



25
YEAR
BIRTHDAY

#GoodTogether

MTN Group Limited

Sustainability report for the year
ended 31 December 2019





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About this report

We publish a **suite of complementary reports** intended to provide **our stakeholders** with the **information** they need to **assess our performance** for the period from 1 January 2019 to 31 December 2019. Our **sustainability report** provides a **balanced, accurate and accessible overview** of our **sustainability strategy and performance** relating to the most **material economic, environmental, social, and governance** impacts of our operations.

Scope and boundaries

- **Included:** This report covers operations in Afghanistan, Benin, Cameroon, Congo-Brazzaville, Guinea-Bissau, Guinea-Conakry, Ghana, Iran, Ivory Coast, Liberia, Nigeria, Rwanda, South Africa, Sudan, South Sudan, Swaziland, Syria, Uganda, Yemen and Zambia, and MTN Enterprise operations in Kenya and Namibia.
- **Excluded:** MTN Yemen and MTN Syria have been excluded from environmental reporting due to data collection challenges associated with network management in the context of the broader macro-political situation. Some MTN Group head office services are undertaken in the United Arab Emirates (Dubai) in leased office premises; these are deemed immaterial for environmental reporting. Mascom Botswana is excluded from sustainability reporting based on our indirect ownership holding.

Sustainability reporting standards and guidelines

- Our disclosures are primarily guided by the United Nations Global Reporting Initiative (GRI) Standards (core option), the United Nations Global Compact (UNGC, as a signatory member), the Carbon Disclosure Project (CDP), UN Guiding Principles on Business and Human Rights, JSE FTSE Russell ESG Rating, and the King Code of Governance Principles (King IV™).

Data collection

- Reports are compiled using information sourced from various information management systems, and management and board committee reports. Additional data is obtained from investor and stakeholder engagements, surveys, research, and benchmarking.

Exchange rate

- All financial data is reported in South African Rand (ZAR), using the average exchange rate across January to December 2019 of ZAR14,44 to US\$1 (2018: ZAR13,98 to US\$1).

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Combined assurance

- Select indicators in this report have been internally and externally independently verified. Refer to the group's independent assurance report for details.

Directors' responsibility

- The MTN Group board has overall accountability for the 2019 sustainability report and has delegated responsibility for overseeing the sustainability management and reporting process to the social and ethics committee. Refer to the social and ethics statement.
- The social and ethics committee has read this report and considered the integrity and completeness of the material aspects and information contained within it, and is satisfied that it is a fair representation of the material matters and provides a balanced view of our responsible business strategy and performance.

Online information

- Additional reports and more information about MTN's sustainability are available on our website.

Our icons and links to online reports:

CDP
Carbon
Disclosure Report

IR
Integrated
report

S
Material
stakeholder

TR
Tax
report

GB
Governance
bodies

LA
Limited assurance
obtained

PB
Position
statements

United Nations Global
Compact

GR
Governance
report

MM
Material
matters

SE
Social and ethics
report

UN SDG

Who we are

Our vision

To lead the delivery of a bold,
new digital world

Our belief

Everyone deserves the benefits
of a modern connected life

Our ambition

300 million subscribers
200 million active data users
100 million digital and MoMo users

Our values

Leadership

Innovation

Relationships

Integrity

Can do

A clear strategy

B

Best
customer
experience

R

Returns
and efficiency
focus

I

Ignite
commercial
performance

G

Growth
through data
and digital

H


Hearts
and minds

T

Technology
excellence



MTN is a digital operator with over 250 million customers across 21 emerging markets in Africa and the Middle East. Our markets have fast-growing youthful populations with the lowest mobile penetration globally. Together with our partners we are ideally positioned to capture growth in these markets while playing an active role in unlocking economic growth opportunities by bridging the digital divide.

Our business is guided by our BRIGT strategy, which clearly defines the areas on which we need to focus to build our business sustainably and create value for our stakeholders. We strive to create socio-economic value using our institutional capabilities while adding value to each aspect of the BRIGT strategy. 

As a digital operator, we have adopted a three-pronged business model that encompasses: (1) the evolving telco focused on traditional telecommunications services, (2) the digital operator geared towards emerging digital platforms, and (3) the fintech player advancing mobile financial services.

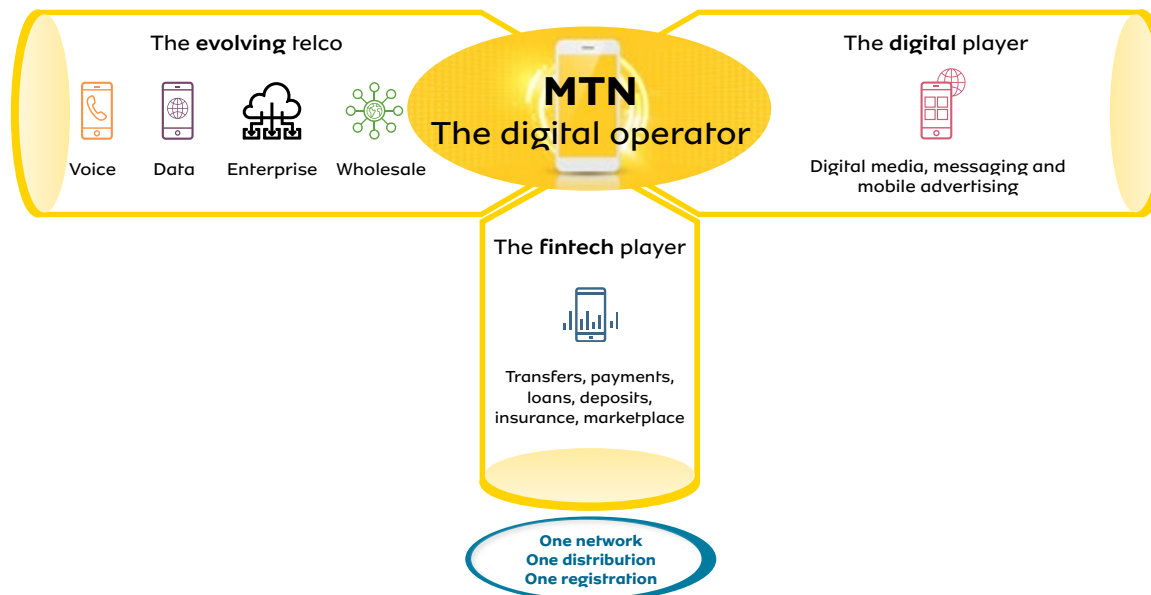
Who we are continued

Telecommunications is a rapidly changing industry, vibrant with emerging technologies and competitive disruptors that are altering established business models and creating new opportunities and risks. In this context and with a growing market of digital natives, our agility as a business and ability to adapt to changing demands are crucial to the sustainability of our business.

As the leading operator in many of our markets, we have a responsibility to harness our capabilities for the benefit of MTN and our stakeholders, while ensuring responsible economic, environmental and social practices. Our future-focused sustainability framework supports the BRIGHT strategy and digital operator business model by realising tangible synergies between economic, social and environmental sustainability.

The services and ambitions of the digital operator fit neatly into the centre of our BRIGHT strategy: with our work around voice, enterprise and wholesale the focus of our “I” pillar to ignite commercial performance, and the activities related to scaling up data, digital and fintech services being central to our “G” pillar of growth through data and digital.

Building the digital operator

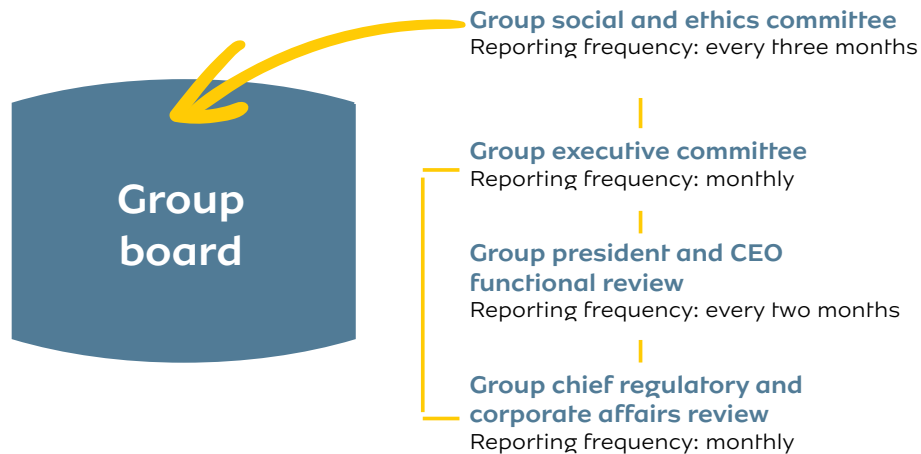


Our sustainability approach

Our sustainability vision is to create and protect shared value for MTN and our stakeholders through responsible economic, environmental and social practices.

Our sustainability framework consists of three pillars, around which this report is structured. Our framework goes beyond traditional models of focusing on environment, social and governance matters to include economic value that is shared with our stakeholders, which in turn provides broader socio-economic benefits to society.

Sound corporate governance, ethical conduct, robust risk management and regulatory compliance are the foundations of our shared-value approach and our long-term sustainability. Our sustainability governance and reporting structure is available on our website.



Three pillars of MTN's sustainability



Everyone deserves the benefit of a modern connected life

Our sustainability approach continued

Our stakeholders

A strong foundation of partnerships with our stakeholders has been key to our success over the past 25 years and is essential for delivering on our shared value approach now and long into the future. Understanding our stakeholders underpins the effectiveness of our BRIGHT strategy and is the basis of our commitment to being a responsible business partner.

At the core of our sustainability approach is stakeholder centricity and inclusivity, a lens that allows us to prioritise stakeholder concerns as we make business decisions and balance the needs, interests and expectations of material stakeholders and the organisation.

MTN has a group stakeholder and reputation management framework which ensures the professionalisation and standardisation of our approach to stakeholder engagement, while giving us the opportunity to continually gauge how our stakeholders perceive us. The key objectives of the framework are:

- (1) Build healthy relationships
- (2) Drive reputation
- (3) Manage key issues proactively

Key highlights

Focus



Group stakeholder and reputation management framework (includes strategy, policy and blueprint)

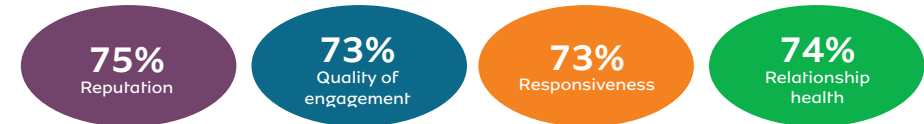


Stakeholder reputation index survey

Achievements in 2019

- We embedded the framework across our markets
 - Each country developed and implemented its stakeholder engagement plan (SEP)
 - Monitoring and evaluation conducted on quarterly basis
- A survey was commissioned in 2019 to assess the following key objectives:
 1. Assess performance against reputation drivers
 2. Assess MTN's responsiveness on issues
 3. Assess the quality of MTN's stakeholder engagement as experienced by priority stakeholders
 4. Assess the health of relationships with priority stakeholders material to the business

Feedback from our stakeholders not only informs our engagement approach, but is also infused into our materiality determination process. Success indicators from the reputation index survey include:



Our sustainability stakeholder ecosystem includes a broad range of stakeholders across the three pillars of our sustainability framework:





| | Priority stakeholders | Stakeholder expectations |
|--------------------------------|---|---|
| Sustainable economic value | Subscribers/customers Government Equity partners/investor community Regulators/policy makers MTN people Suppliers/vendors Media | Fair and transparent billing Revenue contribution Business performance Compliance Fair terms and compensation Reliable partnerships Transparency and disclosure |
| Sustainable societies | MTN people Civil society Equity partners/investor community Government Regulators Suppliers/vendors | Conducive workplace Corporate governance and transparency Socio-economic contribution Compliance Fair terms and compensation |
| Eco-responsibility | Equity partners/investor community Civil society MTN people Government Regulators Suppliers/vendors | Responsible practices and transparency Compliance Leadership |








Our sustainability approach continued

Our stakeholders continued

Top issues for our stakeholders

The topics listed below are based on engagements with stakeholders and feedback from 2019 reputation index survey:

| Top issue | Our response |
|--|---|
|  <p>Tightening our approach and transparency on digital human rights, privacy and information security</p> | <ul style="list-style-type: none"> MTN has clearly defined governance measures in the form of policies and procedures based on UN Guiding Principles for Business and Human Rights Framework (“Ruggie’s Protect, Respect and Remedy”) We evolve our approach to test robustness of our processes and ensure lessons learnt are incorporated We continuously engage and collaborate with stakeholders to reduce our digital human rights risks and impacts We continue to benchmark and evolve our transparency and reporting to respond to the needs of our stakeholders  |
|  <p>Responsiveness to climate change, defining appropriate greenhouse gas targets and disclosure</p> | <ul style="list-style-type: none"> We are actively pursuing various energy reduction and efficiencies initiatives and investing in renewable energy sources as part of our climate action response We have joined 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 setting clearly defined targets and roadmap As part of our disclosure efforts, we participate in the Carbon Disclosure Project in alignment with the taskforce recommendations on climate-related financial disclosures on an annual basis  |

| Top issue | Our response |
|---|--|
|  <p>Operations in conflict markets</p> | <ul style="list-style-type: none"> We see significant potential in our markets to offer vital communication services despite some of the inherent risks. Such risks are factors of doing business in these markets and are not limited to MTN We are continuously evolving and innovating our risk framework and the way we conduct our business. We also transfer lessons learnt from one market to another on an ongoing basis |
|  <p>Transparency and fairness in customer billing</p> | <ul style="list-style-type: none"> MTN adheres to the principle of anonymity when using and managing customer data through data aggregation and masking of personal information data. Our position on treating customers fairly and content creation is available online |
|  <p>Anti-bribery and corruption</p> | <ul style="list-style-type: none"> MTN has zero tolerance for any form of bribery and corruption Our positions on anti-bribery and corruption, conflicts of interest, fraud management, gifts, hospitality and entertainment, and whistleblowing are available here  |
|  <p>Governance, due diligence and risk management</p> | <ul style="list-style-type: none"> Impact assessments are crucial elements in MTN’s due diligence framework and risk assessments Due to the evolving nature of risks in digital communications, we update our risk and impact assessments on a periodical basis |
|  <p>Supply chain transformation</p> | <ul style="list-style-type: none"> MTN strives to conduct business with suppliers who share our commitment to high ethical standards and operate in a responsible and ethical manner. The code we require our suppliers to sign up to is available here  |

Our sustainability approach continued

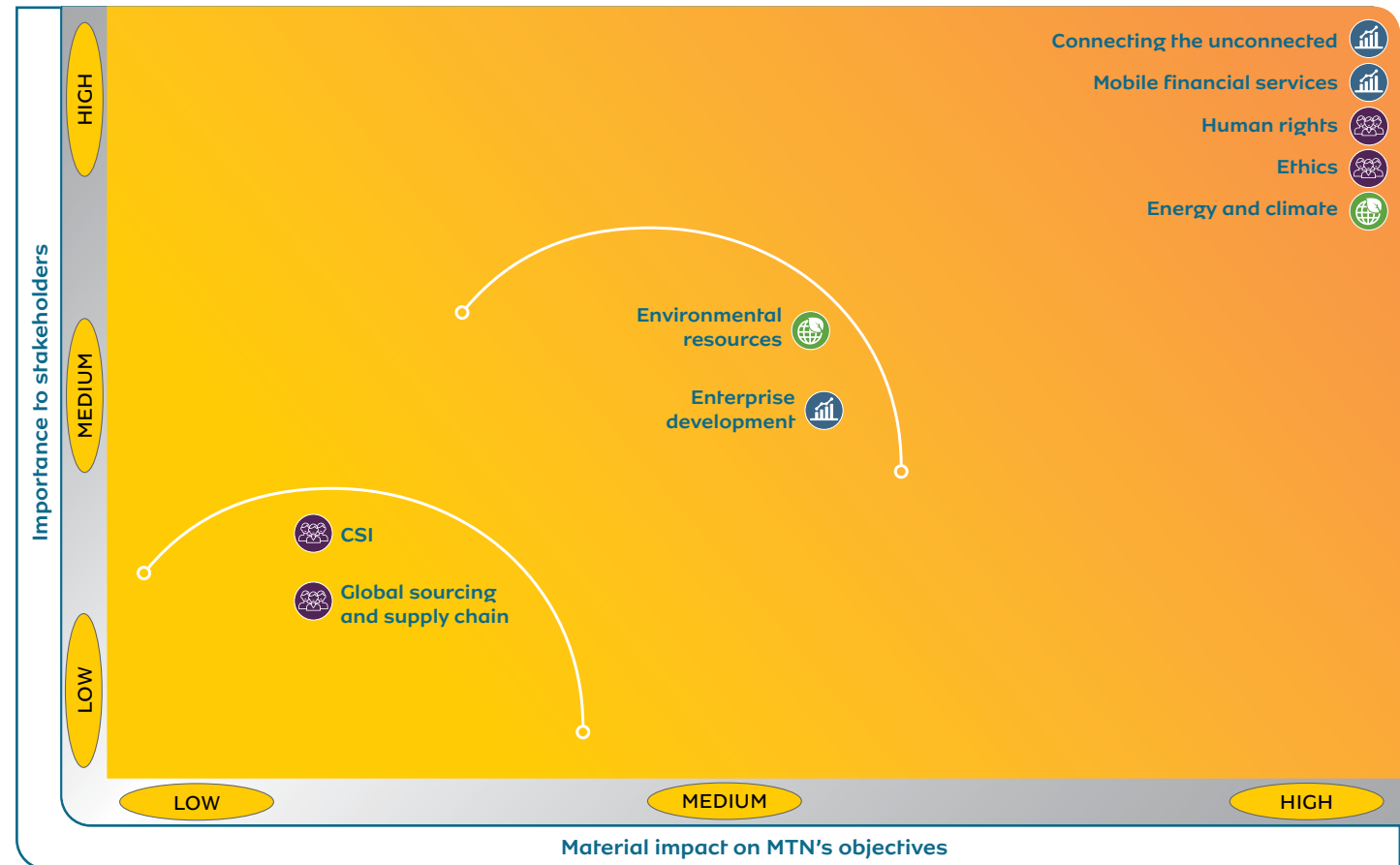
See our prioritisation matrix and the accompanying table with more information:

Materiality process

This report contains information that we deem to be of material significance to our ability to create value in the short, medium to long term.

This report's materiality matters complement and provide more detail to the material matters highlighted in the MTN Group integrated report (IR) for the year ended 31 December 2019. (See the table below for links between these material matters.) The group's approach in identifying, prioritising and responding to these matters is determined by considering factors that receive the most management and board attention during the year. These themes take into account priority interests of our key stakeholders and the impact of these on our strategy, the group's top risks and opportunities and the context in which we operate (See the integrated report for further information.)

In addition to this approach, the sustainability report's materiality identification and prioritisation approach takes into consideration the importance of material matters to key stakeholders. This approach includes various stakeholder engagement initiatives, the sourcing of information from third-party assessments and through internal research and analysis.



More information on MTN's strategy and performance is located in the group's integrated report, this sustainability report (SR), UN Global Reporting Initiative Report (GRI) - available on our website.

