

MTN Group Limited

Sustainability Report for the year ended 31 December 2023

Doing for tomorrow, *today.*

Leading digital solutions for Africa's progress


MTN
30
Years

Welcome to our 2023 Sustainability Report

Our purpose *is to enable the benefits of a modern connected life for everyone*



Inside this report

01 **About this report**

02 Our reporting suite
03 Navigating this report
04 About this report

02 **Our sustainability context**

07 Who we are
10 Message from our Group President and CEO
12 Our sustainability context
13 Our sustainability strategy
14 Our ESG performance
15 Driving positive UNSDG outcomes
17 Responding to our stakeholders

03 **Doing for planet**

19 Taking action for the atmosphere
25 Protecting and restoring our land
30 Working towards water resource protection

04 **Doing for people**

32 Accelerating digital inclusion
41 Driving financial inclusion
46 Supporting a skilled, diverse and inclusive society
52 Uplifting our communities through digital inclusion

05 **Doing it right**

61 Safeguarding our people and customers
69 Embedding ethical and responsible business practices
76 Partnering for an ethical supply chain

06 **Doing for growth**

79 Enabling local economies
85 Empowering local enterprises
90 Enabling local capacity building
92 Administration

Our reporting suite

Our Sustainability Report is supplemented by a number of reports that provide a comprehensive view of MTN's performance and prospects covering environmental, social and governance (ESG) aspects. These reports go beyond traditional financial reporting by integrating sustainability and non-financial information.

Integrated Report

IR



Our primary communication to stakeholders aims to help them make informed assessments of our performance and prospects, strategic direction and the value we create through our activities. It provides a forward looking perspective on MTN's financial and non-financial performance, encompassing strategy, risks and opportunities, targets and governance.

Sustainability reporting

The following suite of reports provides information on MTN's strategy and performance related to sustainability issues with potential impact on our organisation, society and the environment. The reports detail MTN's environmental and social policies, governance, strategies, risks and opportunities. The reports also provide detailed performance data on a wide range of ESG metrics and targets. MTN's sustainability disclosures are structured and informed by the voluntary Global Reporting Initiative (GRI) Standards (2021) and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards (IFRS S1 and IFRS S2), which have fully integrated the Task Force on Climate-Related Financial Disclosures (TCFD) guidance. The reports detail MTN's policies, governance strategies, risks and opportunities relating to sustainability considerations.

SR



Sustainability Report

ESG



ESG Data Booklet

TR



Transparency Report

CR



Climate Report

Regulatory and reporting frameworks used:

IFRS | Companies Act | JSE | GRI | KING IV | UN Global Compact | B-BBEE Act | Amended Financial Sector Code (FSC) | Sustainable Development Goals | Integrated Reporting | Equator Principles | GSMA | SASB Standards | ESG Matrix for Mobile

Financial reporting

These reports include an analysis of the Group's financial results, a five-year review, and MTN's approach to handling uncertain tax positions. They provide insight for current and prospective investors, employees, creditors, analysts and other stakeholders. They disclose details of MTN's income statement, financial position, cash flows, performance per share, as well as key non-financial information.

AFR



Annual Financial Results

AFS



Annual Financial Statements

TAX



Tax Report

5-YR



Five-Year Review

Information for shareholders

AGM



Notice of AGM

The Notice of AGM and form of proxy give information to shareholders who want to participate in the Group's Annual General Meeting (AGM).

KIV



King IV Assessment Report

This provides a summary of the application of the King IV™ principles by MTN Group Limited and Mobile Telephone Networks Holdings Limited.

Navigating this report

Throughout our Sustainability Report, we use the following icons to show the connectivity between our material matters, primary SDGs and creation of shared value.

