittances and bill payments. We estimate savings of between US\$0.15 and US\$0.48 per day in energy costs for users, depending on the country in which they live. We replaced more than 10 million litres of kerosene with safe, clean and renewable energy.

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**Type of engagement**

Collaboration & innovation

**Details of engagement**

Other, please specify (●Education/information sharing ● Collaboration & innovation)

**% of customers by number**

100

**% of customer - related Scope 3 emissions as reported in C6.5**

0

**Portfolio coverage (total or outstanding)**

<Not Applicable>

**Please explain the rationale for selecting this group of customers and scope of engagement**

We engage with our customers through the publication of our annual sustainability report, communications with media organisations on our sustainability initiatives, reporting publically to ESG and SRI (Socially responsible investing) investors and analysts, providing information from third party questionnaires and the assessments of our publicly reported performance by university organisations and other third parties not commissioned by MTN. We also encourage our customers in the retail, corporate and public services to become more aware of their environmental impact and wherever possible to increase their realisable environmental savings. Some operations also engage with our customers on environmental management and what MTN is doing in this regard. Additionally, we engage with our enterprise customers on a range of issues, most notably to understand their key challenges from a climate/environmental perspective in order to offer IoT solutions that can help them mitigate or reduce their environmental impact or potential losses, and how to use resources more efficiently as explained in previous sections on MTN's IoT product lines and opportunities.

**Impact of engagement, including measures of success**

Our solutions and engagement help community's access advice and assistance on health, education, energy, agriculture and many more vital services. In Rwanda, MTN customers can use their mobile phones to place orders for life-saving medicines to be delivered in remote areas using drones. Digital solutions also assist communities to mitigate and adapt to environmental impacts. For example, in Nigeria, we work with cattle owners and veterinarians to track the movements of livestock, enabling identification and validation of ownership, as well as disease control, and support for international beef exports. In South Africa, where water scarcity is a reality, we are trialing low-power solutions that will help industries control water flows and identify leakages. Solar energy for digital and financial inclusion: MTN has partnered with lease-to-own solar product manufacturers to offer affordable, environmentally responsible and safe solutions that enable people to keep their phones and other electronic devices charged and connected to digital, services and enjoy access to mobile financial services including remittances and bill payments. Over 1, 9 million kilowatt hours of energy was produced in 2018 (assuming 1, 5 charge cycles per day). We estimate savings of between US\$0.15 and US\$0.48 per day in energy costs for users, depending on the country in which they live. We replaced more than 10 million litres of kerosene with safe, clean and renewable energy.

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**C12.1d**

**(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

MTN has committed to Net Zero by 2040 and in line with this commitment we have decided to conduct a full Scope 3 materially screening to better understand the emissions coming from our value chain so that we can implement actions to mitigate these. In this process we aim to improve engagement with our value chain partners to encourage supplier and customer emission reduction targets. In 2021 we also endeavor to send a pledge letter to all partners in our value chain to encourage their commitment to a low carbon economy transition. In doing so we are asking our value chain partners to –

1. Setting a science-based carbon reduction target for your organization and publicly communicating commitment.
2. Prepare an annual emissions reports and submit a CDP response annually and sharing your emissions data with us;
3. Embedding GHG emissions reductions at both a services and product level;
4. Ensuring your own suppliers are aware of this call to action, so that it can then be cascaded through your business's supply chain, activity building the capacity of local suppliers in the process; and
5. Supporting the ECO rating of each device and activity supporting our activities to provide life cycle product service to customers including trade-ins and recycling options.

We believe that engaging with our value chain and having a unified approach can help us all achieve a low carbon economy, focused on sustainable growth. It should also be noted that MTN is reliant on leased sites, as such we regard Scope 3 emissions as material over the medium to long term, while Scope 1 emissions may decline materially. We engage directly with infrastructure owners/asset managers, tower management companies, managed service providers and own equipment manufacturers on ensuring energy-efficient operations and we seek their support for investment/ provision of services powered by renewable energy where possible. We request our tower management providers to provide information on energy costs and consumption of the assets we lease or use and to share information on their energy reduction initiatives or activities and climate change risks and mitigation efforts. Engagement through data collection and quality checks are conducted on a monthly/ quarterly basis.