Our sustainability approach continued

Materiality process continued

| No | Material matter | Link to group material matter | Where issue is covered |
|----------------------------|---|---|---|
| Sustainable economic value | | | |
| 1 | Creating digital inclusion by enabling affordable communication and information sharing, and financial inclusion: This matter is the cornerstone of economic growth and development in the modern connected world | <ul style="list-style-type: none"> Disruptive technologies and convergence | <ul style="list-style-type: none"> Connecting the unconnected Mobile financial services Digital services Enterprise development |
| 2 | Providing customers with a quality service and customer experience: Customers expect relevant solutions that meet their needs and of society at large | <ul style="list-style-type: none"> Growth in data volumes in a decreasing price environment Disruptive technologies and convergence | <ul style="list-style-type: none"> Connecting the unconnected Mobile financial services Digital services Enterprise development |
| Sustainable societies | | | |
| 3 | Managing a robust and rigorous approach to ethics: We need to maintain our efforts to prevent fraud, bribery, corruption and manage our ethics risks | <ul style="list-style-type: none"> Complex and dynamic political environments and greater regulatory and compliance requirements | <ul style="list-style-type: none"> Ethics |

| No | Material matter | Link to group material matter | Where issue is covered |
|---------------------------------|--|---|--|
| Sustainable societies continued | | | |
| 4 | Human rights violations being aided by control of information communication technologies: Several of the countries in which we operate are high risk in these terms, which is not limited to MTN alone | <ul style="list-style-type: none"> Complex and dynamic political environments and greater regulatory and compliance requirements | <ul style="list-style-type: none"> Human rights |
| 5 | Driving an agile organisational strategy: Our drive to future-proof our workplace requires capability building and reskilling, improved talent attraction and retention | <ul style="list-style-type: none"> Disruptive technologies and convergence | <ul style="list-style-type: none"> Workplace |
| 6 | Acceleration of diversity and inclusion in our workplace: MTN is represented by more than 58 nationalities, multiple ethnicities and four generations adding to our rich diversity | <ul style="list-style-type: none"> Heightened focus on sustainability-related matters | <ul style="list-style-type: none"> Workplace |

Our sustainability approach continued

Materiality process continued

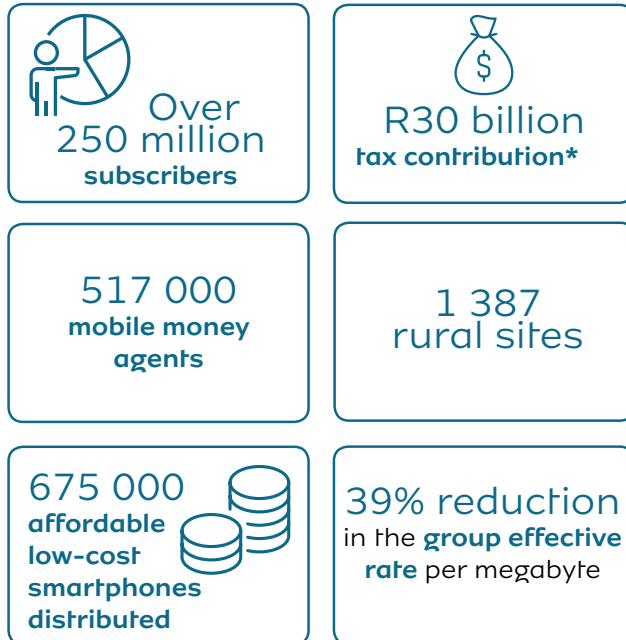
| No | Material matter | Link to group material matter | Where issue is covered |
|---------------------------------|--|---|--|
| Sustainable societies continued | | | |
| 7 | Sustainably enhancing the health and wellbeing of our people: Health and wellbeing challenges relevant to workers in the 21st century require a comprehensive strategy | <ul style="list-style-type: none"> Heightened focus on sustainability-related matters | <ul style="list-style-type: none"> Workplace |
| 8 | Effectively managing our group's supplier base: Our group relies on a complex and multi-layer global supply chain to provide our customers with the products and services that they need | <ul style="list-style-type: none"> Complex and dynamic political environments and greater regulatory and compliance requirements | <ul style="list-style-type: none"> Global sourcing and supply chain |
| 9 | Creating shared value through corporate social investment, with a focus on youth: Digital solutions are essential to addressing the challenges of youth empowerment, education, and job creation | <ul style="list-style-type: none"> Heightened focus on sustainability-related matters | <ul style="list-style-type: none"> Corporate social investment |

| No | Material matter | Link to group material matter | Where issue is covered |
|--------------------|--|---|---|
| Eco-responsibility | | | |
| 10 | Reducing our impact on the environment and on the societies in which we operate: The increasing demand for energy is increasing the impact on climate change | <ul style="list-style-type: none"> Heightened focus on sustainability-related matters | <ul style="list-style-type: none"> Energy and climate |
| 11 | Public concerns regarding electromagnetic field exposure limits: Electric fields are produced by voltage and magnetic fields by electrical current required for all electrical equipment | <ul style="list-style-type: none"> Heightened focus on sustainability-related matters | <ul style="list-style-type: none"> Environmental resources |
| 12 | Sustainably managing environmental resources: Environmental management of goods and services to remain compliant with the national laws and environmental regulations | <ul style="list-style-type: none"> Heightened focus on sustainability-related matters Complex and dynamic political environments and greater regulatory and compliance requirements | <ul style="list-style-type: none"> Environmental resources |

Our impact



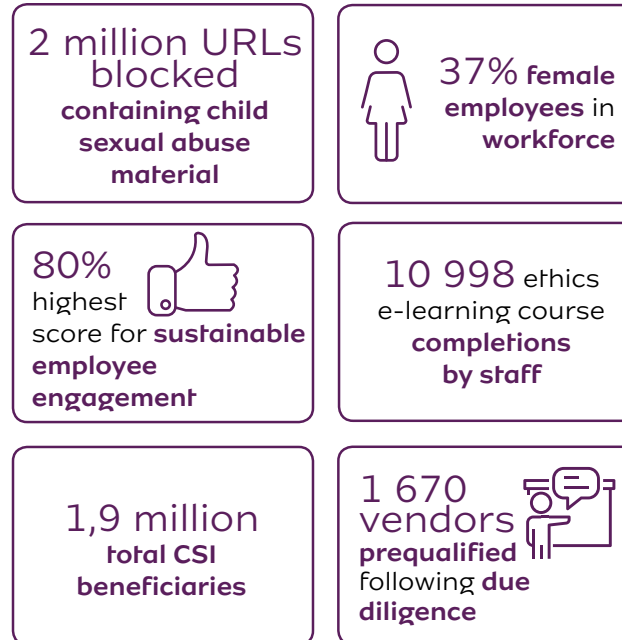
Sustainable economic value



Key UN SDGs



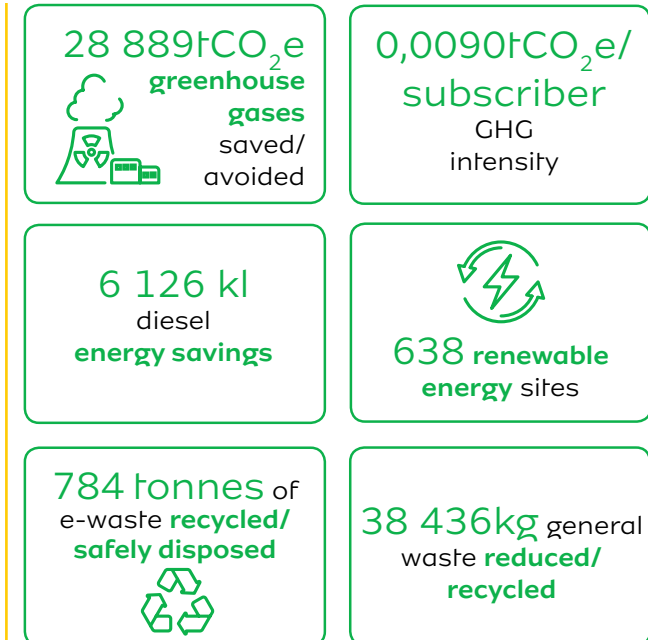
Sustainable societies



Key UN SDGs



Eco-responsibility



Key UN SDGs



Key UN Global Compact Principles

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. The elimination of all forms of forced and compulsory labour.
5. The effective abolition of child labour.
6. The elimination of discrimination in respect of employment and occupation.



* LA

Key UN Global Compact Principles continued

7. Businesses should support a precautionary approach to environmental challenges.
8. Undertake initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.



Group president and CEO on sustainability

To make an impact on meeting the UN SDGs by 2030, we need to deepen our focus, acting collectively and decisively. Having often reflected on this objective, I believe we can achieve this if we come together through our connected and shared humanity to collaborate effectively through partnerships.

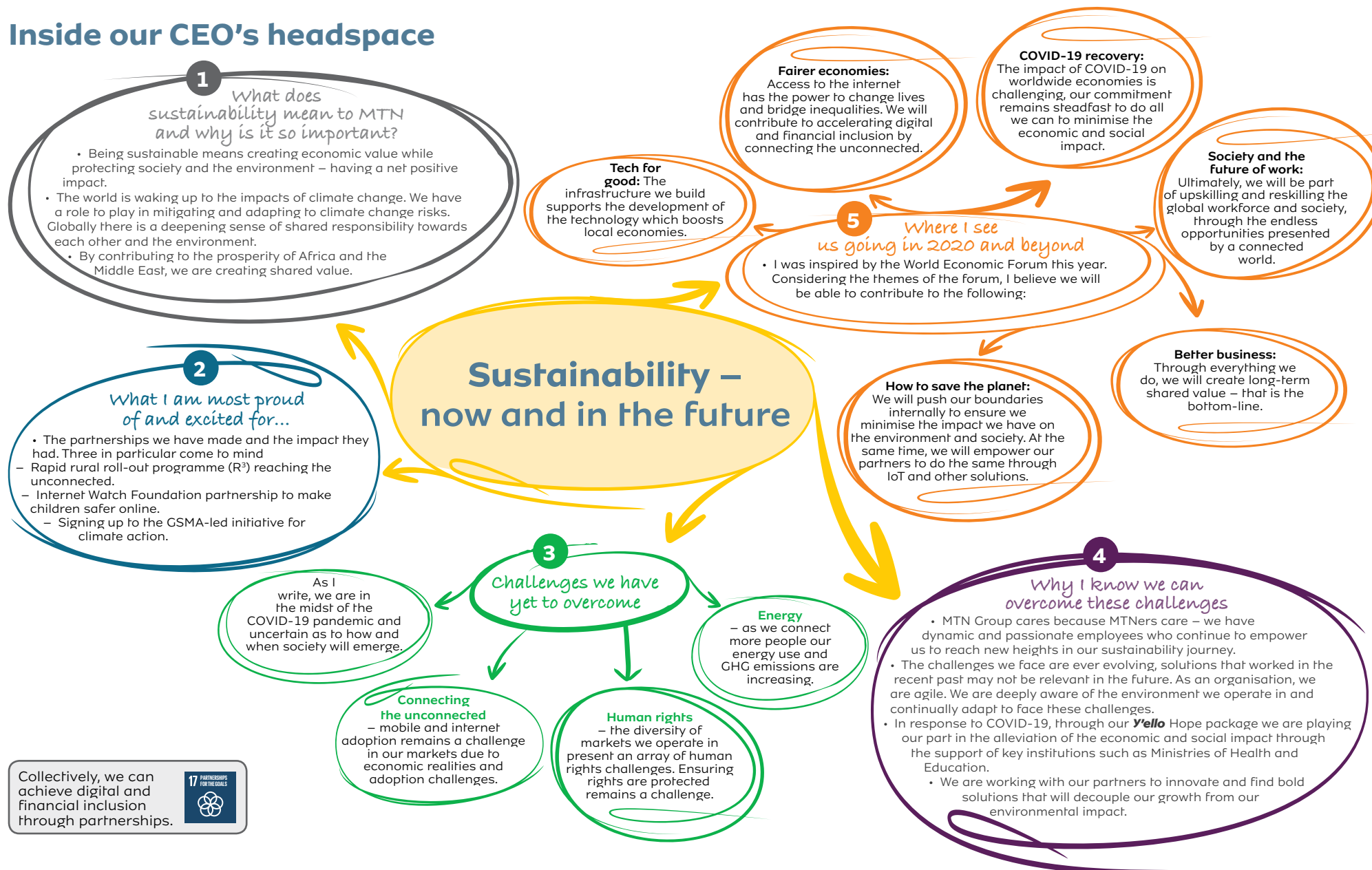
– Rob Shuter

**We view sustainability as an integral part
of MTN's value creation journey now and
into the future**
#GoodTogether



Group president and CEO on sustainability continued

Inside our CEO's headspace





MTN makes the money go round Africa

Mobile money is accelerating job creation and the transformation of African economies

Sustainable economic value

Case study

Mobile money has grown faster in Africa than anywhere else in the world. Before mobile money the African population was largely unbanked. Without bank accounts, there is no access to credit, no way to pay bills and no means to transfer money safely to family.

UN SDG



Without bank accounts, there is no access to credit, no way to pay bills and no means to transfer money to family. The power of fintech – which underpins many of the UN's SDGs – expands access to and the use of accounts is far-reaching and contributes to job creation, improvements in gender equality and good health, and the elimination of poverty.

There is nowhere else in the world that moves more money on mobile phones than sub-Saharan Africa. MTN's mobile financial services facilitate the movement of money into Africa. Money transferred home by the African diaspora represents a significant flow of income into the African economy. Mobile money is not only facilitating the flow of money into Africa, but between different regions of the continent setting the

stage to enable African Continental Free Trade Area's vision of creating a single market across the African continent.

MTN mobile financial services, the largest digital payments hub on the continent, connects over 180 million mobile wallets to banks, money transfer operators, and merchants to enable real-time, cross-border and cross-network transactions. Through MTN's MoMo, customers are able to transfer money to mobile money platforms – across borders as well as across networks. MTN Homeland app offers instant, low-cost digital remittances. MTN has enabled the transfer of more than US\$331 million into Africa each month and US\$139 million has been transferred within Africa along corridors across our footprint.



Sustainable economic value continued

“The digital agenda is first and foremost a growth and jobs agenda,” says Makhtar Diop – World Bank

Technology and connectivity can provide transformative solutions and act as the cornerstone for economic growth and development in our modern connected world. We offer fintech and digital solutions that pave the way for individuals' and businesses' participation in economic activities, thereby enhancing lives and boosting economic growth.

Promoting digital and financial inclusion across Africa and the Middle East requires effective and innovative collaboration between governments, the private sector and all role players in society. As one of Africa's largest digital operators, we have a vital role to play in addressing the considerable gaps in access to connectivity as well as accelerating mobile and internet adoption.

This gap represents a significant opportunity to achieving the SDGs by 2030. Digital access is fundamental to realising targets such as universal identification, more efficient delivery of government services, financial inclusion and job creation. We believe that to bring new opportunities to people previously excluded from the digital world, we need to accelerate universal, affordable and good quality internet access for all.

What we stand for

We **intend to create sustainable economic value** through our **core business** to the **benefit of our customers and society at large**.



Connecting the disconnected

We seek to bridge the digital divide through MTN's CHASE framework by addressing society's barriers to internet and mobile adoption.



Financial inclusion

Our goal is to transition to an end-to-end platform, creating a digital marketplace to accelerate economic and social development through digital disruption.



Digital solutions

We are building a digital ecosystem centred around enabling advanced messaging, local language content, expanding communities and unlocking opportunities for greater digital inclusion.



Enterprise development

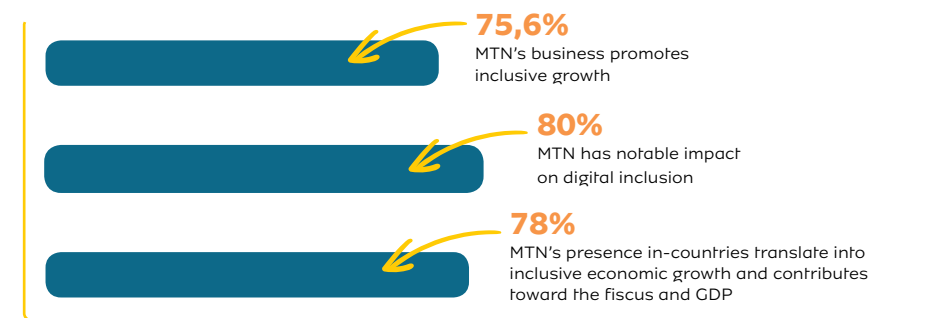
As part of MTN's efforts to position itself as preferred connectivity solution partner for enterprises, we are enabling SMEs to grow and digitally transform their businesses to the benefit of broader society.

Sustainable economic value continued

What we said we would do in 2019

| Activity | Progress | Results |
|--|----------|--|
| Rolling out rural connectivity in seven more countries | | Rural connectivity was expanded across 11 countries |
| Launching the MTN Smart 3G T and S model feature phones in our markets | | Launch completed and over 600 000 devices distributed |
| Developing a cohesive digital literacy programme | | Programme has been developed and rolled out to nine markets |
| Mobile financial inclusion; offer mobile money services in Afghanistan, Nigeria, South Africa and Sudan | | <p>Licences issued for all countries except Nigeria (super agent licence issued and executed) and South Africa (partnership agreement with U-Bank to offer mobile financial services)</p> <p>Launch set for Afghanistan, Nigeria and Sudan in 2020</p> |
| Drive Global System for Mobile Communications (GSMA) mobile money certification | | Certification concluded in Uganda, Ghana, Cameroon |

Our stakeholders' view



Progress indicators:

Completed
 Ongoing: on target
 Ongoing: behind target

Sustainable economic value continued

Connecting the unconnected

Our approach

We believe everyone deserves the benefits of a modern connected life. We are accelerating digital and financial inclusion by connecting the unconnected and ensuring that people reap the social, economic and developmental dividends of being online. Our dual data strategy aims to provide access to customers across different segments within our markets, addressing the urban-rural divide.

Lower-income and/or rural customers make up around 70% of our market. We provide affordable solutions – at multiple low-cost entry levels – and tailored products and services, that connect customers to the global community. Our CHASE framework, introduced in 2018, guides us in overcoming the five key barriers to mobile internet adoption: coverage, handsets, affordability, service bundling, and education and ease of access.

CHASE

Fulfilling the connectivity and communication needs of our customers



COVERAGE

Ensure sufficient and affordable data coverage in rural and low-income areas

HANDSETS

Increase affordability and access to data-enabled devices

AFFORDABILITY

Increase data service affordability

SERVICE BUNDLING

Creating service offerings that are relevant and simple and meaningful to customers

EDUCATION AND EASE OF ACCESS

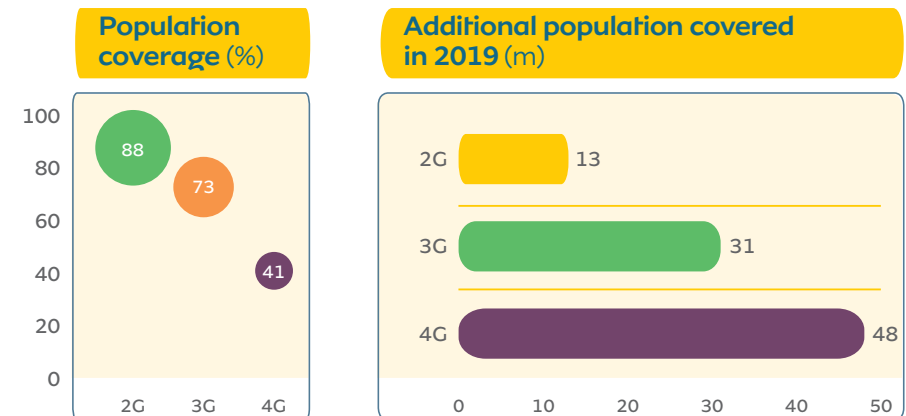
Enhance digital literacy and ease with which data can be accessed

What we did

In 2019, we **executed initiatives** across the CHASE pillars in our continued quest to **meaningfully connect people** across our footprint.

Coverage

- Coverage is the critical foundation for connecting current and potential rural and low-income customers. Approximately 60% of rural populations in Africa are unconnected. In 2019, we extended our rural network to over 6.9 million people (2 million in 2018), through 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. 1 387 rural sites were rolled out in 2019, with the help of our partners.
- We deployed new innovative low-cost site solutions to achieve these higher levels of coverage. OpenRAN technology allowed us to install more than 200 commercial rural network base station sites across our footprint. As OpenRAN uses vendor-neutral hardware and software radio access network (RAN) technologies, vendors are not locked into proprietary solutions.
- As a result, we are able to jointly develop and install 2G, 3G and 4G networks more cost-effectively in previously unconnected areas. To further accelerate rural expansion in our markets we are in the process of enlisting more roll-out partners to the programme. We are looking to address the infrastructure issues that inhibit Africans from gaining access to the benefits of a modern connected life.

Sustainable economic value continued

Connecting the unconnected continued

“Low-cost wireless coverage will fuel economic growth, improve infrastructure, and reduce costs for consumers ensuring access to connectivity with the best technology and leaving nobody behind.” – Rapid rural roll-out partner

Handsets

Supporting smartphone adoption

- Increase in smartphone adoption in our biggest markets from 39% (2018) to 43% in 2019. We launched several initiatives to support smartphone adoption, including the world's first US\$20 KaiOS 3G smart feature phone which is now available in 12 operating countries. The phone was well received with 675 000 handsets distributed across MTN's markets. The KaiOS smart feature phone is voice enabled and allows illiterate and visually impaired people to access the internet and content, ensuring digital inclusion for differently abled people. The device sourcing strategy reduced the cost of entry-level data enabled device by 20% (3G smart feature phone) and 30% (3G smartphone).

Developing device financing options

- To enhance access to low-cost smartphones we are exploring device financing models including instalment and deposit or refund models. A pilot programme was launched across seven key markets to determine the most suitable payment options. The outcome of the pilot programme will inform the development of a portfolio of payment options based on unique customer and country needs.

Developing efficient handset distribution channels

- To address the impact on accessibility to handsets due to poorly developed distribution networks we are streamlining these channels, focusing on informal channels by creating visibility for our products and/or services and enhancing the customer experience on the MTN network by providing free WiFi in these areas.

Affordability

- We are committed to continuously reducing the cost of connecting, especially for services most used by lower-income consumers. We have reduced our entry-level data rates by 60% over the last two years. We also provide free data (limited) to certain users, to give customers a chance to experience the opportunity that being connected to the internet represents.
- We continue to partner with Facebook on Facebook Flex. Customers are able to use Facebook with the option of switching between free and data mode. In free data mode users can actively engage by reading, commenting, liking and sharing posts at no cost to them. Data mode is required to view photos and videos. In addition to the free digital content offered through Facebook Flex, new internet users are able to sample relevant digital content for free through MTN.

Service bundling

- Service bundling enables MTN to provide relevant value propositions to different customer groups by tailoring the bundles to their needs driving down the cost of communicating. These include microbundles, social media bundles, XtraByte, P2P Social Data and digital offerings such as Ayoba and MusicTime. In 2019, we focused on bundles that meet the needs of the youth market by developing MTN Pulse, a youth value bundle rolled out across all markets.