Material matters

MM 1 **Geopolitical and macroeconomic conditions**

MM 2 **Complex regulatory and tax environment**

MM 3 **Network and platform performance**

MM 4 **Financial resilience**

MM 5 **De-layering of the telecommunications business model**

MM 6 **Greater focus on ESG**

MM 7 **Future-fit skills and culture**

MM 8 **Cybersecurity and digital safety**

MM 9 **Governance, ethics and risk management**

MM 10 **Artificial intelligence**

We unpack our material matters on page 06

Other icons and acronyms

Other icons:

LA

Limited assurance obtained

www.mtn.com

ISSB

International Sustainability Standards Board

Frequently used acronyms

Opcos	Operating companies
KPIs	Key performance indicators
ESG	Environmental, social and governance
UNSDG	United Nations Sustainability Development Goals
GSMA	Global System for Mobile Communications Association
ICT	Information and communication technology

Ambition 2025 strategic priorities to create value

Build the largest and most valuable platforms

Drive industry-leading connectivity operations

Create shared value

Accelerate portfolio transformation

Sustainability remains **at the core** of our strategy. This aligns with our work to advance the United Nations **Sustainable Development Goals (UNSDG)** through our business activities and our support of governments, communities and customers. The SDGs target a sustainable society with a plan to end poverty, protect the planet and ensure equality for all by 2030. We are committed to bridging the digital divide, furthering financial inclusion to advance the attainment of the goals.

Our primary UNSDG contribution areas for shared value creation



Key indirect opportunities exist in the following SDGs



The forward looking financial information disclosed in this Sustainability Report has not been reviewed or audited or otherwise reported on by our external auditors EY.

About this report

Welcome to the MTN Group's 2023 Sustainability Report

In this report, we proudly celebrate 20 consecutive years of sustainability reporting, as well as MTN's 30th year of doing business in Africa.

Our sustainability reporting is a journey of ongoing maturity, which is founded on an integrated approach.

Stakeholder engagement

Engaging with stakeholders – including customers, employees, investors and the community – ensures their perspectives, concerns and expectations are considered in the report. It fosters transparency, trust and accountability, enhancing the report's credibility and relevance.

Materiality assessment

Identifying and prioritising material issues helps MTN focus on what truly matters to our sustainability performance and stakeholders. This ensures the report addresses key ESG aspects, avoiding information overload and enabling more informed decision making.

Integration with strategy

Aligning sustainability reporting with MTN Group's strategic priorities reinforces our commitment to sustainability. It demonstrates a coherent approach, showing how sustainability initiatives are integral to our long-term success and competitiveness.

Risk assessment

Assessing sustainability risks and opportunities allows MTN to proactively manage and mitigate potential issues. Reporting on these aspects helps stakeholders understand how we are preparing to address emerging challenges and capitalise on opportunities, contributing to long-term resilience.

Integration with reporting frameworks and sustainability standards

We strive to provide information that is meaningful to all our diverse stakeholders. We therefore provide the disclosures needed to assess our sustainability progress through a suite of complementary reports, each tailored for specific audiences.

We report with reference to the following standards and frameworks

The Integrated Reporting Framework	IR AFS
Companies Act, No 71 of 2008 (as amended)	IR AFS SR KIV
JSE Listings Requirements	IR AFS SR KIV
FTSE/JSE Responsible Investment Index	IR SR KIV TR CDP
King IV™* Principles	IR AFS SR KIV TR
International Financial Reporting Standards (IFRS)	IR AFS
UN Global Reporting Initiative (GRI)	IR SR
JSE's sustainability disclosure guidelines	IR SR
GSMA ESG metrics	SR TR
Sustainability Accounting Standards Board (SASB) Telecommunication Services industry	IR SR
UN Sustainable Development Goals (UNSDGs)	IR SR
UN Global Compact (UNGC)	SR TR
UN Guiding Principles on Business and Human Rights	SR TR
CDP	SR CDP
IFRS® Sustainability Disclosure Standard	IR SR
IFRS® Climate-related Disclosures	SR CDP CR

* Copyright and trademarks are owned by the Institute of Directors South Africa NPC and all of its rights are reserved.
® Registered trademarks of the IFRS Foundation.

Developments in sustainability reporting

- In June 2023, the International Sustainability Standards Board (ISSB) issued IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, providing a consolidated standard for sustainability-related disclosures worldwide.
- In addition, the Financial Stability Board has asked the IFRS Foundation to take over the monitoring of the progress on companies' climate-related disclosures from the Task Force on Climate-related Financial Disclosures (TCFD).
- IFRS S1 and IFRS S2 fully incorporate the recommendations of the TCFD, marking the culmination of the work of the TCFD.