The energy consumption and spend data provided by our infrastructure asset managers in Ghana and Uganda assist us with completing our carbon footprint assessment, more especially our Scope 3 emissions, and help us to understand how our business partners are investing in efficiencies and renewable energy solutions that can mitigate climate change impacts. Scope 3 GHG emissions from network sites managed by IHS Holdings in Cameroon, Ivory Coast, Nigeria, Rwanda and Zambia were previously calculated based on actual monthly diesel and electricity consumption data. Following MTN Group's changes to its investment stake in the IHS Group in 2017, IHS is no longer able to supply actual data. In line with the GHG Protocol's principals of completeness of reporting, we have therefore developed an estimation methodology, based on the Protocol's average data approach, to account for these emissions. The method makes use of the average historical monthly energy consumption data and the historical average number of network sites per month to help MTN approximate the average energy consumption value per network site per month. This value is then multiplied by the number of network sites each month, to estimate the total monthly energy consumption for all network sites. This method ensures comparability of reported results in previous years, as recommended by the GHG Protocol. Going forward, this methodology may be reviewed and refined where possible as MTN works with our tower management partners and suppliers on the provision of actual data as required for disclosure of the Group's Scope 3 emissions.

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**C12.3**

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Trade associations

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**C12.3b**

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

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**C12.3c**

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

Global System Mobile Association (GSMA)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Managing the efficiency of our networks remains an ongoing operational activity. Governments, industry and the wider public broadly accept the need to reduce greenhouse gas emissions to limit global warming and climate change. To this end, mobile network operators have been improving the energy efficiency of their network infrastructure and frequently turning to renewable energy sources such as solar, wind and hybrid power systems to power off-grid, rural base stations. The larger perspective, however, is the enabling role of mobile technologies in reducing energy consumption and carbon emissions in other sectors such as buildings and transport. The GSMA state that the biggest contribution the mobile sector can make to climate action is to help other sectors of the economy reduce their carbon emissions through digitisation which enables decarbonisation. Research conducted by the GSMA with the Carbon Trust in 2019 found it enables carbon reductions in other sectors that are 10 times larger, equivalent to approximately 4 per cent of global emissions. It is estimated that, mobile technologies could reduce carbon emissions in other sectors by about five times the mobile industry's own footprint, the equivalent of taking one in three cars off the road. As machine-to-machine (M2M) technologies proliferate, carbon emissions are expected to reduce even further. By raising awareness of the environmental advantages of mobile solutions, as well as the economic advantages, the mobile sector can become an increasingly powerful tool in tackling the impacts of climate change. GSMA promotes the role of ICT in reducing the carbon emissions and environmental impact of other sectors using mobile technologies.

**How have you influenced, or are you attempting to influence their position?**

MTN is a member of the GSMA, in addition our Group President and CEO sits on the GSMA Board and our Group Chief Technology and Information Officer is a part of the GSMA Climate Taskforce. The GSMA represents the interests of mobile operators worldwide. The GSMA also produces industry-leading events such as the Mobile World Congress, Mobile World Congress Shanghai and Mobile 360 Series conference and engages with regulatory authorities, the non-industry partners and other organisations all working to enhance access to digital communications. MTN has joined the Climate Taskforce and also the GSMA-led industry-wide plan to achieve net-zero greenhouse gas emissions by 2050 in line with the Paris Agreement. We are in the process of finalising defined targets and a Roadmap that will commence in 2021. As part of the GSMA initiative, MTN, and other participating operators, will be partnering with the international community, climate experts and third-party organisations to advance industry progress, establish best practices, and support disclosure and target setting as part of the Climate Taskforce. MTN continues to support the work of GSMA through the Climate Taskforce and a number of programmes, including on rural network rollout (where rural sites are powered by solar solutions). GSMA has also awarded MTN funding for trailing prepaid solar energy solutions for domestic and small-emerging enterprises, which has ultimately led to such solutions available in five MTN countries of operation (with plans for further rollout).

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**C12.3f**

**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

MTN Group's Regulatory and Corporate Affairs including the Sustainability team is responsible for coordinating and managing all direct and indirect activities that influence policy on climate change and works closely with the Technology team on matters related to energy use. The team takes the responsibility of coordinating engagement activities around climate change across business units and geographies to ensure that we have a common approach that is consistent with MTN's sustainability (including climate change) imperatives. The Group's Base Station and Networks Toolkit also sets out more environmental matters for consideration in network infrastructure implementation.

Across MTN operations, there is an increase in awareness of the need for integration of energy, climate and other environmental matters in business planning and implementation. This is driven through the Networks and Technology and Facilities teams in all operations run by energy and carbon champions. Each MTN country of operation maintains their own energy management strategy or practice, in line with the business performance and operational efficiency management requirements. This approach enables each operation to actively manage and monitor its energy use mix, costs, configuration of efficiency and reduction solutions, and other requirements within local operating and environmental contexts. The energy costs, consumption, risks and carbon intensity in terms of the Carbon Disclosure Project are monitored by many of the 44 trained energy and carbon champions across our operations. These champions are mostly positioned in technical functions, and are supported by finance, facilities, business risk management and corporate services team members.