Education and ease of access

- Educating people on how to easily access information using their mobile devices is foundational if internet access is to add value to their lives. During the year, we launched MTN Data-Smart, a digital literacy programme, based on GSMA's Mobile Internet Skills Training Toolkit (MISTT). The programme is designed to improve people's basic understanding of the mobile internet and applications. Data Smart was rolled out in nine of our markets in 2019 and we educated over 3 million people about using internet services and accessing relevant, meaningful content.
- We are embedding MTN Data-Smart in multiple channels to ensure the greatest chance of reaching people. Our sales and distribution teams now also provide education to customers on how to use social media services such as Facebook Flex. Our focus on digital literacy included the roll-out of an additional education pilot, Internet 101, with Facebook in Zambia. The programme aims to educate users on how to make the most of the internet while being safe and responsible.

Sustainable economic value continued

Case study



Partner-enabled rapid rural roll-out

Connecting the unconnected through innovative rural roll-out solutions

UN SDG



Millions of people still do not live within reach of a mobile broadband network, and innovation is required to enable this change. In the past operators have been unable to provide connectivity in these areas due to distant locations and scattered areas of settlements, lack of energy, road infrastructure and a lack of cost-effective solutions.

MTN has taken up this challenge within our ecosystem of partners resulting in the development and deployment of rapid rural roll-out programme utilising OpenRAN technology.

OpenRAN technology enables MTN to deploy cost-effective commercial rural sites using vendor-neutral technologies developed by our group technology team. Our OpenRAN technologies do not require us to partner with specific vendors. As a result, vendors are free to use our OpenRAN technology to innovate and offer relevant solutions.

This increased competition ultimately drives down the cost of connecting the unconnected. In 2019, MTN deployed over 1 300 rural sites across our footprint reaching over 6.9 million people, 200 of which made use of OpenRAN

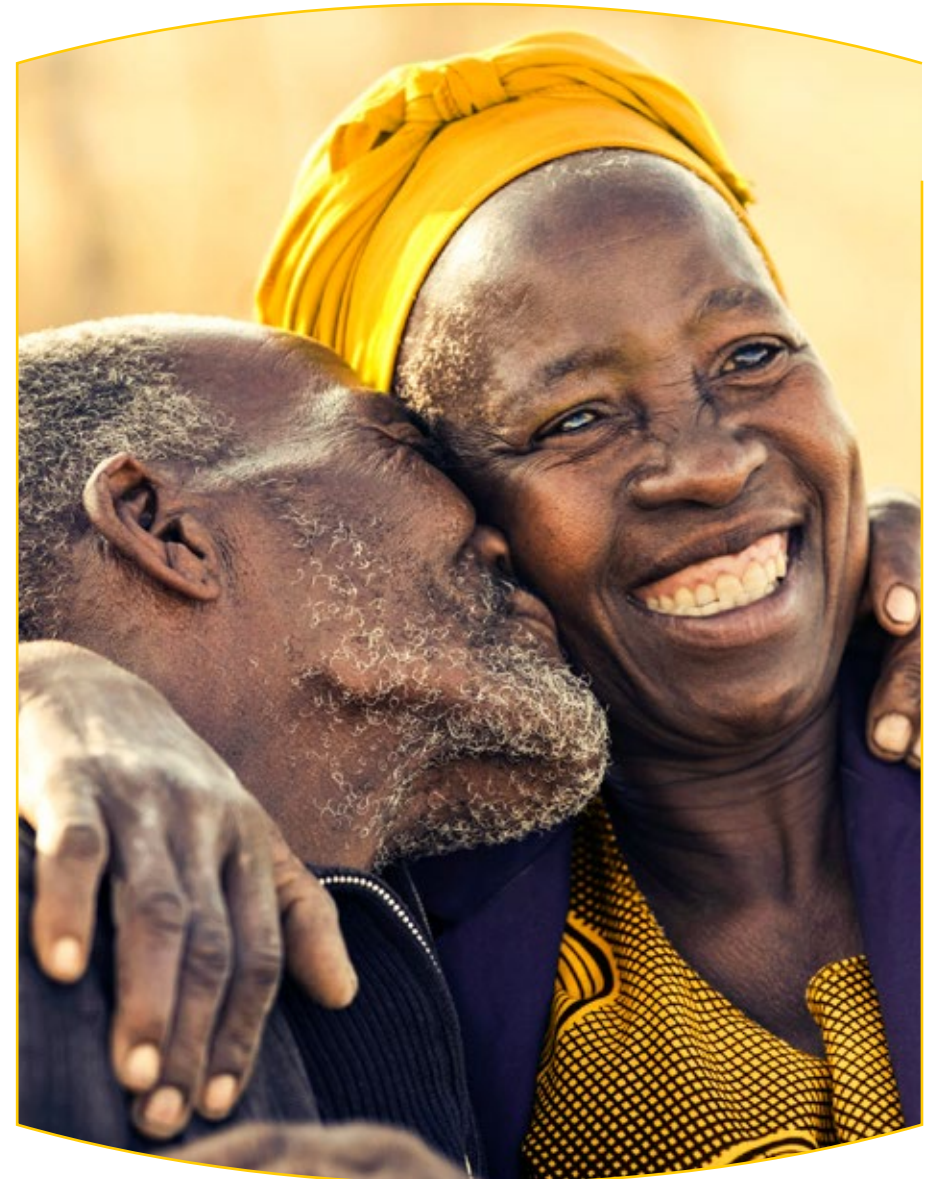
technology. We are not stopping there. We plan to deploy more than 5 000 sites in rural areas across our 21 operating countries which will bring 2G, 3G and 4G connectivity to previously unconnected areas.

We rely on the expertise of our partners to help build and maintain these sites, offering a start to finish solution. These new solutions are developed alongside traditional deployments, which accelerates rural expansion. MTN is a leading member of the Telecom Infrastructure Project (TIP), which aims to develop 2G, 3G and 4G RAN solutions built on general-purpose, vendor-neutral hardware and software-defined technology.

To see the impact these innovations are having on previously unconnected communities in Cameroon and Zambia follow these links:

 [Cameroon](#)

 [Zambia](#)



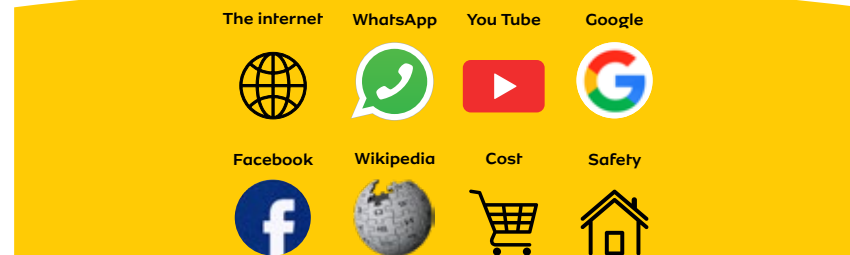
Sustainable economic value continued

Connecting the unconnected continued

MTN Data-Smart: background and context

MTN has partnered with the GSMA to reach the unconnected and teach them about data (digital literacy). Data education is important for customers to adopt the mobile internet. With time, mobile internet adoption improves costing and access to data.

- 1 A visual toolkit, including short "how to" videos, to address the lack of basic, functional digital skills
- 2 Delivered by MTN's "foot soldiers" through short, interactive conversations with customers at point of sale (POS), outdoor events and street markets
Also being delivered digitally using two-minute long "how to" videos
- 3 The training modules are continuously updated
Future versions will include modules on MoMo, Ayoba, KaiOS and Android OS



Value created UN SDGs



Our impact

In 2019, over **6,9 million** people **benefited** from over **1 387** rural sites



In 2019, over **3 million** people **trained** on **digital literacy**

Improved data affordability with a **39% reduction** in the **group effective rate per megabyte**

Over the last two years, over **25 million** more people **owning smartphone** mobile devices and **reduced** entry level **device price** by an average of 20% to 30%



Over last two years, over **20 million** more people **using** the internet

Over last two years, **reduced our entry-level data rates** by **60%**



Looking forward

- We intend to deploy more than 5 000 network sites in rural areas across 21 countries by 2022, providing coverage to 10 million people. We will rely on partnerships to ensure we meet this goal.
- Following the successful launch of our low-cost smart feature phone, we plan to launch a low-cost smartphone to connect entry-level customers to 3G and 4G handsets across Africa in early 2020 to provide affordable smart handsets below the current market norm of US\$40 for a low-cost handset.
- We will continue to focus on education through established partnerships with GSMA and Facebook, among others, capitalising on the multiplier effect this has on the digital wellbeing of our customers. We aim to train more than 10 million customers in 2020 and help connect these customers to the global community.

Sustainable economic value continued

Mobile financial services

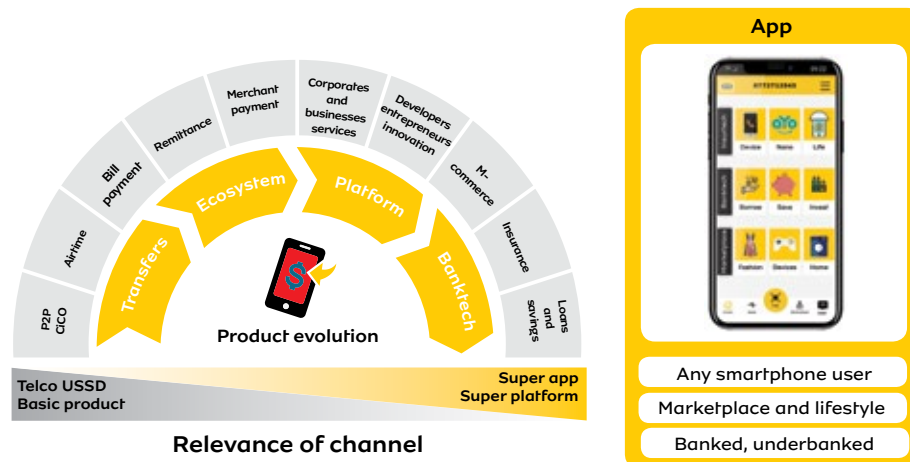
Vision is to be the **largest fintech platform** in Africa, **accelerating economic and social development** through digital disruption.

Our approach

Over the past 10 years, mobile money has transformed the face of financial services in Africa and the Middle East as the harnessing of technology provided the opportunity to “leapfrog” traditional financial service solutions. This rapidly growing industry has accelerated financial inclusion, which is a potent enabler of socio-economic development that empowers the most vulnerable in society.

We believe that MTN has the potential to be a transformational force in mobile financial services industry. Historically, mobile financial services included basic money solutions, payments including in-store till points and remittances, prepaid services like electricity and data, and interoperable mobile wallets, micro-loans and micro-insurance. Today, the industry supports digital economies and marketplaces, connecting consumers and businesses in multiple ways and we plan to promote and accelerate these vast opportunities.

In 2018, we outlined our intention to achieve growth by expanding our mobile money offering from service-based products and basic transactions to an advanced services ecosystem. Our fintech business continues to scale and support cashless and digital economies, and our goal now is to transition to an end-to-end platform, creating a digital marketplace and connecting consumers to businesses and businesses to businesses. We see this as a significant opportunity to change the outlook for affordable, inclusive, understandable and comprehensive financial services in Africa and the Middle East.



What we did

Our strategy for financial inclusion in 2019 focused on offering mobile financial services to more customers in more markets, expanding the range of products available via our ecosystem, and becoming a super platform. These strategic objectives are underpinned by a foundation of responsibility, ensuring we combat potential fraud in the mobile financial services system through safer, more resilient systems.

Offering more products to more customers

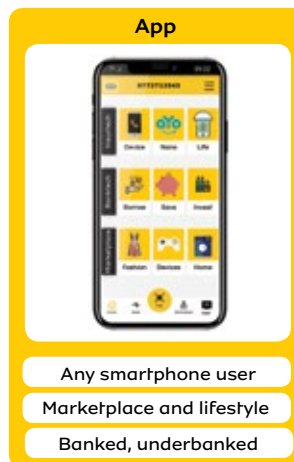
- ◉ In 2019, we provided mobile financial services to 35 million customers across 14 markets (up from 27 million in 14 countries in 2018). The value which people place on the ease of such transactions is attested by the fact that in a single month we facilitated more than R120 trillion in transactions. We received regulatory approval to launch MTN MoMo in Afghanistan and South Africa during 2019.

Cashless transactions for small businesses

- ◉ We developed a low-cost payment acceptance solution for small retailers, enabling their customers with feature phones to make payments with their MoMo wallets by dialling a USSD code, and for smartphone users, by scanning with their phones using QR barcodes. MoMo Pay is now offered through a multi-channel approach; face-to-face, e-commerce, m-commerce and app. These retailers are now also able to earn additional revenue by selling MTN airtime, which customers pay for using mobile money.
- ◉ It has a strong value proposition; no fee is charged to the customer and the merchant gains additional value over and above accepting payments because they can make payments such as pay salaries and bills, and access working capital. MoMo Pay is now live in 10 markets, with 211 000 merchants, 2,1 million active users and 71 million transactions. Feedback from our customers has been positive, and we aim to expand this solution to Cameroon, Ghana and South Africa in 2020.

MoMo Kash loans and savings

- ◉ MoMo Kash allows customers to save money safely, enabling them to conveniently save towards their goals. In times of need, customers can take out a loan with dignity and repay it as required. MoMo Kash is now live in six markets: Uganda, Rwanda, Ivory Coast, Ghana, Zambia, with Eswatini added in 2019. The micro-lending portfolio grew to an average of US\$70 million disbursements – an average of 70 000 loans per day of about US\$19 per loan. At a group-wide level we also introduced a savings product increasing the average saving per customer to US\$4 from US\$2.



Sustainable economic value continued

Mobile financial services continued

Intra-Africa remittance corridors



Status

- Intra-Africa remittances US\$139 million
- International inbound remittances US\$331 million
- Outbound remittances US\$47,8 million

Affordable insurance

- We extended our range of insurtech products and now serve 6 million customers (versus 1,9 million in 2018). Over 3,8 million people who could not previously get insurance cover in Uganda and Ghana now have access to micro-short-term life and hospital insurance through our partnership with aYo, a life micro-insurer. We plan to expand this product range to Zambia, Ivory Coast and Nigeria in 2020. We also launched a digital solution in South Africa in partnership with Sanlam to address life, disability, dread disease, income protection and family funeral coverage. This is our first insurtech end-to-end solution.

Remittances

- For people living outside Africa and the Middle East, it is critical to have an affordable, instant and reliable means to transfer remittances to family and friends back home. MTN's own application allows the African diaspora to transfer funds and purchase airtime across borders.
- Homeland enables cross-border and cross-network transactions, meaning that users are not limited to transferring funds or sharing airtime on MTN's network alone, but also to other existing operators. MTN Homeland remittances can now be made between network providers from Europe to a number of countries in Africa and the Middle East, keeping families and friends connected to each other. One of the UN SDGs is to reduce the price of remittances to under 3% of the value of the remittance into Africa. MTN Homeland has been developed and priced with this target in mind.

"We take pride in the fact that in collaboration with our partner MTN Group MoMo Hackathon provided a platform to local talent to showcase their solid potential to address substantial social and business needs." – MoMo Hackathon partner

Sustainable economic value continued

Case study



Opening up to innovation

African developers are innovating and developing solutions that solve local problems

UN SDG



New technologies carry with them proprietary restrictions relating to use and access that can constrain innovation. We believe that partnerships can help to overcome these barriers and foster the innovation needed to provide everyone with the benefits of a modern connected life.

Our Mobile Money (MoMo) Application Programming Interface (API) platform encourages developers and programmers to use the platform to innovate and develop products and solutions that solve local problems creating a wider, more relevant range of digital financial offerings for our customers. This collaborative approach helps bridge the financial divide.

We accelerated the development of innovative applications even further by inviting developers and entrepreneurs from Ghana, Uganda, Ivory Coast,

Cameroon and Zambia to participate in MTN's first MoMo API Hackathon in partnership with Ericsson, our MoMo technology partner. The Hackathon challenged developers to develop financial and transactional applications using the MTN MoMo API platform. The Hackathon saw over 1 000 developers with over 350 ideas vying for the coveted US\$2 500 prize and an all-expenses paid trip to Sweden, where the winners will have a chance to visit Ericsson's Innovation Centre.

Developers welcomed this event and the opportunity to integrate their apps with our APIs, further increasing their reach and opportunity for growth and scale. MTN Ivory Coast's winner, Nandêmin, developed a crowdfunding platform where entrepreneurs can seek financial assistance for their projects by setting up charitable or financial fund-raising campaigns.

Extending OpenAPI in more countries

- OpenAPI is a software that allows different applications to easily integrate with each other, enabling other programmers and developers access to our mobile money platform along with other mobile financial service applications. In 2018, we tested the use of an OpenAPI in Uganda. Following successful results, the platform was fully launched in 2019 in Uganda, Ghana, Zambia, Ivory Coast, Cameroon, Benin and Congo-Brazzaville. Through simplified technical integration, start-up enterprises and innovators can now develop and offer a range of financial service products that easily support the mobile wallet and other services for our customers.
- In 2019, we promoted awareness and use of the API through an MTN-led Hackathon. Over 1 200 people registered for the Hackathon and 350 ideas were submitted. Developers welcomed this event and the ability it gave them to integrate their apps with our APIs, thereby increasing their reach and opportunity for growth and scale.

Building safer mobile financial services

- MTN's integrated approach to anti-money laundering, fraud and risk in the mobile money ecosystem includes detection, prevention, education, partner collaboration and certification. Key fraud issues were addressed by reinforcing business processes and by increasing customer education in the face of a new and growing trend; social engineering. Through our sustained education of end-users, customers, agents and other stakeholders we have observed a drop in the number of financial fraud cases in our markets in Uganda and Ghana.
- In 2019, we voluntarily applied for and received GSMA mobile money certification. Certification centred around eight principles addressing almost 300 required and 200 recommended indicators to ensure safer, more transparent and resilient financial services are specified by GSMA, and operators are required to comply with all specifications to be certified. MTN Ivory Coast was certified in 2018 and Uganda, Ghana and Cameroon were certified in 2019. See more about our certification here.

Value creation

UN SDGs



Sustainable economic value continued

Mobile financial services continued

| Indicators | 2019 | 2018 | Status |
|---|--|--|--------|
| Active MFS customers | 35 million | 27 million | ▲ |
| Merchants | 211 000 | 105 000 | ▲ |
| Loan disbursement | 70 000 loans per day | 50 000 loans per day | ▲ |
| Savings using MTN MoMo products | 6 million customers with US\$4 average savings | 3 million customers saving US\$3 a day | ▲ |
| Number of active agents earning revenue from MoMo | 517 000 | 376 000 | ▲ |
| Total remittance | 518 million | 332 million | ▲ |
| Insurance registered policyholders | 6 million | 3 million | ▲ |
| Number of customers' micro-insurance | 5 million | 2 million | ▲ |

Looking forward

- Expand and scale our basic MoMo services in new markets (SA, Nigeria, Afghanistan, Sudan, South Sudan) and launch aYo in Ivory Coast in 2020.
- We aim to attract new market segments by further extending our services from a largely consumer-driven approach to include products and services for small, micro and medium enterprises.
- We will continue to develop solutions for high-potential industry verticals such as government, e-commerce, transport and agriculture. This includes pilots with strategic partners in digitising transportation.
- We will continue to expand the reach of MoMo by launching the second phase of MTN Homeland, enabling remittances from the US, Australia, UAE and other corridors into Africa in 2020.



Sustainable economic value continued

Digital services

Our approach

Fostering digital inclusion supports future economic growth and empowers people, including vulnerable groups such as women and youth. MTN's digital strategy is to provide access to affordable communications so people in our markets can reap the social, economic and developmental dividends of being online while driving new revenues and data adoption. Leveraging our established customer base, local knowledge, presence, and customer insights, MTN has built a digital ecosystem spanning OTT services in messaging, media and advertising that aims to bring more people into the digital world.

Ayoba is a key part of our digital ecosystem, offering users access to an ecosystem of digital and rich media services through channels, micro-apps and payment solutions, embedded within an African super-app. Ayoba is highly localised and tailored for African and Middle East consumer needs. Ayoba promotes digital inclusion by breaking down barriers such as limited access to the internet and digital services, low-smartphone penetration, lack of locally relevant content, and affordability.

Users can send and receive encrypted messages, share photos, videos, files and voice notes and can also subscribe to live channels. Localised content is available through curated channels aimed at entertaining, educating and empowering communities. Ayoba will expose contextual MoMo services, allowing users to make person-to-person transfers enabling access to mobile financial services to a historically unbanked market.

Developed as an open digital platform that enables third-party innovation, Ayoba has the capacity to offer a rich and diversified experience. Businesses and content providers can engage with their customers using multi-media channels. This enables MTN to deliver more value to the broader ecosystem of businesses, users and local developers and create experiences that are optimised for local communities.