Our response

To support the widespread adoption of the new investor-focused standards, IFRS S1 and IFRS S2, by the international sustainability standards board, MTN has pledged to begin the journey of adopting these standards. We will have built upon our work on TCFD and have reported against IFRS S2 rather than TCFD this year. This is because, IFRS S1 and S2 disclosures meet the TCFD disclosure requirements as these have been fully integrated.

While understanding sustainability-related risks and opportunities is a complex and iterative process, we have developed significant processes around TCFD. These processes are now applied with respect to IFRS S2. While we mature our alignment to IFRS S2, we are working proactively to prepare for IFRS S1.

We understand that IFRS S2 needs to be applied in conjunction with IFRS S1. This is because an entity is required to apply IFRS S2 in accordance with the conceptual foundations, general requirements and the requirements related to judgements, uncertainties and errors in IFRS S1.

MTN embarked on this journey, following the publication of IFRS S1 and IFRS S2 in 2023, aiming to mature our understanding of sustainability-related risks and opportunities and work towards compliance with the framing required by IFRS standards.

About this report continued

Our sustainability governance

We are committed to creating and protecting value for our stakeholders; thus, maintaining superior corporate governance, transparency and accountability is essential for our business' long-term sustainable performance and growth.

MM 9

Our governance framework is integral in supporting our business and helping us deliver on our sustainability strategy. It provides the structure through which we set our objectives, monitor our performance, and manage the risks we face. It includes a clear framework for decision making and accountability across our business and provides guidance on the standards of behaviour we expect of each other.

ISSB Through its committees, the Board gives effect to the Group's sustainability framework, which guides our approach to delivering on critical global issues, as framed by the SDGs, while being sensitive to the needs and imperatives in each host country. The Board is cognisant of imperatives of our stakeholders in each host country as well as the sustainability-related impacts that affect our operations. The Board supports our efforts to mitigate sustainability risks and exploit related opportunities.

Each committee operates under terms of reference, setting out roles and responsibilities, composition and scope of authority. The Social, Ethics and Sustainability Committee (SESCO) specifically oversees strategy, targets and progress with regard to sustainability matters. Our committees are structured to promote cross-market and functional collaboration, which is essential to ensure sustainability is embedded throughout the organisation.

The Board is kept abreast of management's efforts to mitigate risk and deliver against our sustainability framework on a quarterly basis.

Read more about MTN's corporate governance practices and our committee's responsibilities in our 2023 IR

The Board and committees' responsibilities across sustainability are defined below.

Board

Social, Ethics and Sustainability Committee

- Approves sustainability strategy and associated policies.
- Oversees overall sustainability performance and ensures implementation against key sustainability-related frameworks.
- Sets the ESG metrics that are material value drivers for the business.

Risk Management and Compliance Committee

- Oversees the sustainability risk register and ensures risk mitigation is adequate.
- Reviews compliance with sustainability-related policies.

Human Capital and Remuneration Committee

- Approves sustainability policies related to labour and employment, sets employment targets and monitors employment equity.
- Reviews, approves and assigns executive key performance indicators (KPI) in respect of ESG targets.

Directors' Affairs and Governance Committee

- Oversight on the 'governance' tenant on sustainability.
- Monitors effectiveness of the governance structures, processes and policies.

Audit Committee

- Assesses the reliability of sustainability data and disclosures.
- Oversees fraud and corruption policies.
- Oversees the financial performance and financial reporting practices of the Group.

Group Executive Committee

Sustainability Steering Committee

- Drives execution of sustainability programmes and partnerships to ensure delivery of ESG metrics.
- Resolves escalated issues and makes project decisions.

Read more about our materiality determination process detail regarding each material matter in our IR



