

# Sustainability report continued

## ***Environmental performance indicators***

### ***Compliance***

- MTN South Africa currently maintains its ISO 9000 and ISO 14000 accreditations and is approximately 60% aligned with OHSAS 18000 certification standards. MTN hopes to achieve full certification in 2007. The Group continues to promote enterprise-wide awareness for the ongoing implementation of ISO 14001.
- MTN South Africa has implemented a risk-based environmental management system and is well advanced in implementing a risk-based safety and health management system. The MTN Group aims to extend South African SHE operating standards across the Group.
- MTN Zambia adheres to Group standards for environmental, health and safety guidelines, which are typically more stringent than existing legislation. Existing legislation – such as the Environment Protection and Pollution Act Chapter 204 of the Laws of Zambia – governs all issues relating to the environment, but has not been revised to accommodate the growth impacts of the telecommunications sector.

## ***Materials***

### ***Base stations***

MTN South Africa has site-sharing agreements in place with both Vodacom and Cell C and continuously strives to improve on these agreements. MTN has also entered into an agreement with Vodacom and Cell C to adhere to a process of maintaining electromagnetic frequency radiation safety levels. Through this process, the three companies collectively reduce the risk of harmful exposure to staff and contractors when entering shared base station sites.

MTN Cameroon has also signed a sharing infrastructure agreement with the different operators in the Cameroon telecommunication sector. This agreement aims to reduce the costs and environmental impact of building base stations.

### ***In-house conservation and recycling***

In response to a corporate environmental impact analysis performed in 2005, MTN South Africa has continued to enhance its in-house paper conservation and ink cartridge recycling efforts. In addition, MTN South Africa now submits electronic statements to customers to

reduce its ink and paper use. Overall, the Group is enhancing its electronic communication – both internally and externally – to reduce the need for manual printing.

In addition to standard waste collection services offered by municipalities, MTN South Africa has embarked on an e-waste initiative that ensures electronic equipment is disposed of responsibly by specialist contractors. Specific emphasis is placed on the disposal of plastic associated with computers.

During the coming year, MTN South Africa will refine targets to measure progress on its conservation and recycling efforts.

### *Energy use*

The Group continually examines options for improving ecological and economic efficiency of its energy use. MTN South Africa is our biggest operation to date in terms of office space.

Overall, our energy use is mainly associated with:

- Servicing of office buildings.
- The supply of power to switches and base station sites – including associated air conditioning to base stations.
- The use of diesel and petrol in network vehicles, base station site generators and switch standby generators.



### *Water*

Water use in the Group is minimal and limited primarily to:

- Consumption at corporate offices.
- Minor applications in network operations, such as cleaning vehicles at warehouse sites.

### *Emissions, effluents and waste*

The MTN Group's activities result in limited emissions to air or water. Emissions are generated mainly from air travel, vehicle fuel supply and base station power generation. MTN also recognises public concerns on potential health hazards associated with electrical emissions from everyday cellphone use and the disposal of used and damaged phones and accessories. The Group promotes the responsible life-cycle management of all its product sets

## Sustainability report continued

including products used in the office, by active product disposal, re-use or recycling initiatives.

The Group is conscious of the need to ensure effective management of any

hazardous materials and has procedures in place to monitor and regulate the use of certain materials such as ozone-depleting substances, asbestos, lead-based paints and batteries containing heavy metals.



### *Using biofuels to expand mobile coverage*

The MTN Group, the GSM Association and Ericsson have teamed up to pilot biofuels as an alternative source of power for base stations. While being implemented in Nigeria, the project aims to demonstrate the potential of using biofuels to replace diesel as a source of power for mobile base stations located beyond the reach of the electricity grid. The use of biofuels could address challenges associated with poor access to electricity and other energy sources in emerging markets.

The pilot biodiesel-powered base station solution is located in Lagos. In future, MTN will deploy biodiesel-fuelled base stations in rural regions of south-eastern and south-western Nigeria.

The three participating organisations are setting up a supply chain designed to benefit the local population by sourcing a variety of locally-produced crops and processing them into biofuel. Groundnuts, pumpkin seeds, jatropha and palm oil will be used in the initial pilot tests.

Biodiesel has several important advantages over conventional diesel as a power source for base stations:

- It can be produced locally, creating employment in rural areas while reducing the need for transportation, related logistics and security.
- It has a much lower impact on the environment compared to conventional diesel.
- The cleaner-burning fuel results in fewer site visits and also extends the life of base station generators, reducing operator costs.

## *Products and services*

### *Product stewardship*

#### *Recycling phones and batteries*

The Group actively promotes recycling of cellphones and batteries. MTN encourages customers to return used batteries so that these may be disposed of through approved waste disposal channels. Any used product items not returned to the manufacturer are sold as second-hand items. The responsibility for the disposal of used items is transferred to the second-hand purchaser or manufacturer.

#### *Scratch cards*

The disposal of recharge cards constitutes an indirect waste stream generated by the Group's business operations. As operating units have varied product distribution channels and customers randomly dispose of recharge cards, disposal activities cannot be pro-actively managed by MTN's operations to prevent negative environmental and social impacts. Despite this challenge, MTN attempts to limit the effects of scratch cards on the environment by continuing to purchase biodegradable scratch cards in accordance with the requirements of national environmental authorities, emphasising the use of biodegradable plastics and promoting the use of virtual airtime top-ups.



### *Mast siting*

#### *Policy and practice*

The MTN Group follows numerous procedures when constructing base stations, giving due consideration to their environmental and visual impacts. These include:

- Identifying the need for new base stations and assessing the availability of alternative development sites, alternative designs, processes and materials as well as potentially taking no action.
- Considering the visual impacts of masts in residential areas and removing them as far as possible from private residences.
- Performing the required environmental impact studies and obtaining all applicable legislative approvals and

## Sustainability report continued

compliance certification, as legislated in the countries in which the Group operates.

- Consulting with community stakeholders.
- Monitoring and managing the activities of suppliers and contractors during the construction of new base stations – this includes monitoring their obligations to dispose of rubble responsibly and to protect fauna and flora in surrounding areas.
- Rehabilitating construction sites to their original conditions after erecting new base stations.
- Visiting base stations at four-monthly intervals to monitor waste generation and to assess environmental impacts and clean-up requirements.

*The table below outlines the MTN Group's infrastructure coverage in the countries covered in this review.*

Region	Number of base stations in countries covered in the review	2006	2005
<b>South and East Africa</b>	South Africa	<b>4 932</b>	4 669
	Swaziland	<b>84</b>	76
	Zambia	<b>126</b>	59
	Uganda	<b>342</b>	312
	Rwanda	<b>99</b>	88
<b>West and Central Africa</b>	Nigeria	<b>2 518</b>	2 120
	Cameroon	<b>315</b>	284
	Côte d'Ivoire	<b>484</b>	406
	Congo-Brazzaville	<b>59</b>	54



**Key contacts**

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