What we did

Launched Ayoba Instant Messaging Application

- Launched early in 2019, by year-end Ayoba reached over 2 million monthly active users and currently supports 16 local languages spoken across the MTN markets, some of which are not part of the Android operating system. The languages include isiZulu, isiXhosa, Dari, Yoruba, Swahili, Hausa, French and English to name a few. Ayoba was shortlisted at the Mobile World Congress #GLOMO Awards in the Most Innovative Mobile App Award category.
- Ayoba platforms aim to enable:
 - Communication and connections (digital communities, messaging)
 - Education and empowerment (promote own business online, learn skills, research, study, job search, self-help)
 - Entertainment through locally curated channels (pass time – play games, browse aspirational places, fashion, read articles or diaries, listen to music, funny videos, memes, GIFs, current affairs)

Building our own OTT services

Media



- Over The Top Services
- Locally relevant content
- Mass market appeal
- Brighter for MTN Mobile Customers

Messaging



- Over The Top Services
- Design to meet local needs
- Evolving as a Super App
- Brighter for MTN Mobile Customers

Mobile advertising



- MTN's Mobile Customer Base
- Expanding into OTT Services users
- Regional adverts network
- Integrating to other add networks

Sustainable economic value continued

Providing localised content

- Local content providers were engaged to provide locally relevant content in the different markets in which we operate. These include Pulse Ghana, Pulse Nigeria, Mobi Media, Content Connect Africa and My Pregnancy Journey. In Cameroon a local translation company was engaged to translate all local content for channels.
- Ayoba has successfully onboarded My Pregnancy Journey, in alignment with UN SDG 3: Ensure healthy lives and promote wellbeing for all at all ages, with a view to empower all women with content they need to know about pregnancy, health and parenting. Ayoba is in process of exploring ways to localise the content for other territories where the app is live.

Release of the first time-based music streaming app – MusicTime!

- MusicTime! is a time-based music streaming application that offers users premium trending and locally relevant music through partnerships with key music labels and providers. MusicTime! aims to be the music streaming app of choice for the early adopters in Africa and the world, with affordable and flexible plans, as well as becoming the best and recommended platform for local artists in the market we operate in. By focusing on identifying music relevant to the audience, matching business models to target markets, providing a growth path for customers to migrate from an entry level service through to a premium desired service – we hope to grow the music streaming business across Africa. MusicTime! also promotes growth by creating an ecosystem for local artists to monetise from the content that is promoted on the app.
- MusicTime! is supporting local artists through workshops and events. This includes showcases with a focus on enabling the discovery of indigenous talents in local communities, allowing collaboration between artists across Africa and creating an avenue for indigenous talent to showcase their creativity.
- Uliza, the company responsible for translating Ayoba and MusicTime! into local languages, is a tech start-up that emanates from UCT's Solution Space Venture Incubation Programme, which is run in partnership with the MTN Group. Uliza also worked with local people in each market to create job opportunities for translators.

Venture acceleration and capacity building

- MTN acquired Progressive Tech Holdings LTD (PTH), a music-streaming business, with access to more than 42 million tracks and agreements in place with all of the major record labels, for the MusicTime! service. Simfy will be run as an OTT service that is not exclusively available to MTN customers.
- MTN partnered with Solution Space on the E-track programme on three-part new-venture acceleration and capacity building programme, designed to support teams to build scalable businesses with international potential. The primary goal is to train teams to be able to create new businesses and enable them to grow into scalable companies that solve real problems.

Case study



Finding solutions through partnerships

Scaling new-venture acceleration and capacity building to empower entrepreneurs of the future

UN SDG



Innovation that creates shared value is essential in our modern connected world. Through collaboration, innovative ideas might be cultivated and developed into businesses with scalable international potential. MTN has undertaken a partnership with the UCT GBS's Solution Space E-Track Programme. The programme is a new-venture acceleration and capacity-building programme, in partnership with the University of Cape Town, its Graduate School of business and the "Solution Space" in Philippi. MTN, as a proud corporate partner of the Solution Space and E-Track Programme provides industry insights and access to MTN's platforms.

Furthermore, the partnership allows MTN to engage with start-ups as potential service providers, prospective employees or future innovators. Ultimately, we are creating a digital and

mobile financial services ecosystem to help scale promising ideas by utilising MTN's platforms including Ayoba and MusicTime. Prospective entrepreneurs are able to assess the viability of their business ideas through a tailored filtering process. For example, if an entrepreneur's idea is to create a mobile healthcare app, through the programme the idea might be introduced to software developers, medical students, professors and MBAs.

GSB MBA student Jay Chouhan was part of the E-Track Programme in 2019 and remarked that "Through the programme, I gained an understanding of what I needed in order to test if the idea was viable, and to design a pitch deck that would be presentable to investors. It was amazing to take my business idea and let it grow. You do not usually find opportunities like that."

"Its primary goal is to train teams to be able to create new businesses. From there we aim to have scalable companies that solve real problems."

– Solution Space

Sustainable economic value continued

Digital services continued

SDGs Value created



Our impact



Looking forward

- We are hosting a digital innovation week aimed at building our supplier ecosystem in partnership with UCT's Solution Space Venture Incubation Programme and MTN Global Sourcing and Supply Chain in a bid to connect with smaller suppliers and entrepreneurs.
- The integration of MoMo into the Ayoba platform is under way and is expected to go live in the year ahead.
- Micro-app functionality will be fully embedded in the app in the financial year 2020 and 2021.
- Bot functionality will be added to the platform introducing a new method of engaging with customers to complement our conversational interface.

Enterprise development

Our approach

We acknowledge that small and medium enterprises (SMEs) are the continent's current and future economic growth engine.

Spanning across various industries and ranging in size from a one man shop to a one hundred employee-strong business, they are opportunely positioned to be at the forefront of digital innovation and to reap the benefits of a modern connected world.

MTN's commitment is to usher these businesses into an unprecedented convergence of people, business and things, to allow these businesses the opportunity to disrupt and challenge the status quo of current business models, by driving them into a space of digital inclusion through striving to become their preferred connectivity solution partner across the markets in which it operates.

MTN also has a focused business strategy to support and enable SMEs from an enterprise development perspective. The multi-pronged approach ranges from helping SMEs build their capacity through providing expert education, access to markets, cash flow and access to finance. In addition MTN is committed to include SMEs as part of its own supply chain.

MTN is confident that its current and planned initiatives will support SMEs operating across our footprint to grow sustainably, contribute to the economy, as well as ultimately be a key creator of employment opportunities.

What we did

Building the capacity of female-owned businesses

- Zambia has over the last few years seen a growth in the number of SMEs with a particular rise in the number of women entrepreneurs. Women are now at the forefront of various business segments including sectors that have been predominantly considered to be male dominated segments like mining, medical and pharmaceuticals, earth moving equipment supplies, etc.
- To support the female entrepreneurs and ensure there is inclusion for all players, MTN Zambia in 2019 partnered with a bank to work with business women in the SME space or emerging businesses sector in Zambia to try and build capacity by providing them with not only financial management skills but also provide access to finance for them to purchase the most recent devices that would enable them to compete more favourably in the digital space.
- Three educational workshops were held to empower and give them insights on how their current propositions could help them catapult their businesses forward through better financial organisation of their businesses and improved access to technological platforms and devices.

Sustainable economic value continued

Case study



MTN Zambia celebrates, connects and supports female entrepreneurs

Accelerating the role of women in society by empowering female-owned businesses

UN SDG



Zambia has seen significant growth in the SME sector in the last few years with a particular rise in the number of women entrepreneurs. Zambia is ranked in the top three countries in sub-Saharan Africa for female majority-owned small businesses and in the top seven for small to medium-sized female majority-owned businesses (World Bank, 2019). Women in Zambia are stepping up to the plate in all markets, including those traditionally considered to be male-dominated markets, like mining, medical and pharmaceuticals and earth moving equipment supplies.

MTN Zambia fully supports female entrepreneurs, through specific programmes and enabling products and services. In 2019 MTN Zambia's "I am an SME" campaign highlighted women running businesses in all segments and sectors of the economy from selling charcoal in your back yard to owning fully fledged medium-sized businesses. Through partnerships with a number of bank's we focused on capacity building by providing financial management

skills as well as financing for the most up to date digitally enabled devices, and the entrepreneurs each receive personal advice on the products best suited to their business.

MTN's products and services are the foundation of many small businesses in Africa, effectively lowering the barriers to entry and streamlining operations. Access to social media platforms and websites provide the opportunity to showcase their products and services and MoMo makes the transfer and receiving of money easy. Entrepreneurs report time and cost savings in making mobile payments, and considerable efficiency improvements in their logistics and customer service, all at the touch of a button on their mobile phone. Financial inclusion for women in Africa is a potent driver of change. Digital financial services have the power to maximise gender equality, increase earning opportunities and address poverty and hunger, all of which will strengthen the social fabric.



"We believe that SMEs are key drivers of the Zambian economy and therefore we would like to partner with them on this new and exciting digital journey." – MTN Enterprise Business

Enabling access to finance

- In South Africa, we collaborated with one of the major banks to provide financial and operation support to SMEs. Through this collaboration, SMEs have access to financial facilities that enable them to carry out projects timely and efficiently.

SME capacity building

- MTN Eswatini held a series of workshops to empower SMEs with access to markets, business development and training. Over 400 SMEs participated in these workshops, obtaining valuable insights with some of them having concluded agreements with the government of the Kingdom of Eswatini to access markets outside the country.
- There was also further clarification into the role played by government in ensuring that SMEs are supported to grow their business. The Eswatini Standards Authority guided the SMEs on how to obtain acceptable market quality standards to facilitate export of their products and services.

Value creation

SDGs



Our impact

MTN has **over 4,4 million SME customers** across its footprint



Looking forward

- Deeper understanding of evolving SME needs.
- Providing SMEs with opportunities to access new markets.
- Provide innovative and relevant connectivity led solutions for SMEs.
- Build an SME community across our markets for shared learning and business development.



Sustainable societies

The internet has created a wonderful new world for learning, working and playing. We expect our customers to enjoy these rights responsibly. It is important to us that we ensure that all who are touched by our products and services are impacted positively, including children.

UN SDG



Children are more vulnerable and depend on adults to safeguard their rights, development and wellbeing. We are deeply committed to minimising any adverse risks and impacts that mobile services can pose for children. Online child sexual abuse imagery is a global problem, which demands a global solution as the internet does not respect geographical borders. To contribute to addressing this scourge, MTN partnered with the Internet Watch Foundation (IWF) and is the first Africa-

wide telecommunications company to do so. The IWF strive to eradicate online images of child sexual abuse as quickly and efficiently as possible.

We have scanned over 10 billion URLs suspected as hosting Child Sexually Abuse Material (CSAM) and clocked close to 2 million abusive URLs during the course of 2019. Every five minutes IWF analysts in #Cambridge find and remove an image or video online of children suffering sexual abuse.

Making children safer online

Let us make the internet a safer place for children through partnerships



Sustainable societies continued

We enable thriving communities through creating jobs and equipping our people and African youth for the future world of work, while always upholding the rights of all our customers.

The digital revolution is a powerful agent for transforming society for the better, but conversely a lack of access to the digital world creates wider social and economic disparities. As an emerging market operator, addressing social challenges is an inherent part of our business.

MTN can only flourish when the communities and ecosystems in which it operates are healthy. In all we do, we strive to operate ethically, transparently and accountably by considering all the concerns relevant to our stakeholders, and balancing them, while meeting our licence obligations. Leveraging the size, resources and capabilities of our business we enable socio-economic development of the communities within which we operate, underpinned by our core belief that everyone deserves the benefits of a modern, connected life.

What we stand for

We **strive** to always **conduct business** that **supports the long-term sustainability of societies** in which we operate. To meet objectives, we have **defined several positions** that **guide us in operating ethically, respectfully** and in **rights-driven ways** that have the **least negative impacts**. Our social and ethics statement and detailed positions are on our website.

Position statements/frameworks

Ethics



Wherever we operate in the world, MTN adheres to a culture of sound ethical business conduct that generates economic value for the benefit of our communities and stakeholders and in a manner that is eco-responsible and sustainable. Our positions on anti-bribery and corruption, conflicts of interest, fraud management, gifts, hospitality and entertainment, and whistleblowing are available here.



Freedom of expression, privacy and information security rights

MTN is committed to respecting human rights and will make every effort to protect the rights of all people using its services in the respective jurisdictions in which it operates. Our digital human rights position, approach and frequently asked questions are available here.



Treating customers fairly and the use of customer data

MTN adheres to the principle of anonymity when using and managing customer data through data aggregation and masking of personal information data. Our position on treating customers fairly and content creation is available online.



Children's rights

MTN has zero tolerance for all forms of abuse and exploitation of children. To ensure the responsible use of digital communications we support and are signatories of key international agreements that aim to create significant barriers to the misuse of mobile networks and services for hosting, accessing, or profiting from child sexual abuse.



Gender diversity

MTN is committed to the advancement of gender equality and the empowerment of women as well as the elimination of all forms of discrimination against women. We strive to address the inequalities that hinder girls and women from fully participating in and benefiting from the bold, new digital world.



Corporate social investment

We are committed to the sustainable upliftment of the communities in which we operate, with a focus on inclusion of the marginalised and disadvantaged in our societies, such as youth and women.



Global sourcing and supply chain

MTN strives to conduct business with suppliers who share our commitment to high ethical standards and operate in a responsible and ethical manner. The code we require our suppliers to sign up to click here to access.

Sustainable societies continued

What we said we would do in 2019

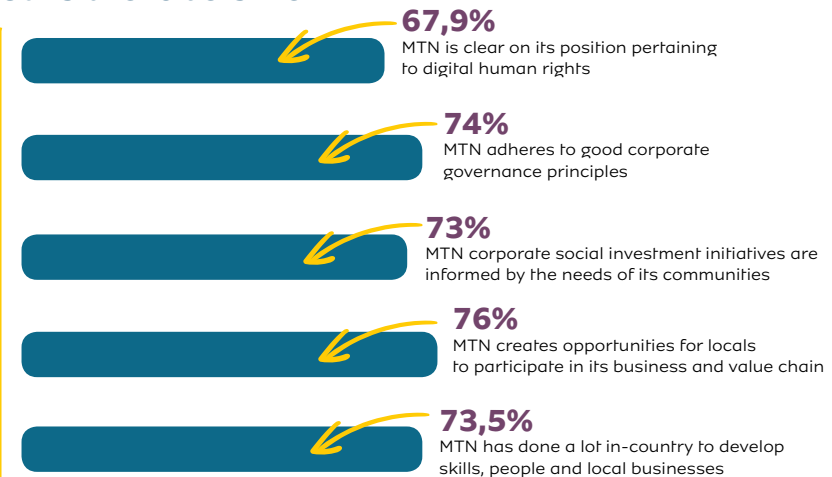
| Activity | Progress | Results |
|---|----------|--|
| Ethics: Launch of MTN conduct passport | | The passport was launched to all operations through innovative digital and physical communication channels |
| Continued focus on fraud management | | The anti-bribery and corruption policy was revised. Employee fraud awareness campaigns, as well as information on anti-bribery and corruption risks, were undertaken |
| Ethics: Complete new ethics risk assessment (ERA) | | The 2019 ERA commenced later than planned, and will be completed in 2020 |
| Ethics: Conduct annual conflict of interests disclosure process for 2019 | | Annual and ongoing declaration of conflict of interests are implemented |
| Ethics: Implement ethics management outputs dashboard | | The dashboard was developed and now measures inputs to improving ethics management. We continue to work on measuring output indicators |
| Human rights: Revise privacy policy | | The policy was revised. Our privacy standards are available at |
| Human rights: Update digital human rights processes improvements | | The digital human rights policy was updated in 2019, and will be approved in early 2020 |

Progress indicators:

Completed
 Ongoing: on target
 Ongoing: behind target

| Activity | Progress | Results |
|---|----------|--|
| Our workplace: Focus on workplace diversity | | Our diversity focus was accelerated, and we launched our first global Diversity and Inclusion Forum in 2019 |
| Our workplace: Finalise wellness strategy | | We commenced an update of our wellness strategy. This will be finalised in 2020 |
| Corporate social investment (CSI): Reorient our CSI funding strategy towards youth empowerment by finalising group policy and strategy | | We have commenced reorientation towards youth empowerment through focused programmes in 2019. The group policy was finalised, and will be approved in early 2020 |

Our stakeholders' view



Sustainable societies continued

Ethics

We **remain steadfast** in our efforts to ensure a **strong ethical culture** within our business.

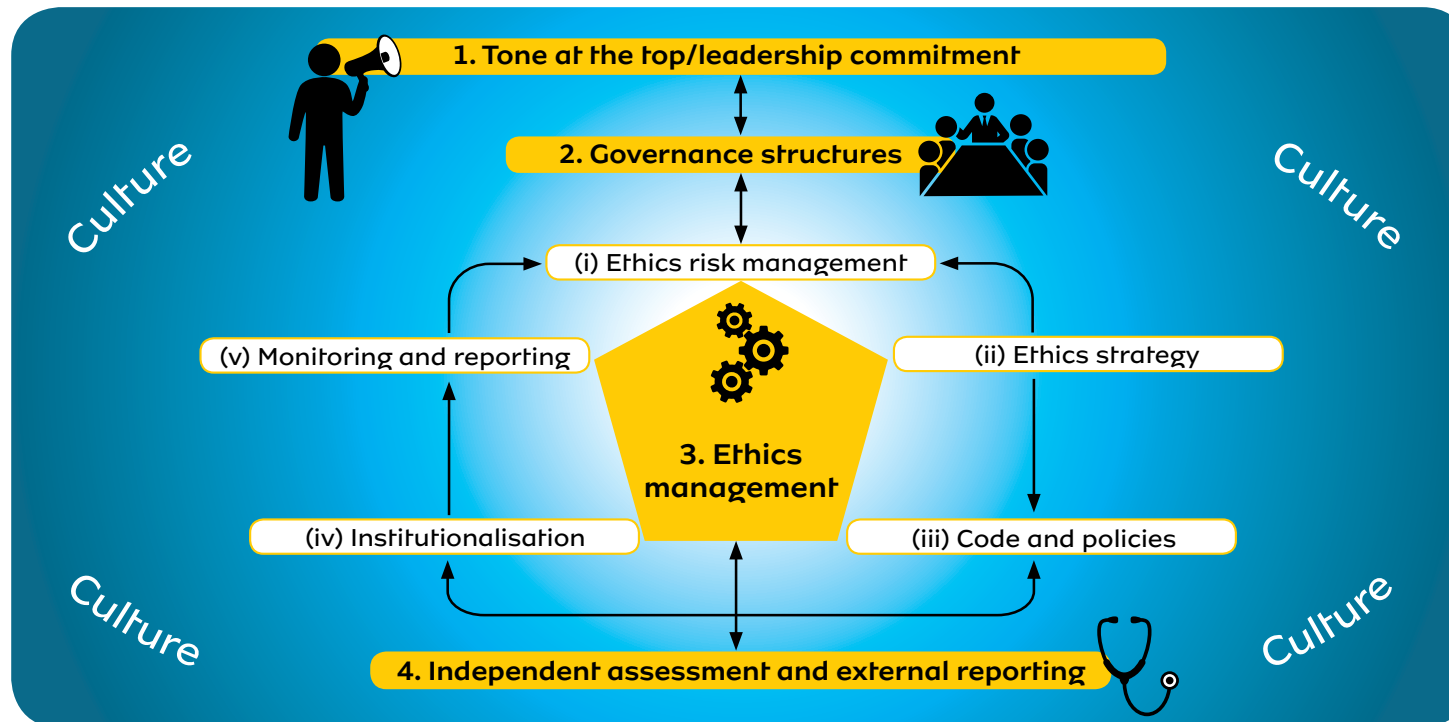
Our approach

It is a priority for MTN to strengthen our risk and regulatory structure and culture to preserve and create value. In recent years, weaknesses in our compliance environment came to light resulting in a significant loss of value. In response, we began implementing a more robust and rigorous approach to ethics in 2015. This has steadily gained traction, galvanised by an exemplary “tone at the top”. Our leaders are proactive in their responsibilities and are held accountable. We actively create a working environment where all employees are educated and encouraged to consider the ethical dilemmas, challenges and opportunities that present themselves as they execute MTN’s BRIGHT strategy and their responsibilities.

Our code of ethics states our position on corporate governance, customer treatment and service, employees, interactions with governments, a commitment to communities, society and the environment. 🌐 We remain steadfast in our fight against fraud, bribery and corruption as articulated in a series of policies, and enabled through structures such as an independently monitored, confidential whistleblowing function that is available to employees, suppliers, customers and members of other stakeholder groups.

The group’s ethics governance and management framework, set out below, is our structured approach to assist us as we strive to nurture an ethical culture across the group.

Our Board, MTN Group president and CEO and leadership are committed role models of ethical behaviour to all our stakeholders, actively supporting ethics management interventions at every level. Please refer to our group governance framework online. 🌐



Sustainable societies continued

Ethics continued

What we did

Enhancing ethics governance structures

- Thomson Reuters' Worldchecks are performed on all suppliers during the pre-qualification process. Every supplier will undergo a Worldcheck to understand if they pose a corruption risk to the business by identifying any politically exposed persons, or sanctions against the company or associated individuals. All suppliers are required to sign and accept MTN's anti-bribery and corruption policy. The three-yearly ethics risk survey includes questions to gauge employee perceptions on corruption. The framework shown above provides a structure to ensure that we continually enhance the elements of our ethics governance and management. In 2019, we focused on enhancing country-level governance, updating our ethics management strategy, and commencing an assessment of our risks and performance.
- As part of our efforts to strengthen our control and compliance environment, we implemented a three lines of assurance approach in 2018 that was further embedded across our footprint during the year. We have ensured that each operation has an ethics office and an operational ethics committee. Training for ethics officers is under way and is already complete at several operating companies.

Managing ethics

- This encompasses our collective efforts to create and maintain a strong ethical culture, marked by ethical leadership, ethics awareness, ethical decision making and sustained ethical behaviour.