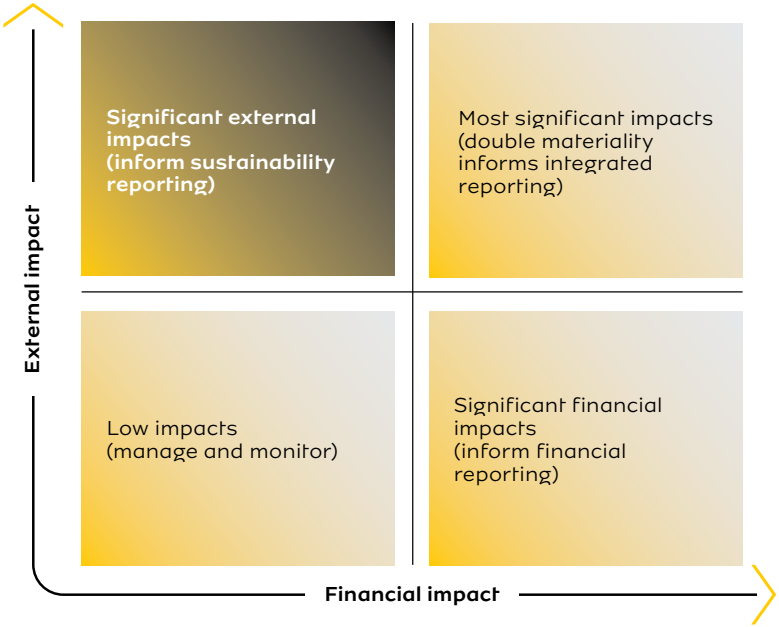
About this report continued

Material matters in 2023

MTN's operations impact the environment and society ('inside-out'). In turn, the environment and society affect the Group and our performance ('outside-in'). These effects may be positive or negative and vary with time.

Our materiality determination process, which is subject to Board approval, identifies our key material matters and the underlying issues which inform each matter. Through this process we identify all those matters that have a significant bearing on enterprise value (financial materiality), as well as our most significant impacts on people, society and the environment (impact materiality).

Our approach to 'double materiality' is to disclose the material 'outside-in' impacts in the Integrated Report and the 'inside-out' impacts in this Sustainability Report.



Read more about our materiality determination process detail regarding each material matter in our **IR**

Here we provide an overview of the material matters identified in 2023, as well as the underlying sustainability issues that are associated with each matter. These sub-topics, which were rated as having a significant external impact, have informed the contents of this Sustainability Report.

	Associated sustainability issues
MM 1 **Geopolitical and macroeconomic conditions**	• Economic and socio-political challenges in our communities • Maintaining positive and collaborative stakeholder relationships
MM 2 **Complex regulatory and tax environment**	• Compliance with country and industry regulations • Social and environmental compliance • Tax compliance
MM 3 **Network and platform performance**	• Network availability and service reliability • Rising demand for digital and fintech services • Energy consumption, supply and transition to renewable energies • Reducing emissions
MM 4 **Financial resilience**	• Affordable data connectivity • Creating shared value • Supporting local economies • Requires consideration of impact of socioeconomic stresses and responses on overall Group financial sustainability
MM 5 **De-layering of the telecoms business model**	• Digital and financial inclusion

	Associated sustainability issues
MM 6 **Greater focus on ESG**	• Environmental stewardship • Enabling financial and digital inclusion • Ethical supply chain management • Supporting local economies • Creating shared value
MM 7 **Future-fit skills and culture**	• Employee engagement • Developing future-ready skills • Advancing diversity and inclusion • Gender equality and pay parity • Health, safety and wellbeing
MM 8 **Cybersecurity and digital safety**	• Protecting customer privacy and data security • Cybersecurity • Human rights and interference with freedom of association • Child online safety
MM 9 **Governance, ethics and risk management**	• Maintaining robust corporate governance • Effective stakeholder engagement and collaboration • Business conduct and ethics • Managing sustainability-related risks and opportunities
MM 10 **AI**	• Navigating new technologies responsibly, while leveraging transformative opportunities

Who we are

Our purpose is to enable the benefits of a modern connected life for everyone

MTN is a pan-African digital operator providing a range of critical voice, data, fintech, digital, enterprise and wholesale services to around 295 million customers in 19 markets. Our purpose is embodied in our belief statement that *everyone deserves the benefits of a modern connected life*. Our strategic intent is *leading digital solutions for Africa's progress*.

MTN Group Limited is a publicly owned entity whose shares are traded on the JSE. At the end of 2023 our market capitalisation was approximately R209 billion (US$11.4 billion). Subsidiaries MTN Nigeria, MTN Ghana, MTN Uganda and MTN Rwanda are listed on the Nigerian Exchange Ltd, the Ghana Stock Exchange, the Uganda Securities Exchange and the Rwanda Stock Exchange, respectively.