The Group also continues to conduct operations on outsourced network sites in Ghana, Uganda, Cameroon, Côte d'Ivoire, Nigeria, Rwanda and Zambia. Our strategy to outsource our network also incorporates our responsibility to work with our partners and suppliers to reduce their Scope 1 and 2 emissions (which are MTN's Scope 3 emissions), and ensure that the tower management companies support MTN's energy and climate management objectives. We undertake this through ongoing engagement with our tower management partners, encouraging site managers to reduce their impacts. The tower management partners supply monthly - quarterly carbon tracking reports to MTN. These reports are consolidated for analysis by the Group, and performance is presented in sustainability reports to the risk and compliance function, Executive and Group Social and Ethics Committee, which oversees the Group's sustainability performance. Operations receive detailed feedback of performance results to implement required improvements and review opportunities on projects undertaken by other operations. As a result, we have seen an increase in the tower managing partners' investments in energy efficiency and low-carbon solutions. We receive excellent support from our partners and are pleased to report that some of our partners have implemented their own efficiency and reduction strategies.

Monthly and quarterly reports are submitted by most of MTN's operations, excluding Botswana (excluded on the basis of indirect ownership holding), Yemen, and Syria (excluded due to energy and greenhouse gas data collection challenges associated with network management in the context of the broader macro-political situation) and Dubai (excluded due to MTN Group head office facilities). The Group's Social and Ethics position statement incorporates our position with respect to our environmental responsibilities, and sets this out in terms of responsible business commitments and activities by our business partners and suppliers. This is available at: <https://www.mtn.com/sustainability/sustainable-societies/ethics/responsibility-for-ethics/>

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**C12.4**



(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

**Publication**  
In voluntary sustainability report

**Status**  
Complete

**Attach the document**  
MTN-Sustainability-report.pdf

**Page/Section reference**  
Pages: 1 – 12, 14 -23, 41 -45, 62

**Content elements**  
Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

**Comment**  
Sustainability Report 2020

**Publication**  
In mainstream reports

**Status**  
Complete

**Attach the document**  
MTN-IAR-2020-Interactive\_HR1.pdf

**Page/Section reference**  
Pages: 18-23, 47-48, 49-51

**Content elements**  
Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

**Comment**  
Integrated Report 2020

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Group Executive: Corporate Affairs & Sustainability General Manager: Group Sustainability and Shared Value General Manager: Transport	Environment/Sustainability manager

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

As per introduction in above response.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

	Annual Revenue
Row 1	179361000000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	ZA	E000042164

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	MTN has committed to Net Zero by 2040 and as part of its Ambition 2025 strategy has placed ESG at the core of its business strategy. Initiatives such as Project Zero are focused on reducing the emissions, Circular Economy can be considered its counterpart "Project Infinity" extend lifecycles and thereby support the avoidance of emissions. MTN is also undergoing a Scope 3 materiality screening in FY2021 to better understand emissions arising from our value chain, both downstream and upstream. Doing this will help us to better define emissions related to different products and services.
Customer base is too large and diverse to accurately track emissions to the customer level	MTN has committed to Net Zero by 2040 and as part of its Ambition 2025 strategy has placed ESG at the core of its business strategy. Initiatives such as Project Zero are focused on reducing the emissions, Circular Economy can be considered its counterpart "Project Infinity" extend lifecycles and thereby support the avoidance of emissions. MTN is also undergoing a Scope 3 materiality screening in FY2021 to better understand emissions arising from our value chain, both downstream and upstream. Doing this will help us to better define emissions related to different products and services.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

MTN has committed to Net Zero by 2040 and as part of its Ambition 2025 strategy has placed ESG at the core of its business strategy. Initiatives such as Project Zero are focused on reducing the emissions, Circular Economy can be considered its counterpart "Project Infinity" extend lifecycles and thereby support the avoidance of emissions. MTN is also undergoing a Scope 3 materiality screening in FY2021 to better understand emissions arising from our value chain, both downstream and upstream. Doing this will help us to better define emissions related to different products and services. As part of this, MTN intends to improve its knowledge and quantification of Scope 3 emission, which will also include allocation of emission to customers in the future.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?  
No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?  
No, I am not providing data

Submit your response

In which language are you submitting your response?  
English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below  
I have read and accept the applicable Terms