"Our Ethics Initiative of the Year award creates the opportunity for ethics practitioners to share successes and learning among peers. The award recognises overall excellence in initiatives that are aligned to an organisation's strategic objectives. Irancell was the most worthy recipient of the 2019 Ethics Initiative of the Year award."
– The Ethics Institute

Case study



MTN Irancell makes its mark with ethics game

Taking ethics to new heights through fun and games

UN SDG



MTN Irancell won the Ethics Institute's Ethics Initiative of the Year Award for 2019 for their ethics game called "Are we all Ethical?".

MTN Irancell's staff participated in the life-sized game, throwing the dice and taking on ethics-related challenges in a bid to get to the end of the game as fast as possible. First to the end was a winner but there were also awards for the most ethical person in the game and the most unethical one.

The game was designed to deepen ethics sensitivity and awareness in a fun and engaging manner.

Contestants were presented with ethical dilemmas to solve and were tested on their knowledge of MTN's code of ethics. MTN Irancell's staff were encouraged to prepare by reading the code of ethics

and the questions were displayed on a big screen for all the spectators to see.

MTN Irancell's game was designed to deepen ethics sensitivity and awareness in a fun and engaging manner which earned the respect and favour of the audience. Competitors in the Ethics Institute's Ethics Initiative of the Year Award for 2019 included corporates from across African and the Middle East.

As one of three selected finalists, the MTN Irancell ethics officer presented an overview of the initiative and its impact to ethics practitioners from across the continent, who voted for the top initiative.

This is the second year that MTN has won this coveted award. The 2018 winner was MTN Sudan with their Quick Quiz game which aim to socialise and embed ethics policies within the company.

Sustainable societies continued

Ethics continued

Ethics risk management

- To enhance our ethics risk assessment function, we conduct an ethics risk assessment every three years to help us understand our ethics risk profile. This enables us to follow the King IV recommendation that the governing body should ensure that codes of conduct and ethics policies address the key ethics risks of the organisation. We have commissioned an independent ethics risk assessment. This is in the early stages and is progressing well with qualitative interviews complete and a survey to be rolled out in early 2020.

Ethics strategy

- A new ethics management strategy for 2020 and 2021 has been approved by the social and ethics committee and will be further augmented once our independent ethics risk assessment is completed during 2020. The focus of our strategy is on "Leaders in Ethics" and it has been augmented to include interventions to mitigate risks identified with respect to conflicts of interest. The group strategy and operating company strategies are in line with the King IV recommendation that the governing body should assume responsibility for the governance of ethics by setting the direction for how ethics should be approached and addressed.

Institutionalisation

- We make ethics real through initiatives implemented across our operating companies to ensure the institutionalisation of a culture of ethics. In 2019, the following initiatives were implemented: Ethics and Fraud Awareness Week 2019 with the "See it – Say it!" campaign; the roll-out of the conduct passport continued through, among other initiatives, the Conduct Quiz Game; and e-learning courses on ethics including policies, with special emphasis on the conflict of interest policy.

Monitoring and reporting on ethics management effectiveness

- We developed a measurement instrument aimed at improving ethics management across the organisation. Our ethics risk dashboard measures our ethics management programme's effectiveness and determines the impact of our efforts. The input dashboard, which provides the measurement of inputs that improve ethics management across the organisation, was updated and we continue to work on measuring the outputs.
- Our preliminary analysis of input and output measurements indicated that we needed to continue working on improving employee sentiments with regard to respect and ethics and strengthening the control environment. We are developing solutions to these findings.

Enhancing anti-bribery and corruption awareness

- The group-wide conflicts of interest policy, anti-bribery and corruption policy, disciplinary policy, whistleblowing policy and our policy for gifts, hospitality and entertainment were reviewed and approved in 2019 and systems updated accordingly. Guidelines on the management of conflicts of interest and anti-bribery and corruption were issued to the ethics officer of each operation. Our ethics communication campaigns conducted throughout the year included the annual Fraud and Ethics Awareness Week in November 2019. The objective of the campaigns is to foster an organisational culture and an environment where leadership as well as employees across the group are expected to avoid situations and disclose any direct or indirect conflicts of interest.
- All operating companies are assessed for conflicts of interest and anti-bribery and corruption risks, and if they are identified are included in the risk mitigation plan. The ethics risk assessment under way will assist in identifying, assessing and mitigating conflicts of interest as well as bribery and corruption risks. The assessment includes a review of existing policies, guidelines, and organisational culture and ethical behaviour risks.

Ensuring an ethical supply chain

- Our supply chain partners are a critical stakeholder in helping us improve our ethics culture. In addition to requiring our suppliers to endorse our supplier code of conduct, awareness workshops were held by a number of countries to enhance understanding of our supplier code of conduct and policies such as anti-bribery and corruption, fraud, conflicts of interest, whistleblowing and other defined areas.
- Please see our supply chain section (page 43) for more information on how we engage our suppliers on responsible business practices.

Independent assessment

- Our ethics management processes are assessed independently by our Internal Audit Department. We report on our ethics performance to our external stakeholders, as well as to international independent standards organisations that help us understand and communicate our impact on our ethical culture.

Sustainable societies continued

Ethics continued

Our value creation

SDG



Our impact

Our efforts are bearing results: we are seeing a positive change in the ethical culture across the group. For example, the recent group culture audit showed an improvement in employees' perceptions of MTN in terms of ethics and corporate integrity.



232 disciplinary sanctions

(including pending cases)



10 998 ethics e-learning course completions by employees

Looking forward

Our ethics management programme for the next two years will focus on the following:

- Completion of the ethics risk assessment to enable us to update our ethics risk profile, strategy and management approach for the next three years.
- Review the results of the corporate integrity and the ethics dimensions of the 2019 group culture audit to identify what aspects of our ethics management programme may require improvement.
- Conduct awareness campaigns to deepen understanding of conflicts of interest policy, anti-bribery and corruption policies and our policy for gifts, hospitality and entertainment.
- Review MTN Group's social and ethics statement.



Sustainable societies continued

Human rights

We believe everyone has the **right to communicate, access and share information freely and responsibly** and to **enjoy data and digital communications privacy and security**.

Our approach

More people worldwide have access to information, services and opportunities than ever before, with instant connections that transcend locations and borders. This has created significant innovations and opportunities for people to enhance their lives and enjoy greater access to rights and opportunities than ever before.

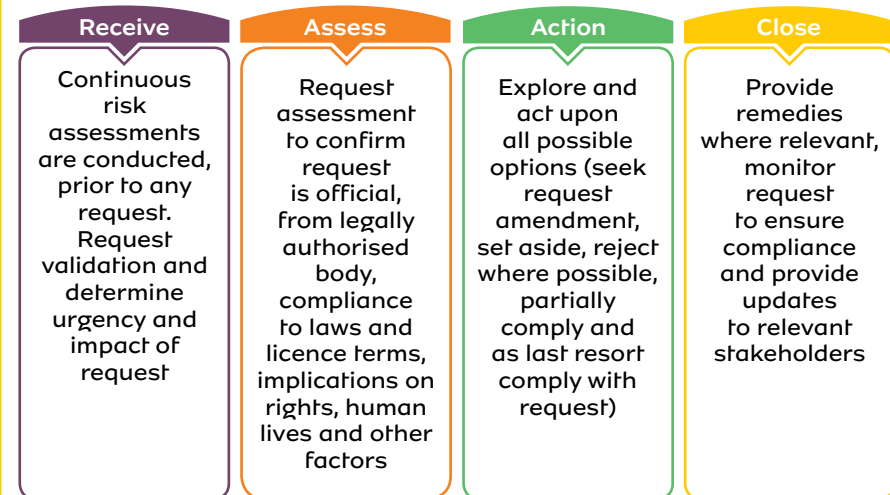
MTN believes in the rights of all people using digital communications to freely communicate and share information and opinions and to enjoy the right to privacy and information security without interference. We are committed to respecting human rights and endeavour to respect and protect the rights of all people using our services in the respective jurisdictions in which we operate.

Several of the countries in which we operate are prone to human rights violations. The control of information communication technologies through shut downs, restrictions and the interception of digital communications, for example, presents an unprecedented form of power affecting human rights. MTN is a provider of vital communication services, these issues have to be weighed against our responsibility to continue to operate, so that people can access basic and emergency services, share information and maintain connections with family and friends locally and globally.

MTN's response to human rights is underpinned by sound policy, principles, risk assessment and due diligence framework to respecting the digital rights of its customers in a manner that is consistent with internationally recognised principles, while ensuring that MTN remains compliant with the terms of its various jurisdictional, licence conditions and legal obligations.

We are deeply committed to respecting human rights and remain vigilant of the risk of human right infringement. We recognise that these risks are a part of doing business in our markets and are not limited to MTN. MTN will attempt to avoid negative human rights impacts by exploring all possible alternatives where it appears these rights may be at risk of being infringed.

MTN's digital human rights due diligence framework



"It is only thanks to partnerships like these that we are able to drive forward our mission to eliminate photos and videos of child sexual abuse from the internet. As the largest mobile operator in Africa, MTN's alliance with the IWF will significantly impact the spread of criminal imagery across the continent and further afield." – IWF

Sustainable societies continued

Human rights continued

What we did

To **ensure** that the **human rights** of our **customers** and all other **stakeholders** are **respected**, we focused on the following aspects in 2019:

Updating our digital human rights policy

- Across various human rights issues, we remain aware of new developments, review lessons learnt and continue to update our processes and policies to align to the highest international standards. We reviewed our digital human rights principles and policy in 2019 and will finalise this in early 2020. The revised policy places a greater emphasis on risk detection and mitigation. The policy is consistent with internationally recognised principles. Balancing the rights of various stakeholder groups remains a challenge, and the policy sets out how we work to ensure our actions have minimal negative human rights impacts.

Managing our customers' privacy rights

- The group's privacy policy was approved for implementation. The policy considered data privacy/data protection developments and regulations in MTN's markets and globally, including POPIA, GDPR, Data Protection Act, and numerous other laws on the African context. It prescribes a set of principles that govern the manner in which we protect the personal information that MTN processes, ensuring the rights of customers are protected, that we purport to comply with all applicable regulatory requirements regarding privacy and data protection. We also hold third parties that may have access to our customer data to the same standards that we adhere to.

"MTN proved it is the most ethical and respectful to customers. It is the first operator to restore the service and was the last to disconnect #longliveprofessionalethics."
– MTN Sudan customer

"Now the internet is back through MTN only."
– Civil society activist

Case study



MTN Sudan constructively navigates internet shut down

UN SDG



Advancing the rights of all people to access vital communication services

As a telecommunications operator, we sometimes have a challenging role to play in volatile and fragile political situations. Given the number of people that rely on us, it is critical that we continue to operate, so that people can access basic and emergency services, share information and maintain connections with family and friends locally and globally. We always strive to protect, respect and ensure the rights of our customers. It is not always possible to act in opposition to the law or the terms of our licence in the markets where we operate.

In June 2019, Sudan experienced a month-long near-total internet shut down due to the unrest which took place in the country. MTN followed its robust risk-based process that starts with active engagement with the relevant

authorities and other key stakeholders. Our process includes understanding the options available before any decision is made to comply or reject the requests. The process also considers the safety and security risks to employees, customers and operations.

All operators in Sudan were affected by social media restrictions during this time. MTN Sudan was commended by its customers for being one of the last operators to shut down and one of the first to reinstate services. This was a testament of MTN Sudan's tireless efforts to minimise the impact to customers and robust engagements with key stakeholders ensuring services were back online in the shortest time possible.

Sustainable societies continued

Human rights continued

- We further protected our customers' personal information through group privacy standards which, in conjunction with the privacy policy, serve to embed data protection practices within MTN's businesses as well as to provide direction, guidance and practices for the protection of personal information. All MTN operations are required to comply with the privacy policy, unless the country's specific context prevents compliance to some of the principles or standards.
- Finally, we are in the process of setting up an MTN group-wide data privacy compliance function to provide advisory services on data privacy management to each of our operating companies and ensure implementation of our policy. Data protection training has been provided to a number of our operating companies and MTN is in the process of finalising this initiative. This is currently one of the key focus areas for the function which is being executed through training-the-trainer educational sessions on the group privacy policy and standards across numerous operating companies.

Enhancing information security

- The group information security policy is updated on an ongoing basis and was last updated in 2019. The policy sets out requirements for securing the group's information, systems and people using a formal information security management system (ISMS), based on global leading practice including ISO/IEC 27001:2013, Centre for internet security controls and the National Institute of Standards (NIST) cybersecurity framework. Our information security control framework, including identification of critical controls, has also been defined in order to protect and defend against cyberattacks.
- Implementation of the policy and the control framework is supported by a number of group initiatives, including the group's marshall plan, which aims to address key areas of risk identified in conjunction by the risk committee and group exco. The marshall plan has been implemented initially covering six key workstreams across a range of operations, from which we are drawing lessons and applying findings to other operations across the group.
- We maintain tight control over several issues related to data security. This includes addressing data security risks and required controls before and during product development and undertaking vulnerability testing and remediation before products are released. Ongoing and periodic vulnerability testing and risk assessments are also undertaken to ensure the security of systems and of the customer data that systems may hold. We also encourage the public to report any potential security concerns to MTN either directly or through the Hacker One hosted vulnerability disclosure platform.

- In 2019, we partnered with a third-party threat intelligence and monitoring organisation to alert us when breaches of personal information occur, both within MTN's markets and in other areas where MTN may have been affected. In 2019, an information security breach was detected in Afghanistan. The relevant regulator and law enforcement were informed.

Managing major freedom of expression incidents

- In 2019, our customers experienced four major incidents related to restrictions on freedom of expression in Sudan, Benin, Liberia and Iran. Each of these incidents occurred in the context of socio-political or socio-economic events in these countries. All mobile network operators or internet service providers (ISPs) were affected by internet disruptions in these countries. Our governance processes ensured that each of these situations received management's attention and resolution by both country and group level management, in line with our due diligence approach to managing digital human rights.
- In each of these countries, we rely on third-party ISPs for international connectivity. When internet services are restricted or shut down, we have no operational control over the gateways managing international traffic and we are therefore limited in our ability to manage the impacts on our customers. Wherever possible, we engage with key authorities, customers and other stakeholders, to discuss the nature of the request or event and determine how to best manage the situation with the least possible impacts on customers. As a result, we were able to alert our customers of the disruptions in some cases. We also remedied the situation in some instances through the provision of free data to affected customers.

Empowering customers through fair treatment and mobile advertising controls

- In 2016, MTN implemented a group-wide policy on treating customers fairly (TCF). In early 2018, we contracted Deloitte to conduct an audit on the level of compliance in seven identified countries. A second audit, started in late 2018 and completed in 2019, included the majority of MTN operations and the average overall compliance indicated a significant improvement in the TCF scores. Self-audits were conducted in the remaining countries.

Sustainable societies continued

Human rights continued

Protecting children online

- MTN is committed to ensuring the safety of children online. In 2019, we deepened our commitment by developing our position on the rights of children online. We launched child online protection programme, prioritising focus on child sexual abuse material. MTN formalised its membership with the IWF. We are the first African-wide operator to sign the agreement which covers the majority of our markets. We have therefore extended our ability to fight back against the use of our networks to share child sexual abuse material (CSAM) in most African and Middle Eastern markets. This commitment towards the protection of children online is aligned to our youth focus.
- One of the key levers in combating online CSAM is public awareness and the availability of safe and confidential reporting mechanisms. As a result, we launched a link to the IWF's reporting portal available to all customers and employees. The portal allows anyone to report images, videos or other information showing children who are potentially being sexually abused online. IWF investigates all reports and works with law enforcement authorities to take down confirmed cases of URLs hosting CSAM. In 2020, we will roll out links to the IWF's reporting portal via country websites.

- Several communication campaigns and processes commenced in late 2019 and will be extended across our operations in 2020 to create public awareness of the broader issues that children face online and how everyone can ensure that children can enjoy the benefits of connectivity while remaining safe. Toolkits and communication material have been developed and useful tips and advice for parents, guardians, teachers and children have been published on the group's website.
- We continued to monitor network traffic processed by our international internet access points hosted in the UK and the Netherlands and believe that we are making a material contribution to preventing the spread of CSAM online. URL lists supplied by IWF are uploaded up to twice daily to a third-party platform that scans and blocks abusive traffic on our network. We scanned over 10,9 billion URLs suspected as hosting CSAM and blocked close to 1,6 million abusive URLs. A single URL may contain any number of images, videos and other CSAM content and we therefore believe that blocking a complete URL prevents multiple potential instances of abuse from being shared. We also shortlisted several new monitoring and blocking solutions that will enable us to scan all our intra- and inter-country web traffic not processed in the UK or the Netherlands. MTN's operating companies will start implementation in 2020.

Our value creation SDGs



Four major incidents related to restrictions on freedom of expression

Our impact



Over **251 million** customers enabling their digital rights

Over **10 billion** URLs scanned, suspected as hosting CSAM and **blocked** close to **2 million abusive** URLs

Looking forward

- We will finalise updates to the digital human rights policy and commence implementation in our operations. We will focus training and awareness in business units directly involved in managing digital human rights in our operations.
- We will continue to implement TCF policy changes and embed the TCF policy in operational practices to improve compliance levels in 2020.
- We will enhance public awareness about CSAM in MTN markets and ensure internet users can report potential abuse cases using the IWF reporting portal.

Sustainable societies continued

Our workplace

Consciously embedding **agility, diversity and inclusion** as a **primary lever** across organisation and **talent strategies/practice**.

Our approach

The fourth industrial revolution (4IR) and artificial intelligence (AI) herald the transformation of the way in which we live, work and relate to one another. We operate in a rapidly changing business environment, which is frequently impacted by disruptions and developments that happen faster than we can predict. The workplace is changing at a rapid pace and technologically driven advancements are creating new ecosystems where the world of work is transforming.

It is essential for our sustainability to understand change and build resilience by enhancing skills, knowledge and attributes for our people, our business and our stakeholders. We have actively instilled an agile approach within our workforce. This is vital to support business growth and meet the current and future business needs. Agility encompasses cognitive flexibility, the ability to adapt, learn, reskill at pace and it encourages sound judgement and decision making.

We believe that diversity and inclusion is a critical aspect of enhancing our strength and competitive advantage. We operate in diverse markets and our workforce must reflect this.

What we did

To ensure our employees are supported and that we work towards our shared ideals, we focused on the following aspects in 2019:

Driving our agile-organisational strategy

- Our drive to future-proof our workforce encompasses capability building and reskilling. Our agile, high-performance operating strategy is aimed at ensuring that both the business and our employees as individuals are equipped for the rapidly changing pace and continuous need to adapt.
- In 2019, we held a global employee agile training programme, which was a transformative learning opportunity aimed to enhance our customer experience. Over 100 MTNers from 19 countries attended the kick-off workshop, which marked the launch of the agile learning programme. The programme aimed at revolutionising the way MTNers learn and apply emerging practices, such as implementing an agile approach to enhance customer experience. Designed in collaboration with group HR, CEX and group technology, the overarching objective of the programme to embed a “culture of learning”. In conjunction, we also launched infrastructural enablers such as “Agile Coach Networks” and digital tools, to sustain and improve cross-border collaboration across our footprint.

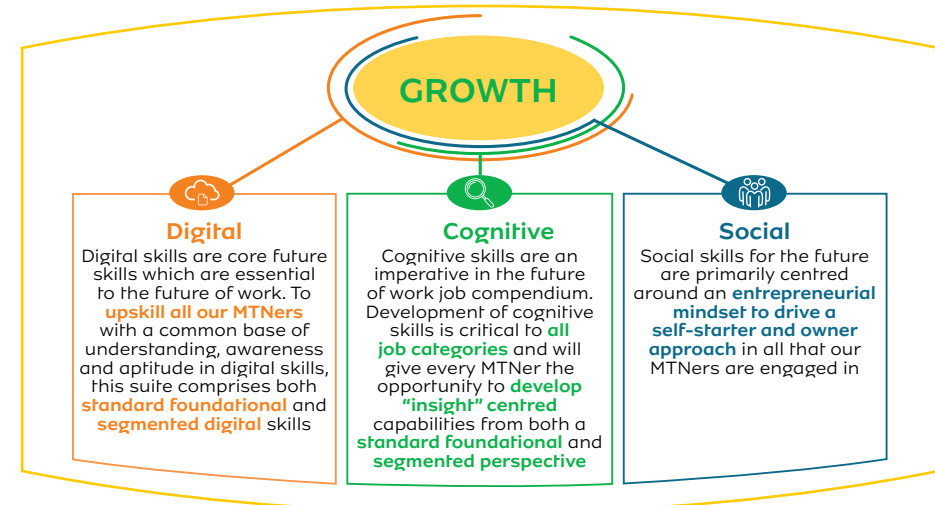
“Trust me, this is the most transformational learning experience I have ever been to. I experienced learning which we will take back to our operating companies and change the MTN world of work, making it more agile.” – MTN Nigeria participant

Empowering our MTNers with future-fit skills

- Keeping pace with the 4IR requires us to be mindful of skills for the future. At MTN, we believe that “every MTNer deserves the right to future-proof their skills and capabilities”. To this end, we have consciously reshaped our learning strategy to make digitally enabled future-of-work skills available to our employees. Specialised content covering digital, cognitive and new-age social skills, were deployed in 2019 across 19 of our markets through our cloud-based learning experience platform (MTNLearn). Our skills enhancement agenda spans across critical technical competencies including AI, robotics, agile, social entrepreneurship.