Ambition 2025: Leading digital solutions for Africa's progress

- Build the largest and most valuable platforms
- Drive industry-leading connectivity operations
- Create shared value
- Accelerate portfolio transformation

Enabled by our values:

- Lead with Care
- Collaborate with Agility
- Act with Inclusion
- Can-do with Integrity
- Serve with Respect

Creating value for all

We create value for our stakeholders across our footprint by living our purpose and belief as well as progressing our strategic intent

MTN achieved an
10.9%^
reduction in Scope 1 and 2 emissions from base-year emissions (excluding MTN SA whose performance is impacted by the IHS transaction)

^Reflects quarter 4 adjustments.

28%
women in leadership

Enabled internet access to
150m
(2022: 137m)
active data users

Maintained female representation at
40%

Facilitated financial inclusion to
72m
(2022: 69m)
active MoMo users

Empowered
17 569
MTNers

Extended digital inclusion to
36m
(2022: 22m)
ayoba users

Connected
295m
(2022: 289m)
subscribers

Provided broadband coverage to
89.2%
(2022: 88%)
of the population

Added economic value of
~R159bn
(2022: R149bn)
across our markets

Who we are continued

Celebrating 20 years of sustainability reporting

In 2024, MTN celebrates 30 years of doing business in Africa. Since the first call was made on our network in 1994, we have played an instrumental role in transforming Africa's connectivity landscape, bridging the digital divide and empowering millions of lives.

This year also marks the publication of our 20th consecutive annual Sustainability Report. We are honoured to look back on our journey of growth, innovation and commitment to creating a more sustainable future.

2003

We published our first Sustainability Report.

MTN South Africa secured ISO 14001 environmental management certification, marking a first for an African telecommunications network.

2004

Recognised in UNEP's **Global Top 50** companies for sustainability reporting.

2005

MTN fully endorsed the **King Code on Corporate Governance (King II)**.

2007

Launched the 21 Days of **Y'ello Care programme.**

2009

Introduced our whistle-blower line **Tip-offs Anonymous.**

2010



Completed our initial **Carbon Disclosure Project report.**

Committed to the **2010 Cancun Communiqué** on **Climate Change declaration.**

2011

Established the **Social and Ethics Committee.**

Ranked in the **Top 250 companies** in *Newsweek's* Green Rankings for **Positive Environmental Impact Management.**

2012

Became a **United Nations Global Compact (UNGC) signatory.**

Listed among *Newsweek's* Green Rankings top 250 companies globally for positive environmental impact.

2013

Obtained limited **sustainability report assurance** for the first time.

2014



Won the **Nedbank Sustainable Business Award** for **ReadySet** and **ReadyPay** solar-powered charging solutions in Rwanda and Uganda.

Launched the **MTN Green Office programme**.



Who we are continued

2015

Introduced **IoT platform solutions**, including asset tracking, fuel and utilities management, and security solutions.

Rolled out a **cashless payment solution,** bridging the gap between large enterprises and cash-based informal merchants.

2016

Aligned with the **United Nations' Sustainable Development Goals** assessing where we can play a meaningful role.

SUSTAINABLE DEVELOPMENT GOALS

2017



IWF Internet Watch Foundation

Introduced a new **Supplier Code** of Conduct **emphasising environmentally sustainable business activities.**

Entered into child online partnership with Internet Watch Foundation (IWF).

2018

Rolled out our **CHASE framework** to overcome the five key barriers to **mobile internet adoption: coverage, handsets, affordability, service bundling, education and ease of access.**

Rapid rural rollout programme (R3) began.



2020



Voluntarily received **GSMA mobile money certification.**

Launched the **Data-Smart programme,** a **digital literacy initiative** based on GSMA's Mobile Internet **Skills Training Toolkit.**



2021

Signed a pledge with the SBTi, **committing the Group to our Net Zero ambition.**

Linked executive remuneration to **ESG targets with a focus on Net Zero, diversity and inclusion** and the expansion of broadband coverage.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2022

Became a **Task Force on Climate-Related Financial Disclosures** (TCFD) supporter and published the first Climate Report.

Launched the **MTN Skills Academy** to foster digital technology innovators.