Enhancing talent attraction and retention

- Our evolution to a digital operator is driving a shifting talent demand. We aim to leverage our people to increase productivity, through improved talent attraction and retention. Our employees will benefit from more fulfilling work and increasing opportunities as they become multi-skilled and flexible.



Sustainable societies continued

Our workplace continued

- As part of enhancing our talent pool, we are improving our focus on high-potential talent and the critical skills needed to sustain our business and meet the evolving needs of our stakeholders. We focused on seven key areas of talent management in 2019 to deliver our business strategy and enable the growth curves. Our skills for the future involves three key aspects:

Accelerating diversity and inclusion

- Both global and MTN's trends suggest a strong correlation and impact of diversity on sustainable engagement and business growth. In 2019, MTN continued with its efforts to embed diversity and inclusion into the heart of our identity and organisational culture.

Case study



Improving gender equality in Ghana

The time is now for gender equality in tech

UN SDG



Technology in its various forms, including information and communication technologies (ICTs), continues to redefine and revolutionise the way we all live and work. Harnessing this technology to advance gender equality and women's empowerment is not only vital for women and girls, but critical throughout the 2030 Agenda for Sustainable Development.

MTN Ghana has responded to the challenge of including more women in technology by developing MTN Ghana's Women in Technology (WIT) programme. The programme is curated and includes blended learning opportunities targeted at high potential female employees in functions and roles with low female representation.

The three-year programme allows participants to explore a variety of information sources and learning options that have been proven to significantly reduce the learning curve and improve readiness for future roles.

Since the launch of Ghana's WIT programme in 2018, we have seen a 283% increase in internal upward movements of female employees at MTN Ghana. Supporting women in technology contributes to the diversity of MTN at all levels. Developing a more inclusive workforce empowers us to innovate and meet the challenges of our modern connected world.

- The following initiatives embodied our progress towards higher levels of diversity and inclusion across the group:
 - Global diversity and inclusion philosophy: We established our position and commitment to diversity and inclusion as core to our identity and purpose.
 - Global diversity and inclusion wireframe: We developed a global diversity and inclusion wireframe which includes principles, a framework, tactical programmes and group interventions to support diversity and inclusion.
 - Global Diversity and Inclusion Forum launch: We set up our group diversity and inclusion committee and global forum to drive strategy and execution across our diverse footprint. In addition, localised committees were established in several countries to champion and deliberately focus on diversity and inclusion in the context of geography.
 - Diversity and inclusion success measurement: We redefined how we intend to measure success in diversity, inclusion across the group and various quantitative parameters.
- The acceleration of diversity and inclusion was reflected in our global culture audits where MTN experienced its highest ever diversity score and composite inclusion index score. Our Group Culture Audit (GCA) diversity scores are 13 percentage points higher than digital/ICT industry norms average, while our group-wide inclusion scores are four-percentage points higher than digital/ICT industry norms average and on par with global telco norms.

Our philosophy

"At MTN, we are proud of our diversity and value all that makes us one"

"We believe that diversity empowers us while inclusion unites us to succeed"

We respect – We connect – We celebrate

We respect each other for our shared humanness

We are **human**, amid all that is **diverse** in everything we are and **stand** for

We connect because we are here for a common purpose

We are MTN for a **common purpose** – to create a **modern connected life** for our customers and for the **good of our communities**

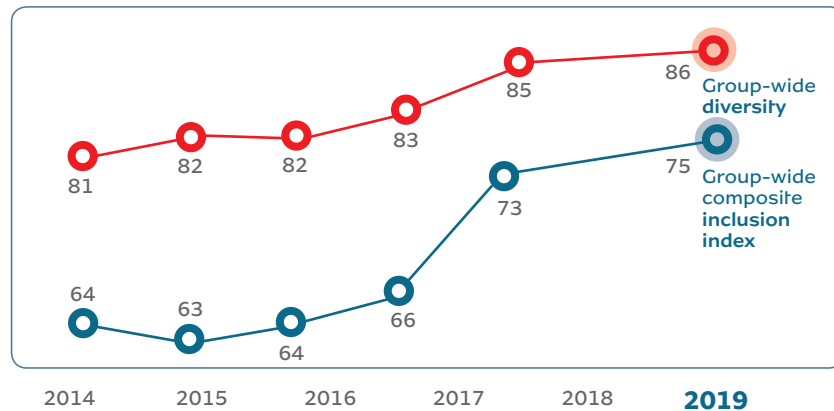
We celebrate each other, for our uniqueness

We **celebrate** the **uniqueness** of each individual's **strengths** and **thoughts** – in this we **create value** in all that we do

Sustainable societies continued

Our workplace continued

MTN has achieved the highest diversity score and composite inclusion index score since 2014 and exceeds the digital/ICT function norms



- ◉ We operate in 23 countries in Africa and the Middle East and as a result we are naturally diverse. Our people represent 58 nationalities, multiple ethnicities and four generations adding to our rich diversity. We are supportive and encouraged by the youth which constitute 55% of our global workforce with 14% in management.
- ◉ We are also particularly proud of our women at MTN who make up 37% of our employees and 28% of our management teams. These levels of women representation show the results of our fundamental support of diversity. We stand firmly committed to the advancement and empowerment of women within the organisation through targeted development programmes such as “women in technology and leadership”, gender-caring leave policies, flexi-work policies for improved work-life balance, together with programmes to diversify regional hiring across our African and Middle East footprint.
- ◉ We believe that differently abled persons contribute to the richness and diversity of our organisation. We have undertaken initiatives focused on opening doors for their participation and recognition as active contributing members of society, who must not face any discrimination. We are repositioning our hiring strategies to consciously improve diversity hiring and continue to invest in infrastructure to create a conducive-work environment.



Sustainable societies continued

Our workplace continued

"Our diversity and inclusion vision is to be the most **inclusive** and **successful organisation across Africa** and the **Middle East**, putting **diversity** and **inclusion** into action to help **employees, customers** and **communities** thrive."

- We have deliberately widened our diversity outlook to consider gender, generation, thought, race, ethnicity, abilities, personalities, sexual orientation, age and religion. We recognise that diversity needs serious actionable targets, while inclusion needs mindful culture-conscious behaviours and strong championing.
- MTN is a signatory to the UN Global Compact, which includes the promotion of equality and prevention of unfair discrimination. The employee conduct pledge, a part of each employee's contract of employment, requires employees to respect age, colleagues, suppliers and those we serve, regardless of gender, race, religion, culture, mental and physical abilities, sexual orientation, disability, nationality and to treat them with dignity, respect and compassion. Our anti-harassment policy is being reviewed with a view to obtain approval in 2020.

Enhancing employee wellness

- We are actively focusing on moving from point-in-time or single wellness initiatives to a more comprehensive wellbeing strategy for greater relevance to workers in the 21st century. Our intent is to adopt a strategy to sustainably enhance the health and wellbeing of our people through four core dimensions:
 - Psycho-social factors such as mindfulness, stress management and rejuvenation.
 - Personal factors such as nutrition, fitness, hygiene and mental health.
 - Environmental factors including awareness, accountability and proactiveness.
 - Social factors such as balanced living, social connections, celebratory engagements and community upliftment.

Our value creation

SDGs



Our impact

Amount spent on employee learning and development: **R282 million**

37% of women in the global workforce



0,4% of global differently abled staff

55% of youth within global workforce



58 nationalities represented within our global workforce



9 deaths



23 workplace-related injuries

Looking forward

- With the rise of COVID-19, we have taken all measures to enable our people to work from home, focus on hygiene to minimise the risk of infection and have the required support to get through this tough time via the launched of a Global Staff-Care Emergency Fund.
- In 2020, we will launch programmes across two areas. Firstly, we will focus on women through skills upliftment and leadership development. Secondly, we will increase our focus on targeted hiring and development of women in core business areas.
- Through our diversity and inclusion approach, we intend to establish short and long-range targets to improve inclusion in talent segments including leadership, critical skills and succession.
- Executing on talent, customer and community priorities for diversity and inclusion.

Sustainable societies continued

Our workplace continued

Case study



Embedding sound ethical conduct in supplier relationships in Ghana

Embedding sound corporate ethics amongst our business partners

UN SDG



In a globalised supply chain with different cultures and values interacting on a professional level, variances may occur in individuals' understanding of fraud and ethics. In order to ensure universal application of MTN's policies and standards, MTN Ghana engaged suppliers through a roadshow. In 2019, MTN Ghana presented their second vendor fraud and ethics awareness workshop to 90 representatives from 70 vendors from across Ghana. They presented on the topics, "embedding sound corporate ethics among our business partners" and "embedding ethical consideration into business as usual, a paradigm for sustainable business growth".

The workshop aimed to educate vendors on MTN's anti-bribery and corruption

policies, our code of ethics and other related policies to ultimately gain support and ensure compliance with these policies. The event also gave MTN the opportunity to share with vendors the channels that are available to them to report any instances of bribery or misconduct related to MTN Ghana staff.

The workshop has increased vendors' awareness of MTN's policies and provided vendors with the opportunity to highlight gaps in MTN's procurement process. The opportunity for open and transparent communication was welcomed by all parties. As a result, the vendor ethics and fraud awareness workshop will be held annually to ensure long-term commitment and support in ensuring that MTN Ghana continues to maintain an ethical supply chain.

"I would recommend MTN as an ideal business partner." – 100% of participants in MTN Ghana's second Vendor Ethics and Fraud Awareness Workshop agreed or strongly agreed with this statement – quote from survey results for Vendor Fraud Ethics Awareness 2019

Global sourcing and supply chain

Our approach

In a globalised world, organisations must rely on and work with one another to succeed. MTN Group is no different. As a result, we rely on a complex and multilayer global supply chain to provide our customers with the products and services that they need. We have embedded integrity into our supply chains by managing different legal, social, ethical and environmental risks and by ensuring that our suppliers have sustainable business practices in place.

Our centralised sourcing and supply chain function negotiates all global framework agreements with group vendors, procuring items within four broad categories, namely network, IT equipment and software, commercial and indirect. Each of our operating countries also has their own sourcing and supply chain teams, who are responsible for managing the in-country supply base and logistics.

We manage our group supplier base through a rigorous end-to-end supplier management framework, which includes the identification of vendors, onboarding, due diligence, performance management and grey or blacklisting (where applicable). When a supplier is grey listed, due to poor performance, they are given an opportunity and the necessary support to improve their performance.

Suppliers are blacklisted when there is an issue of fraud or unethical behaviour, or when they do not improve their performance following grey listing. All vendors, new and existing, are made aware of our zero-tolerance approach to bribery, fraud and corruption and they are regularly reminded of our policies throughout the year. Vendors are unable to access our procurement system and tender for business with MTN without successfully passing our due diligence process and signing our supplier code of conduct.

We monitor the ongoing risk and performance landscape of our vendors and regularly update our records with any changes or potential changes that could affect our supply chain. Vendors are required to self-declare their compliance to any environmental, social or other risk or compliance aspects detailed in our supplier code of conduct. We also monitor the risk and performance landscape of vendors' businesses through research, press reports and ongoing due diligence.

We have a cross-functional committee in place that is able to respond quickly to any risk developments within our supplier network, improving our capacity to prevent or mitigate issues caused by a major supply chain disruption.

Sustainable societies continued

Global sourcing and supply chain continued

What we did

In 2019, we **acknowledged** the importance of our **supply chain** to being a **sustainable organisation** and the need to report on **important developments**. As a result, we focused on the following aspects:

Enhanced prequalification

- We ensured that suppliers signed up to our code of conduct and continued to focus on ensuring suppliers complete the prequalification assessments prior to working with MTN. In 2019, 1 476 suppliers accepted MTN's supplier code of conduct (2018: 1 135). To date, all MTN Group suppliers have signed our code of conduct.

Improved demand management

- One of our key strategies is to utilise digital tools to support effective demand planning and forecasting. For example, improved demand planning in 2019 enabled us to shift shipments from air to sea channels saving costs and energy. This initiative has also resulted in less waste with a focus on procuring only what we consume.

Ensuring data protection in the supply chain

- IT security annexures were added to all contracts in 2019. This enables higher levels of data security with our vendors and ensures measures and processes are in place for dealing with potential security breaches.

Supporting local suppliers and implementation partners

- MTN's global sourcing and supply chain is supporting small, medium and micro-enterprises (SMMEs) in the countries by assisting them in early payments, it helps local suppliers in maintaining adequate cash flows to run their operations efficiently.
- Across all MTN operations, local implementation partners provide civil work services, installation and commissioning services and network managed services. It supports local suppliers and generate local employment opportunities.

Enterprise (ED) and supplier development (SD)

- MTN has made great strides in improving its B-BBEE procurement spend over time as well as increasing the participation of Black-Owned, Black Women-Owned and Black Designated SMMEs in its supply chain. This is illustrated in the table below.

MTN South Africa procurement statistics

| | 2015 | | 2016 | | 2017 | | 2018 | | 2018/2015 | |
|--|--------|---------|--------|---------|--------|---------|---------|---------|--------------------|------------------|
| | Spend | Vendors | Spend | Vendors | Spend | Vendors | Spend | Vendors | % increase vendors | % increase spend |
| Preferential procurement spend | | | | | | | | | | |
| Black-Owned (BO) vendors >51% | R2,0bn | 176 | R3,5bn | 94 | R4,2bn | 168 | R6,4bn | 186 | 6 | 213 |
| Black-Women Owned (BWO) vendors >30% | R3,5bn | 80 | R9,2bn | 44 | R9,8bn | 77 | R11,9bn | 87 | 9 | 241 |
| Exempted micro-enterprises (EME) <R10m | R1,48m | 148 | R326m | 42 | R216m | 97 | R443m | 90 | (39) | 70 |
| Qualifying small enterprises (QSE) <R50m | R1,0bn | 184 | R1,2bn | 120 | R1,6bn | 153 | R3,2bn | 145 | (21) | 220 |
| Designated groups | R0,00 | | R0,00 | | R52,7m | 5 | R727m | 16 | | |

Sustainable societies continued

Global sourcing and supply chain continued

MTN's ESD programmes in South Africa

Retail channel transformation



1.1 MTN Zoners programme

The MTN Zoners initiative is a SMME development programme within South Africa (targeting black designated group's) which seeks to develop Black-Owned micro-entrepreneurs that will eventually grow into SMMEs resulting in an increase in economic inclusion of Black-Owned enterprises. MTN's targeted growth trajectory for these micro-entrepreneurs is for them to expand and grow their operations to being dealers in MTN's Branded Retail Channel.

All 100%
Black-Owned



1.2 Branded Retail Channel

The transformation of the Branded Retail Channel aims to significantly change the demographics of the channel ensuring that there is greater participation and inclusion of black SMMEs, persons with disability and the youth.

100%
Black-Owned

Supply chain transformation

Retail channel transformation



2.1 Procurement policy directive

Early payment terms – MTN pay at least 51% Black-Owned SMMEs within fifteen (15) days per the Amended ICT sector code requirements; three-year contracts – all SMMEs (> 51% BO) should be awarded a three-year contract.

Minimum 51%
Black-Owned



2.2 Black SMME enablement

Collaboration between MTN and Absa ensuring that SMMEs secure funding with Absa to enable them to carry out their contractual obligations. This programme has improved SMMEs cash flow and ensures sustainability of these entities.

Minimum 51%
Black-Owned
EMEs and QSEs



2.3 Localisation through infrastructure roll-out

Procurement infrastructure roll-out projects have optimised to enable participation of local Black-Owned SMMEs.

Minimum 51%
Black-Owned
EMEs and QSEs

Sustainable societies continued

Global sourcing and supply chain continued

Our value creation

UN SDGs



Our impact

1 670 vendors signed
supplier code of conduct



1 670 vendors
prequalified
following due
diligence in 2019

1 273 vendors
are monitored
or audited



293 vendors
trained on supplier
code of conduct
(or other types of training)



A number of vendors were rejected:
11 suppliers, most of the rejections were due to
high-financial risks, few related to reputational risks.

Looking forward

- With the emergence of COVID-19, we are providing the appropriate measures to support our suppliers as the impact of the pandemic unfolds.
- We will continue to focus on digitising decision support. Many of the digitisation initiatives are driving decision support and help us to procure the right products and services at the right time, thereby reducing waste as well as, the need to airfreight products and the movement of delivery vehicles through consolidation of inventory and better transportation planning.
- We are consistently reviewing and assessing solutions to enhance our due diligence process, to improve robustness and include additional data points that continue to improve and expand the due diligence of the organisations which we work with.



Sustainable societies continued

Case study



MTN challenges youth to find innovative ways to achieve the SDGs

Leveraging digital technology to eradicate poverty

UN SDG



The 2030 Agenda and its 17 SDGs, 169 targets and 231 indicators could be seen as the responsibility of politicians and policymakers. However, as pressures on people and the planet increase dramatically, it is evident that realising the ambitions of the SDGs will take collaboration across civil society, the private sector and the public at large. We know that digital technologies have a transformational impact on our ability to meet the 2030 Agenda.

The MTN ICT challenge joins the dots encouraging collaboration between South African youth, academics and business leaders by asking students from 26 universities to address problems in achieving the SDGs by harnessing the power of digital technology. MTN partnered with Enactus South Africa, an international non-profit organisation that brings together student, academic and business leaders committed to using the power of entrepreneurial action to improve the quality of life and standard of living for people in need.

The students had to develop digital health, education and agriculture services that contribute to alleviating the challenges experienced within these sectors, in the form of a service, platform or using gamification. The top six solutions included: Cape Peninsula University of Technology's health app Mobi-Health, University of Cape Town's Nozari mobile app, which provides instant translation of high school textbooks from English to other South African languages.

University of Fort Hare's Health Care Made Easy aimed at creating a link between healthcare facilities and patients; University of Johannesburg's Snap Solve, a mobile app which allows registered users to take pictures of any educational problems and have it explained; University of Pretoria's FarmFresh, a digital market for agricultural produce for small-scale farmers; and Vaal University of Technology's Notes, which provides students access to summarised and detailed notes made by other students.

Corporate social investment

Driving **socio-economic development** for **vulnerable** and **remote communities**.

Our approach

The digital revolution is transforming society and how livelihoods are created and maintained. However, in many instances, the advent of technology has also resulted in a deepening and widening of long pre-existing social and economic disparities, between the "haves" and the "have-nots". We can only flourish when the communities and ecosystems within which we operate are healthy and growing.

We leverage our core capabilities to enable the socio-economic development of the communities within which we operate, underpinned by our core belief that everyone deserves the benefits of a modern and connected life.

Africa is the world's youngest continent. As one of the largest digital providers on the continent, our footprint in youthful markets is far greater than any other provider globally. This market positioning is reflected in our approach to CSI. About 60% of Africa and Middle East's population is under the age of 24. While this demographic dividend represents exciting opportunities, it also poses challenges. Youth unemployment trends across our markets are exceptionally high. We believe we have an important role to play in building sustainable societies that can unlock the potential of young people and enable prosperity for all.

Digital solutions are essential to addressing the challenges of youth empowerment, digital skills development and job creation. We are ideally positioned to be a proactive leader in tackling this issue in a range of roles as thought leader, resource partner and innovator.

"It has been an absolute honour and truly gratifying experience being part of the MTN-ICT Enactus Challenge. It has reinforced the idea that young people have the capacity to get involved in a significant way. It equipped us with the day-to-day tools any young person needs in trying to make a difference." – University of Pretoria student

Sustainable societies continued

Corporate social investment continued

What we did

Our **CSI focus** for the year reflected the reorientation of our strategy towards the **key theme of driving youth empowerment**.

Finalised group CSI policy and strategy

- The group's new CSI policy has been developed and will be presented for approval in 2020. The policy sets out MTN's principles, focus areas as well as implementation and governance approach to CSI, with the aim of contributing towards inclusive and sustainable economic growth of the communities in which it operates.

Enhanced youth empowerment

- We recognise that to achieve our overarching strategic goal of youth empowerment, we need to take a systemic approach to job creation, enhancing competitiveness and driving inclusive growth. In 2019, our youth empowerment focused on scholarships, capacity building, the promotion of ICT skills and access to digital content, as well as entrepreneurship.

- We increased our focus on empowering young people in our markets. Programmatic support is aimed at people between the ages of 15 to 24 including school learners, students, young entrepreneurs and youth who are unemployed. MTN Foundation programmes in South Africa, Cameroon, Benin, Afghanistan and Nigeria, among others, have focused on youth empowerment through the installation of digital classroom, digital skills training, such as coding, as well as access to online platforms and scholarships.
- Young entrepreneurs are encouraged, mentored and supported through a number of programmes. This includes the SAGE entrepreneurial programme for schools, in South Africa, the Young Farmers Village in Cameroon and the **Yello** Start Up programme for entrepreneurs in Congo-Brazzaville. We believe investing in students who take entrepreneurial action for others creates a better world for us all.

Supporting national priorities

- In each country in which we operate, a portion of our CSI is allocated to programmes or projects that are aligned to the stated government National Development Plan (NDP) priority areas and are underpinned primarily by SDG 4: quality education and SDG 3: good health and wellbeing. National priority programmes also include support for rebuilding efforts following war or humanitarian incidents, disaster prevention and management, which tend to be once-off or donation-based in nature.
- Some examples of national priorities projects undertaken during the year under review include MTN Uganda's support for victims of the Bududa landslides in June 2019 and the MTN Foundation easy health access/"market doctor project" in Nigeria.
- The landslides in Uganda resulted in the death of six people and scores injured. As many as over 80 households had been washed away, leaving hundreds of survivors with no shelter, food and warm clothing among other needs. Partnering with the Uganda Red Cross Society, MTN donated relief items worth 30 million Shillings to the people affected by landslides.

MTN's CSI strategic framework

National priority area (NPA) (OPCO specific)

Meet the needs of communities where we operate by aligning with Government National Development Plan priority areas, contributing to UN SDG Goals



Youth empowerment (global programme)

Provide the youth with the tools, skills, access, knowledge and opportunity to become economically active citizens



Partnerships

A successful sustainable development agenda underpinned by partnerships with communities, governments, the private sector and civil society



Volunteering

Encouraging our employees to be co-creators and volunteers with their time and skills through 21 Days of **Yello** Care and beyond



Sustainable societies continued

Corporate social investment continued

- In Nigeria, most traders working in public markets can neither afford to make time to visit public health facilities, which are often understaffed, resulting in long waiting queues or use private health institutions, which are often too expensive. In partnership with Market Doctors, the MTN Foundation Easy Health Access Project aims to make affordable primary healthcare accessible to market women and their children. Volunteering medical personnel conduct medical tests for selected ailments such as high blood pressure, diabetes, hepatitis B and HIV. Where required, referrals are made to healthcare facilities. The Easy Health Access Project has successfully improved accessibility of primary healthcare services to approximately 40 000 people in the past year, while minimising disruption to social economic activities.

Volunteering

- Our 21 Days of **yello** Care employee volunteering programme gives MTNers the opportunity to contribute to the communities in which we operate. Over 11 000 MTNers working together with young people to create a brighter future. We focused on creating opportunities for employment, entrepreneurship and increasing or supporting skills development. Addressing substance abuse, mental health and wellbeing were also key aspects of our programme in 2019.
- To encourage all employees to develop and deliver an effective, sustainable initiative that will benefit communities, the MTN Group president and CEO awards a prize to the value of US\$100 000 to the most innovative and impactful initiative. The worthy winner of the 2019 overall award, MTN Eswatini, ensured an enduring, impactful programme by creating over 300 sustainable youth-owned businesses. More information on how we help build BRIGHTer lives in our communities is available on our website.

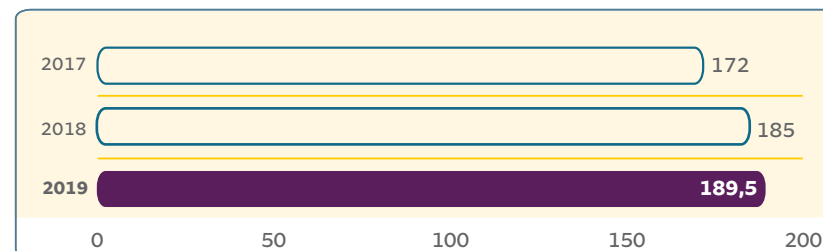
Our value creation

UN SDGs

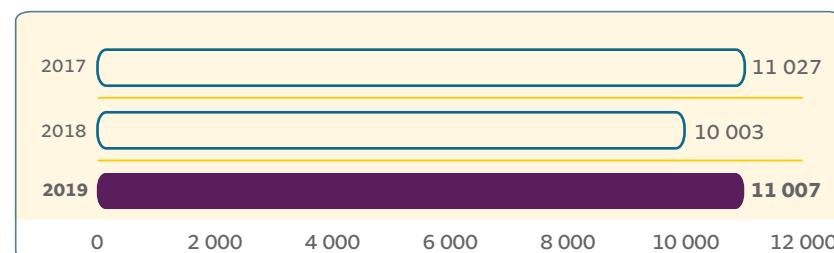


Our impact

MTN Foundation and CSI investment (Rm)



Employee volunteers (Number)



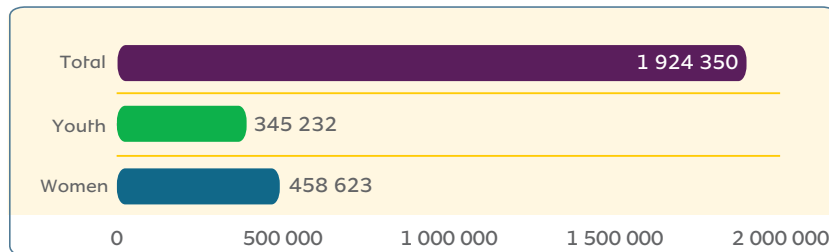
“Africa’s youth fully embrace the new bright and brave world that we live in today. We must follow.”
 – South African President Cyril Ramaphosa at the World Economic Forum

Sustainable societies continued

Corporate social investment continued

Our impact continued

Beneficiaries profile for 2019 (Number)



Looking forward

Our objective for 2020 and ahead is to leverage our core competencies to advance digital and financial inclusion particularly in marginalised and vulnerable groups. We will achieve this through the following:

- Approval and embedding of CSI policy.
- Implementation of **Y'ello** Hope package to alleviate the economic and social impact of COVID-19 through the support of key institutions such as Ministries of Health and Education.
- Launching a rural digital education programme to reach rural communities in our countries of operation, leaving no one behind.
- Partnerships to drive development of women and girls to bridge the digital gender gap.





Eco-responsibility

Artificial intelligence (AI) is changing the way we live and work at an unprecedented pace and holds great potential in helping us understand and manage our environmental impacts and resource use.

UN SDG



MTN, in partnership with a vendor management AI tool, embarked on a site optimisation platform proof of concept in 2019. 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. The platform then uses IBM Watson™ AI to choose the lowest cost

and lowest environmental impact power source based on site characteristics and historic performance.

The platform automatic selection of power sources has resulted in an initial 53% reduction in CO₂ emissions through the proof of concept process. Not only did the platform reduce negative environmental impacts, it also resulted in zero network downtime and continuously drives improvements across our infrastructure. We are very optimistic about these findings and the role AI stands to play at the heart of MTN's infrastructure programme.

Power management tool

Artificial intelligence holds significant potential to reduce our carbon footprint



Eco-responsibility

MTN is determined to ensure that our growth and success positively contributes to the future of our planet

Our approach

One of the most significant ways business is shaping the world we live in is through energy use and its contribution to climate change. Scientists and policymakers largely agree that Africa's population is more vulnerable to the effects of climate change than many other regions globally. We believe growth and success of any business should not come at the expense of the future of our planet. As a result, we take responsibility for our environmental impacts and manage the aspects that are within our control throughout our geographic footprint in Africa and the Middle East.

MTN primarily focuses on reducing our impact on the environments related to energy and climate, mobiles and health and reducing our resource use impacts since these issues are material to us. At present our largest impact is driven by our energy use. We are actively pursuing various energy reduction and efficiencies initiatives and investing in renewable energy sources.

What we stand for

We strive to **responsibly manage** the **use of natural resources**, while keeping in mind the **impacts of resource** use on both **people** and the **environment**.



Mobiles and health

We are committed to the protection of the general public against known adverse health effects from exposure to electromagnetic fields (EMF) by adhering to industry occupational and public protection limits on an ongoing basis with regards to our network equipment and MTN branded and distributed mobile devices, as best we can within our scope of control. Our position on mobiles and health are available online.



Networks and the environment

One of the largest areas of environmental impact by mobile network operators occurs during the installation of base station sites. MTN ensures that environmental, health and safety matters are considered and addressed during the process of planning, installation, deployment and maintenance of business operations by conducting environmental due diligence and impact assessments, ensuring regulatory compliance and implementing the necessary risk management plans where necessary to minimise impact. Our positions on networks and the environment are available online.

Eco-responsibility continued

Energy and climate

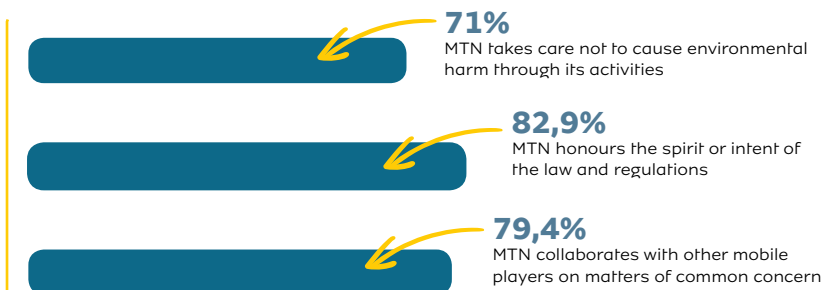
What we said we would do in 2019

| Activity | Progress | Results |
|---|----------|--|
| Development of a group energy management strategy | | Developed in 2019, to be approved and implemented in 2020 |
| Increase number of energy partner engagements | | Due to the constantly changing number of partnerships, we are unable to specify the number of energy partner engagements we had in 2019. Please refer to our energy and climate sections below for information on our partnerships |
| Review of Group EMP policy | | Developed in 2019, to be approved and implemented in 2020 |

Progress indicators:

Ongoing: on target Ongoing: behind target

Our stakeholders' view



Our approach

As global demand for energy increases the world is increasingly experiencing the impacts of climate change. The link between these two issues is undeniable, leading to complex questions of how to meet economic and global developmental goals while mitigating negative environmental impacts associated with climate change risks. MTN recognises our role in this and the importance of reducing our impact on the environment and on the societies in which we operate.

As we assess the likelihood and severity of energy and climate-related risks and impacts, we develop management solutions for more severe risks. Although the transition to a lower carbon economy poses significant transition risks, which we assess, there are also significant opportunities for businesses who are able to provide climate change mitigation and adaptation solutions.

MTN continuously works to reduce our own impacts by understanding our energy consumption and its drivers, managing anomalies and rectifying issues as they arise. We also focus on extracting greater efficiencies from our infrastructure and facilities and on replacing inefficient and old products with more efficient solutions. Where possible, we invest in renewable energy sources. Transparency and disclosure are also important to us. Consequently, we participate in the Carbon Disclosure Project on an annual basis, which is in line with the task force recommendations on climate-related financial disclosures.



Eco-responsibility continued

Case study



Getting smart about parking

Internet of Things (IoT) has the potential to efficiently reduce our environmental impact

UN SDG



The shortage of parking lots in large cities is an ever-increasing issue. Municipalities often rely on private companies to monetise their surplus parking spaces while roadside parking spaces are generally managed through self-payment meters.

In both cases, equipment and supervision costs are high and occupancy status cannot be monitored in real time, which results in inefficient planning and management. The IoT has the potential to efficiently manage the issue through internet-enabled sensors and a connected application.

Narrowband (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 in the broader community.

Through partnerships, MTN Irancell has launched a pilot project using NB-IoT technology to offer smart parking solutions in Mashhad city. Irancell will be responsible for providing NB-IoT coverage and SIM cards, while a local technology partner will provide the magnetic parking sensors and develop the platform to a commercially viable level.

After conclusion of the pilot project, future steps will be considered in order to scale the solution. The implementation of this pilot programme will empower Irancell and its partners to increase the maturity level of NB-IoT-based solutions, paving the way for future innovations.

What we did

In 2019, we **focused on partnerships** to help us **realise our goals of enhancing energy efficiency, reducing our greenhouse gas (GHG) emissions** and helping meet our **goal of transitioning to renewable energy**.

Signed up to the GSMA-led initiative for climate action

- The GSMA-led industry-wide plan to achieve net-zero GHG emissions by 2050 is in line with the Paris Agreement. The initiative will develop a climate action roadmap for the mobile industry, which will reduce the risks and effects of climate change. Our participation in the initiative will inform our approach and action on climate change, particularly in defining targets and establishing a clearly defined roadmap to achieve our goals.

In 2019, we signed up to the GSMA-led climate initiative to develop an industry-wide climate action roadmap and decarbonisation pathway for the mobile sector in line with the Paris Agreement.

Rolled out additional network sites impacting energy use and GHG emissions

- To meet our goal of digital inclusion, we increased the number of network sites by 2% in 2019. MTN's energy consumption and GHG emissions are primarily driven by the number of base station sites, which resulted in:

Increase of energy consumption
14% to
22 808 701GJ

GHG emissions increased by
7% to
2 281 348tCO₂e

GHG emission per subscriber reduced by
0,2%
0,0090tCO₂e/
subscriber

Eco-responsibility continued

Energy and climate continued

Our energy sources are predominantly diesel and power from national grids (including grids powered by fossil fuel sources, hydro power and others). We also co-generate and self-generate some power from gas, solar and hybrid solutions. Given the variable conditions and energy supply challenges in many of our markets, each of our operations have set individual energy management objectives and strategies. This ensures that customised outcomes suitable for local operating conditions are implemented.

Nearly half of MTN's energy use and associated GHG emissions are Scope 3 emissions, which are not within our control as a result of leased services. Our network tower outsourcing strategy, for example, currently sees 44% of our network sites operating from assets leased from tower management companies. We are partnering with equipment manufacturers to consistently maintain and upgrade their products to ensure optimal operations and efficient use of energy and to provide MTN with innovative solutions that can ultimately help us reduce our GHG emissions. MTN is also working with network tower companies to put reduction mechanisms in place to reducing Scope 3 emissions.

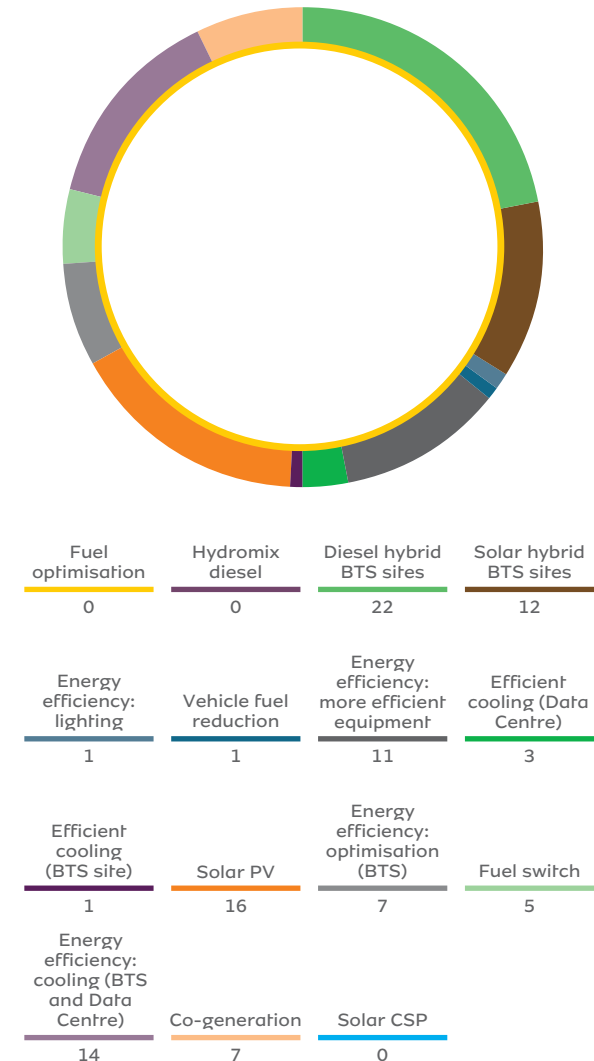
As we continue to connect more people, our net energy use and GHG emissions are increasing either through our operations or those of our partners. At this stage, we cannot decouple our growth from increased environmental impact completely, but we are actively working on reducing the gap between business growth and fossil-fuel based energy consumption to mitigate our impacts as described in the following sections.

Focused on efficiencies and renewable energy

- We continued to focus on ensuring our base station and data centre sites are as efficient as possible and, where possible, are powered by renewable energy sources. The cumulative number of the efficiency and alternative energy solutions implemented between 2011 and 2019 are indicated below.

"Today's announcement marks the start of a collaborative action by the mobile industry to tackle the climate emergency, demonstrating how the private sector can show leadership and responsibility in addressing one of the gravest challenges facing our planet." – GSMA

Efficiency and alternative energy solutions implemented between 2011 and 2019 (%)



Eco-responsibility continued

In 2019, we installed 54, increasing the total number of renewable energy sites by 9%.

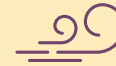
Lifecycle analysis shows that batteries last longer than before, allowing us to consume less fossil fuel-based power. We are increasingly using a combination of diesel, renewable energy and battery solutions on some sites to ensure the availability of power with the lowest environmental impact. In 2019, we shortlisted a number of vendors who will now provide us with new, more efficient batteries on new and upgraded sites, or sites where replacements are required.

Identified and managed energy and climate risks

- Environmental risks are part of the group's risk management framework and quarterly principal risk reports are consolidated and reviewed by management. Risk monitoring and management received increased attention in 2019, as we tracked potential risks and impacts to our business in line with both the CDP and task force on climate-related disclosures (TCFD) guidelines. MTN's top energy and climate-related risks are monitored regularly and management solutions are focused on mitigating, reducing, outsourcing or adapting to these risks.



Risks



Physical

Description

Acute and chronic physical climate change effects include extreme weather events, high rainfall and snow fall levels, high temperatures and sea level rise impacts on infrastructure

Management solutions

- Preventative measures are taken to minimise physical risks in site selection including environmental surveys and impact assessments
- Site resilience is increased through regular maintenance schedules and preventative maintenance



Energy supply security and costs

Includes the availability, reliability, supply and cost of energy. Examples include increased energy costs and frequent grid power outages

- Implementation of a broad range of energy management solutions, including monitoring and measurement of peak demand and battery storage solutions
- Inclusion of radio access network (RAN) features for energy efficiency



Regulatory and financial

Includes current and emerging regulations that attempt to constrain actions that contribute to adverse effects of climate change or promote adaptation and mitigation to climate change. Examples include carbon taxes regulation (currently only applicable to operations in South Africa) and environmental protection requirements

- Ongoing monitoring of regulatory developments for changes to existing, or emerging climate-related regulations
- Preparing for taxes and regulatory requirements in financial planning processes and by reducing GHG emissions through various initiatives in South Africa where carbon tax regulation was implemented effective 1 July 2019. We have completed MTN South Africa's 2019 estimated carbon tax liability which is currently not financially material

Eco-responsibility continued

Energy and climate continued

Engaged in partnerships and using tools to meet energy and climate objectives

- Engaging with equipment manufacturers, product vendors and tower management partners in our technical infrastructure value chain helps us reduce energy use and GHG emissions. We seek partners that are already focused on reducing their own energy use and GHG intensities, have climate-related goals and who share our vision of transitioning to a more efficient and environmentally friendly network. In 2019, we accelerated our rapid rural roll-out (R³) programme with 497 solar-powered sites installed in nine countries in partnership with various vendors. The environmental results of this programme are depicted below.
- Energy losses and waste are a key contributor to GHG emissions. Machine learning systems that use autonomous artificial intelligence promise to efficiently manage energy systems, manage the switch to cleaner sources of energy dynamically and inform decision making. In 2019, we tested a power management tool through a proof of concept process. The power management tool was installed on three network sites. Firstly, to determine a baseline of energy usage and secondly to implement the tool's energy management function and to reduce our net energy consumption. The results were positive, we will develop a request for proposal (RFP) process to secure and deploy such tools to more network sites across our operations in the last quarter of 2020.

Implemented Internet of Things (IoT) solutions for climate management

- We are leveraging our core business capabilities to support other industry sectors to reduce their environmental impacts. This can be achieved through an effective eco-system that will enable us to offer more enhanced and advanced IoT and smart solutions, which we are currently building. One of the objectives of such solutions is real-time or near real-time fault and wastage alerts, enabling our customers to monitor their use of energy, track assets, reduce air pollution and more. This will result in cost savings and environmental benefits for enterprises.

Case study



Continuing our focus on e-waste

Leveraging e-waste solutions to ensure responsible consumption and production

UN SDG



As the use of electronics increases the need to responsibly manage the disposal of e-waste increases in parallel. Since 2016, MTN Ivory Coast has been collecting and recycling e-waste, which has resulted in 72 tonnes of e-waste being diverted from landfills.

In 2019, MTN Ivory Coast and its partners launched a second e-waste collection campaign. The goal of the second campaign is to empower the population of the Abidjan district to continuously take part in e-waste collection and recycling. The success of the campaign required collaboration and partnerships. Throughout the campaign people are invited to bring their e-waste and other electronic equipment including appliances, refrigerators, telephones, computers, game consoles, televisions, remote controls and used batteries to

specific containers installed at various locations throughout the district.

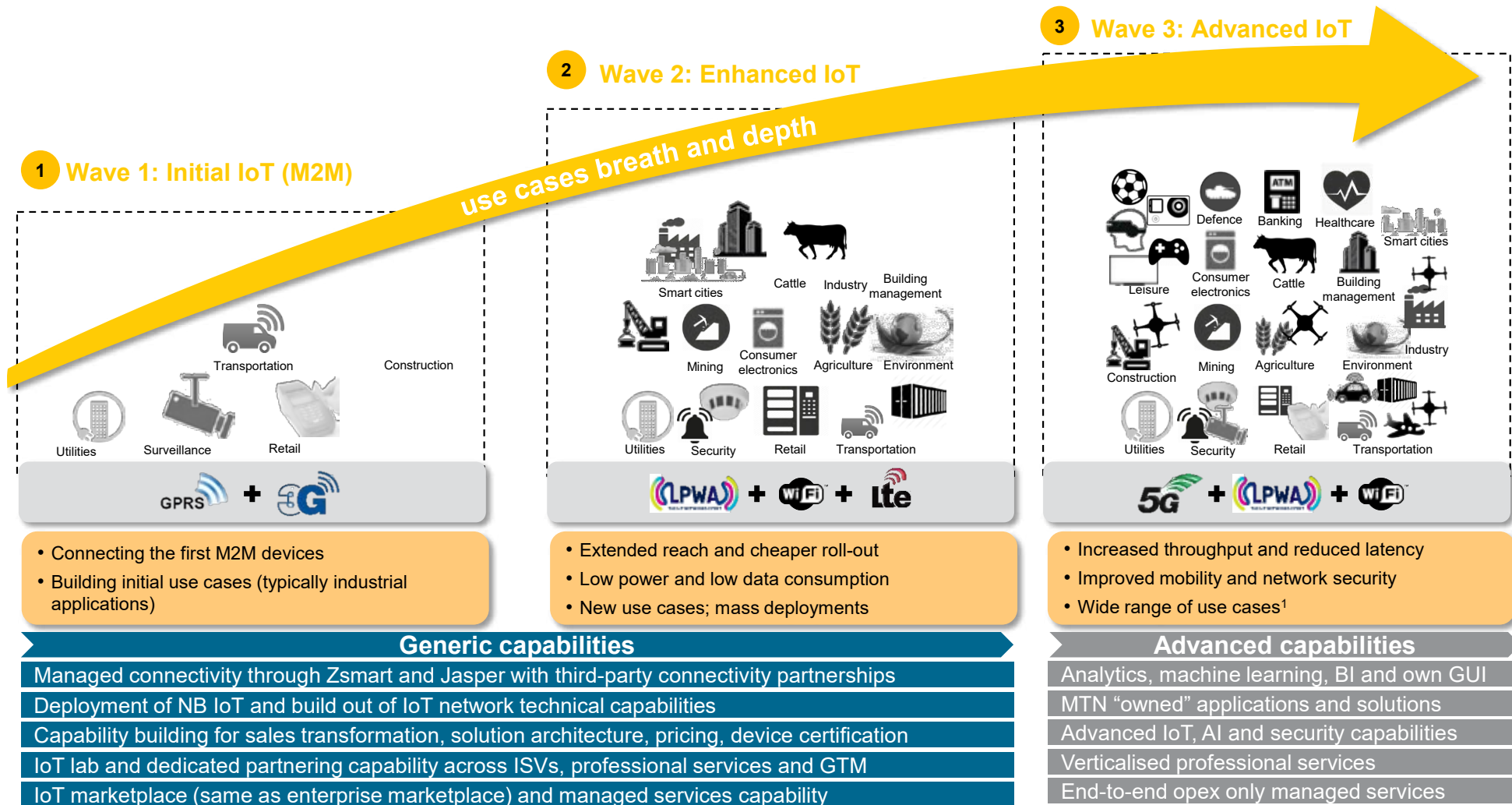
MTN Ivory Coast, in partnership with EWA-PAGANETTI, and Prosuma, a supermarket chain, extended the reach of the e-waste collection campaign by providing collection points in Prosuma supermarkets. Teams of ambassadors are present at collection sites to educate visitors on the importance of e-waste recycling.

The collection of e-waste reduces the health risks associated with improper e-waste disposal and ensures that we protect the environment from pollution. To date, the campaign has enabled the collection and recycling of more than 20 tonnes of electrical waste and electronic equipment in the Abidjan district.

Eco-responsibility continued

Energy and climate continued

MTN is a connectivity leader and this should be no different in the rapidly growing IoT domain



Eco-responsibility continued

Energy and climate continued

In 2019, we focused on two applications of a Narrow Band-IoT (NB-IoT) solution to trial these solutions and understand their potential benefits. IoT is an energy-efficient technology that connects objects that have long battery lives and which support deep network coverage over wide areas. Its capability can also provide wider-network coverage more cost effectively and offers the ability to monitor infrastructure performance and manage scarce resources more effectively.

This increases labour and equipment costs. In Iran, the lack of parking spaces in large cities is increasingly causing significant traffic congestion and air pollution. We piloted an NB-IoT smart parking solution which uses magnetic parking sensors to detect the availability of parking spaces. Drivers can also search for available parking bays and navigate to the parking lots via an app. This results in multiple benefits including reduced time and fuel consumption, cost and air pollution reduction and increased turnover of space resources. This pilot implementation will help MTN and its partners to increase the maturity level of NB-IoT-based solutions over time.

Our value creation

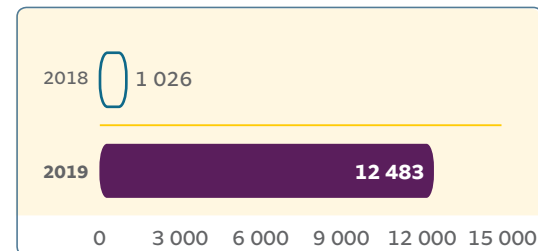
UN SDGs



Based on implementation of key initiatives:

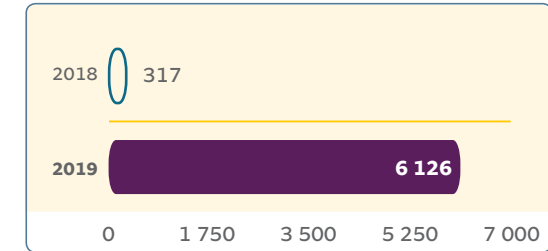
Total electricity saved

Total electricity saved (MWh)



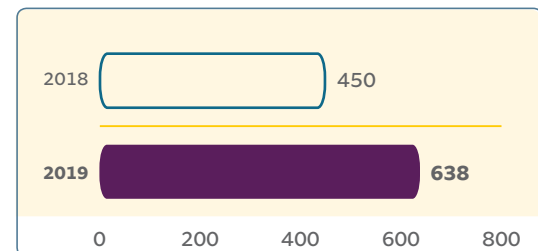
Total diesel reduced

Total diesel reduced (kl)



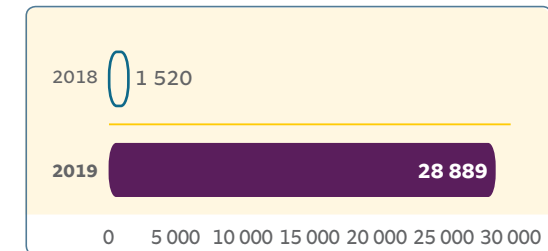
Other renewable powered sites (cumulative)

Renewable powered sites (Number)



GHG emissions reduced and avoided

GHG emissions avoided (tCO₂e)



Looking forward

- We will finalise our energy strategy to accelerate efficiency and renewable energy programmes and set targets to measure progress and drive improvements.
- Launch of Project Zero to drive energy saving and efficient solutions to improve fuel consumption and reduce carbon emissions.
- Based on our 2019 proof of concept outcomes, we will investigate the business case for our power management tool and issue an RFP for vendors with potential solutions to assist in intelligent energy monitoring and switching to lower cost and carbon-intensive power sources for our network.

Eco-responsibility continued

Environmental resources

Our approach

Environmental resources are common goods that must be managed sustainably for the benefit of all people. We operate in various geographies which influences how we manage environmental resource use on a per country basis. As a result, we work to remain compliant with the national laws and environmental regulations of the countries in which we operate while maintaining group-wide standards.

We comply with electromagnetic field (EMF) exposure limits set by the international commission on non-ionising radiation protection (ICNIRP) and relevant national regulators where applicable, in the countries in which we operate. We also ensure that user equipment supplied directly by MTN, like handsets, complies to the relevant specific absorption rate (SAR) limits in addition to undergoing conformity assessment specific to the country in which they are supplied. To this end, we maintain an in-house EMF testing facility as an additional step of verification.

We take a conservative approach to the use of resources such as paper, plastic, water and other resources through demand reduction, refurbishment, recycling and upcycling. Employee awareness and support is also critical to ensuring that the individual actions to conserve resources result in meaningful outcomes.

“Waste stored at home or in marketplaces is a hazard for people and their health. It is therefore important to collect and recycle it. Recycling helps to create jobs and will enable the Ivory Coast to achieve its goal of being a waste-free country by 2020.”

– Ivory Coast Department of Environment

What we did

In 2019, we **focused on staying up to date with international developments and further developing our operations to better manage our environmental resources.**

Reviewed of Group EMF policy

- The group is focused on situational awareness, governance and management oversight of EMF to ensure risk management and standardised compliance across all operations over time. We are currently reviewing our EMF policy, which we will finalise in 2020. The purpose of the policy is to prescribe standards and guidelines to ensure compliance with national and international EMF exposure limits across the group. The policy is supported by a review of EMF management, activities and procedures across our operations.

Maintaining pace with international EMF developments

- The continued development of wireless network technologies and increased stakeholder engagement has focused the industry on ensuring safe and sustainable development. In 2019, MTN participated in several global forums on the subject globally and joined the GSMA global working group on EMF and health.
- We follow developments regarding the revision of the ICNIRP guidelines on EMF exposure which are expected to be finalised in the first half of 2020. According to the ICNIRP, the revised guidelines apply to all people, young and old, sick and healthy, and they apply to all radio frequency spectrum bands that have been identified for 5G. At present the existing guidelines, to which MTN complies, adequately cover 5G equipment. MTN continues to comply with international standards and strives to keep EMF exposure as low as reasonable and achievable.

Conserving environmental resources

- MTN's green office programme helps our operations identify how to conserve resources, reduce consumption and ensure responsible waste, recycling and upcycling management practices. Through this programme, we also seek opportunities to engage with external stakeholders such as environmental regulators, community organisations and customers, either by partnering with them to extend our existing resource conservation initiatives, or to support the development of standards, skills or income-generating opportunities related to waste management.

Eco-responsibility continued

Environmental resources continued

- Employee awareness has been critical to enabling environmental resource savings. In addition to ongoing communications and engagements such as motivating our employees to manage their environmental impacts through competitions, we leverage global environmental dates such as Earth Hour and World Environment Day to create awareness of specific environmental issues such as energy use and air pollution. We also offer our employees practical advice on how to reduce their impacts on the environment.

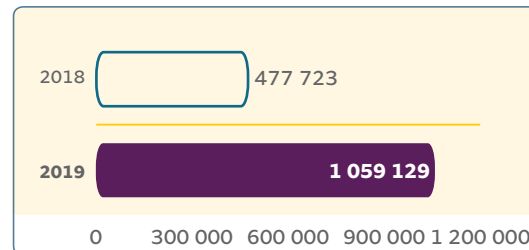
Our value creation

UN SDGs

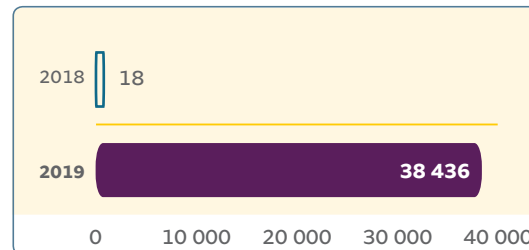


Green office key highlights

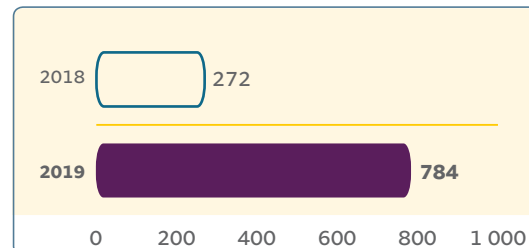
Electricity savings: non-technical operations (kWh)



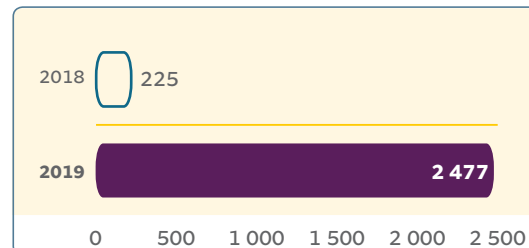
General waste reduced/recycled (kg)



E-waste (tonnes)



Paper use avoided (kg)



- In our operations end of useful life mobile and other electronic and electrical devices are given to e-waste management companies for value extraction and safe disposal in a number of countries. In 2019, we recycled 784 tonnes of e-waste across our operations. We also contracted suppliers with specific terms to replace existing network batteries or install new batteries ensuring safe and proper disposal, in compliance with e-waste regulations and environmental management standards in each of the countries in which we operate.

Looking forward

- We will finalise the group EMF policy to formalise and harmonise compliance with EMF exposure limits across all operations.
- We will review the green office programme to identify opportunities to enhance impactful outcomes, potentially by focusing on a single resource area.





Annual sustainability statements

Our annual sustainability statements bring together key sustainability indicators throughout the report as well as additional indicators used to track our sustainability journey in the year under review.

UN SDG



Our sustainability statements list MTN's social and environmental and social business performance in terms of the standards described in the sustainability reporting standards and guidelines at the beginning of this report. We set out our performance in terms of material indicators that provide a clear, comprehensive and useful measure of our progress quantitatively.

This statement complements and extends the MTN Group statement on how we create and sustain value, as reported in the MTN Group Limited integrated report for 2018. The group's GRI  and Integrated reports  are available online. To obtain additional information on MTN's Sustainability go to MTN's website .

We strive to continuously enhance our effectiveness, accountability and transparency as an organisation



Annual sustainability statements continued

The table below lists MTN's social and environmental and social business performance in terms of the standards described in the sustainability reporting standards and guidelines at the beginning of this report. We set out our performance in terms of material indicators that provide a clear, comprehensive and useful measure of our progress quantitatively.

This statement complements and extends the MTN Group statement on how we create and sustain value, as reported in the MTN Group Limited integrated report for 2019. The group's UN GRI and other sustainability and integrated reports are available at [globe icon](#).

| Indicator | Unit | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------------------|---------|-------------------------|-------------------------|-------------------------|-------------------------|
| The workplace | | | | | | |
| Total employees | Number | 19 288 | 18 835 | 18 931 | 19 989 | 21 804 |
| Contractors and temporary employees | % of total employees | 16 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |
| Employee turnover | % of total employees | 5 | 4,53 | 7,9 | 7,2 | 7,8 |
| Employees retrenched | Number | 113 | 151 | 337 | 330 | 335 |
| Females | % | 37 | 37 | 37 | 37 | 37 |
| • Females at group board level | Number | 3 | 4 | 3 | 3 | 3 |
| • Female management 3 and up | % | 28 | 27 | 27 | 27 | 26 |
| • Females in succession pool | % | 21 | 16 | Not previously reported | Not previously reported | Not previously reported |
| • Female senior management 3H and up | % | 26 | 24 | 24 | 24 | 25 |
| • Females in middle management | % | 29 | 29 | 29 | 28 | 27 |
| Unionised employees | | | | | | |
| Employees unionised (South Africa) | Number | 47 | 22 | 22 | 22 | 16 |
| Employees unionised (Group) of permanent employees | Number | 13 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |
| Learning and development | | | | | | |
| • Spend | R million | 271 | 270 | 252 | 392 | 224 |
| • Time spent on employee development | Total hours | 571 445 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |
| • Hours per employee | Hours per employee | 30 | 18 | 22 | 32 | 13 |
| Employee culture survey results LA | % | 80 | 78 | 75 | 67 | 66 |
| Employees receiving performance review | % | 99 | 96 | 95 | 95 | 100 |
| Wellness and safety | | | | | | |
| • Deaths | Number | 9 | 1 | 1 | 3 | 0 |
| • Workplace-related serious injuries | Number | 23 | 14 | 34 | 22 | 17 |

Annual sustainability statements continued

| Indicator | Unit | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---------------------------------------|---------|-------------------------|-------------------------|-------------------------|-------------------------|
| Ethics | | | | | | |
| Employee perceptions of MTN as an ethical organisation | % | 79 | 78 | 75 | 73 | 72 |
| Calls to tip-offs anonymous whistle-blower line | Number | 132 | 94 | 119 | 120 | 128 |
| Additional certified ethics officers | Number | 7 | 11 | 27 | Not previously reported | Not previously reported |
| Ethics e-learning course completion by staff | Number | 10 998 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |
| Conflict of interest declarations | % of employees | 55 | Not available | Not available | Not available | Not available |
| Disciplinary sanctions enforced total | Number | 232 | 157 | 400 | Not available | Not available |
| • Not guilty | Number | 7 | 9 | 4 | Not available | Not available |
| • Counselling | Number | 8 | 4 | 8 | Not available | Not available |
| • Verbal warning | Number | 63 | 35 | 76 | Not available | Not available |
| • Written warning | Number | 44 | 61 | 87 | Not available | Not available |
| • Final written warning | Number | 38 | 16 | 131 | Not available | Not available |
| • Suspension | Number | 17 | 10 | 52 | Not available | Not available |
| • Dismissal | Number | 41 | 20 | 42 | Not available | Not available |
| • Pending | Number | 14 | 2 | – | Not available | Not available |
| Instances of employees acknowledging colleague ethics/integrity | Recognition system introduced in 2017 | 121 480 | 100 401 | Not available | Not available | Not available |
| Supplier endorsement of supplier code of conduct | Number | 1 670 | 1 197 | 175 | Not available | Not available |
| Suppliers prequalified following due diligence | Number | 1 670 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |
| Change to suppliers monitored or audited | Number | 1 273 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |
| Suppliers trained | Number | 293 | Not previously reported | Not previously reported | Not previously reported | Not previously reported |

Annual sustainability statements continued

| Indicator | Unit | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---------------------|---------------------|------------|---------------|---------------|
| Environment | | | | | | |
| Total energy consumption | GJ | 22 808 701 | 19 543 742 | 19 095 879 | 13 958 119 | 15 212 286 |
| • Electricity | GJ | 6 293 608 | 5 997 898 | 4 939 263 | 4 327 157 | 3 812 440 |
| • Diesel | GJ | 16 315 508 | 13 257 391 | 13 699 077 | 9 050 707 | 11 243 698 |
| • Other | Petrol, LPG and natural gas | 199 585 | 288 452 | 457 539 | 580 255 | 156 148 |
| GHG emissions total | Tonnes carbon dioxide and equivalent (tCO ₂ e) | 2 281 348 | 2 131 042 | 2 006 248 | 1 609 174 | 1 589 888 |
| • Scope 1: direct emissions | tCO ₂ e | 466 163 | 270 721 | 324 101 | 315 603 | 645 428 |
| • Scope 2: indirect emissions | tCO ₂ e | 895 748 | 973 465 | 806 339 | 755 109 | 651 233 |
| • Scope 3: indirect emissions | tCO ₂ e | 919 437 | 886 857 | 875 808 | 538 462 | 293 227 |
| GHG intensity per subscriber | tCO ₂ e/subscriber | 0,0090 | 0,0091 | 0,0091 | 0,0071 | 0,0072 |
| Energy savings: diesel | kℓ | 6 126 | 0 030 | 313 | 3 705 | 2 870 |
| Alternative energy sites | Number | | | | | |
| • Cumulative to year under review | | 4 262 | 3 578 | 3 147 | 2 688 | 1 687 |
| • Current year under review | | 684 | 64 | 459 | 1 001 | 1 132 |
| GHG avoided/reduced | tCO ₂ e | 28 889 | 2 188 | 1 529 | 833 | 7 947 |
| Green office | | | | | | |
| • E-waste | Tonnes | 784 | 272 | 216 | 537 | 535 |
| • Paper use avoided | Kg | 2 477 | 225 | 1 617 685 | 15 646 | 15 271 |
| • Electricity savings: non-technical operations | kWh | 1 059 129 | 477 723 | 807 181 | 518 023 | Not available |
| • Potable water savings | kℓ | No reported savings | 86 | 144 000 | Not available | Not available |
| • General waste reduced/recycled | kg | 38 436 | 18 | 141 728 | Not available | Not available |
| • Plastic, metal, drinks cartons avoided | kg | 32 | No reported savings | 1 540 | 1 808 | 629 |

Annual sustainability statements continued

| Indicator | Unit | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|------------------|---------|--------|--------|--------|-------|
| Corporate social investment (CSI) | | | | | | |
| CSI (MTN Foundations) | R million | 189,5 | 185 | 172 | 294,4 | 335,4 |
| Total number of beneficiaries | Number (million) | 1,9 | — | — | — | — |
| Number of youth beneficiaries | Number | 345 232 | — | — | — | — |
| Number of girls/women beneficiaries | Number | 458 623 | — | — | — | — |
| Number of differently abled persons supported | Number | 11 143 | — | — | — | — |
| Number of projects implemented | Number | 150 | — | — | — | — |
| Number of scholarships awarded | Number | 2 585 | — | — | — | — |
| Number of digital learning/computer laboratories established | Number | 36 | — | — | — | — |
| Employee volunteers | Number | 11 007 | 10 003 | 11 027 | 10 459 | 8 209 |
| Youth trained on ICT/digital skills during Y'ello Care | Number | 7 149 | — | — | — | — |
| Y'ello Care overall beneficiaries (direct and indirect) | Number | 71 831 | — | — | — | — |
| Y'ello Care Cause Day beneficiaries (direct and indirect) | Number | 46 806 | — | — | — | — |

1. These are emissions that have been avoided or reduced through efficiency and renewable energy investments. MTN's Scope 1 and 2 emissions would have been higher than reported in the table above, if these interventions had not been undertaken.