Partnered with the **IWF to develop the Online Child Safety Africa Portal.**

2023

Named as the number one African brand that is doing good for people, society and the environment by Brand Africa.

MTN ranked as highest sustainability perceptions value of any brand by Brand Finance.

SBTI completes validation of MTN's GHG emission targets for Scope 1, 2 and 3.

Became an early adopter of IFRS Sustainability Disclosure Standards.

MTN receives Africa-America Institute's 2023 Corporate Responsibility Award.

Message from our Group President and CEO



MTN is committed to meeting our customers' current and future needs, leveraging digital capabilities for a more sustainable future and fostering strong partnerships to drive meaningful change.

Ralph Mupita
Group President and CEO

As we commemorate MTN's 30th anniversary and mark the publication of our 20th consecutive Sustainability Report, I am filled with a profound sense of pride and gratitude. Over the past three decades, MTN has been at the forefront of transforming Africa's connectivity landscape, bridging the digital divide and empowering millions of lives. Our journey of growth, innovation and commitment to the continent we proudly call home continues to inspire us as we navigate the complexities of sustainability in the modern world.

The year 2023 was marked by a myriad of geopolitical events and economic challenges that influence our markets and sustainability efforts. From Africa's ongoing coup epidemic and contested elections, to the prolonged war in Ukraine and armed conflict between Israel and Palestinian militant groups adding to simmering tensions between global powers, the geopolitical landscape remained volatile and uncertain. These events underscore the importance of resilience and adaptability in our sustainability strategies as we continue to navigate turbulent waters.

Furthermore, the accelerated adoption of digital technologies, including the broad adoption of artificial intelligence (AI) in 2023, presented both opportunities and challenges for sustainability. While AI has the potential to drive innovation and efficiency across various sectors, it also raised concerns about ethical implications and societal impact. At MTN, we recognise the need to harness the power of digital technologies responsibly, ensuring our actions contribute positively to environmental sustainability and social progress.

Climate change and environmental issues continued to be pressing concerns, particularly in Africa, where the continent remains highly vulnerable to the impacts of climate change. Record-breaking climate events, including extreme weather and environmental catastrophes, highlighted the urgent need for action to mitigate and adapt to climate change. As a responsible corporate citizen, MTN remains committed to reducing our carbon footprint, investing in renewable energy, and advocating for sustainable practices across our supply chain.

In parallel, the rise of consumer sustainability awareness has reshaped the business landscape, with an increasing number of consumers prioritising environmentally and socially responsible products and services. This shift in consumer behaviour underscores the importance of integrating sustainability into our business strategies and operations, ensuring that we meet the evolving needs and expectations of our customers.

Despite our collective efforts, the latest UN Sustainable Development Goals (UNSDGs) report revealed that the world is falling behind on its commitments to achieve the SDGs by 2030. This reality serves as a sobering reminder of the challenges ahead and the need for intensified action to address global challenges. In response, MTN is reinvigorating its commitment to digital and financial inclusion, recognising that our operations can make meaningful inroads into achieving many of the SDGs. We remain steadfast in our commitment to leverage our digital capabilities to empower individuals and communities across Africa.

ESG-related reporting standards continued to evolve in 2023, with the International Sustainability Standards Board (ISSB) taking significant steps towards developing a common baseline for disclosures across industries and countries. In June 2023, the ISSB issued IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, setting a new global standard for sustainability-related disclosures. Responding to stakeholder demands for more consistent, comparable and reliable information, these standards represent a crucial step in unifying sustainability reporting, which was previously characterised by various voluntary standards and frameworks.

MTN, always at the forefront of sustainability, has taken proactive steps to begin implementing these standards. This move reflects our commitment to transparent reporting, understanding sustainability-related risks and opportunities, and meeting the expectations of our stakeholders. As we transition towards the new standards, we anticipate an improvement in internal controls as well as a reduction in duplicative reporting.

As we progress towards the future, our focus remains on creating value that goes beyond the bottom line. MTN is committed to meeting our customers' current and future needs, leveraging digital capabilities for a more sustainable

MM 1 MM 6 MM 10

Message from our Group President and CEO continued

We remain steadfast in our commitment to leverage our digital capabilities to empower individuals and communities across Africa.

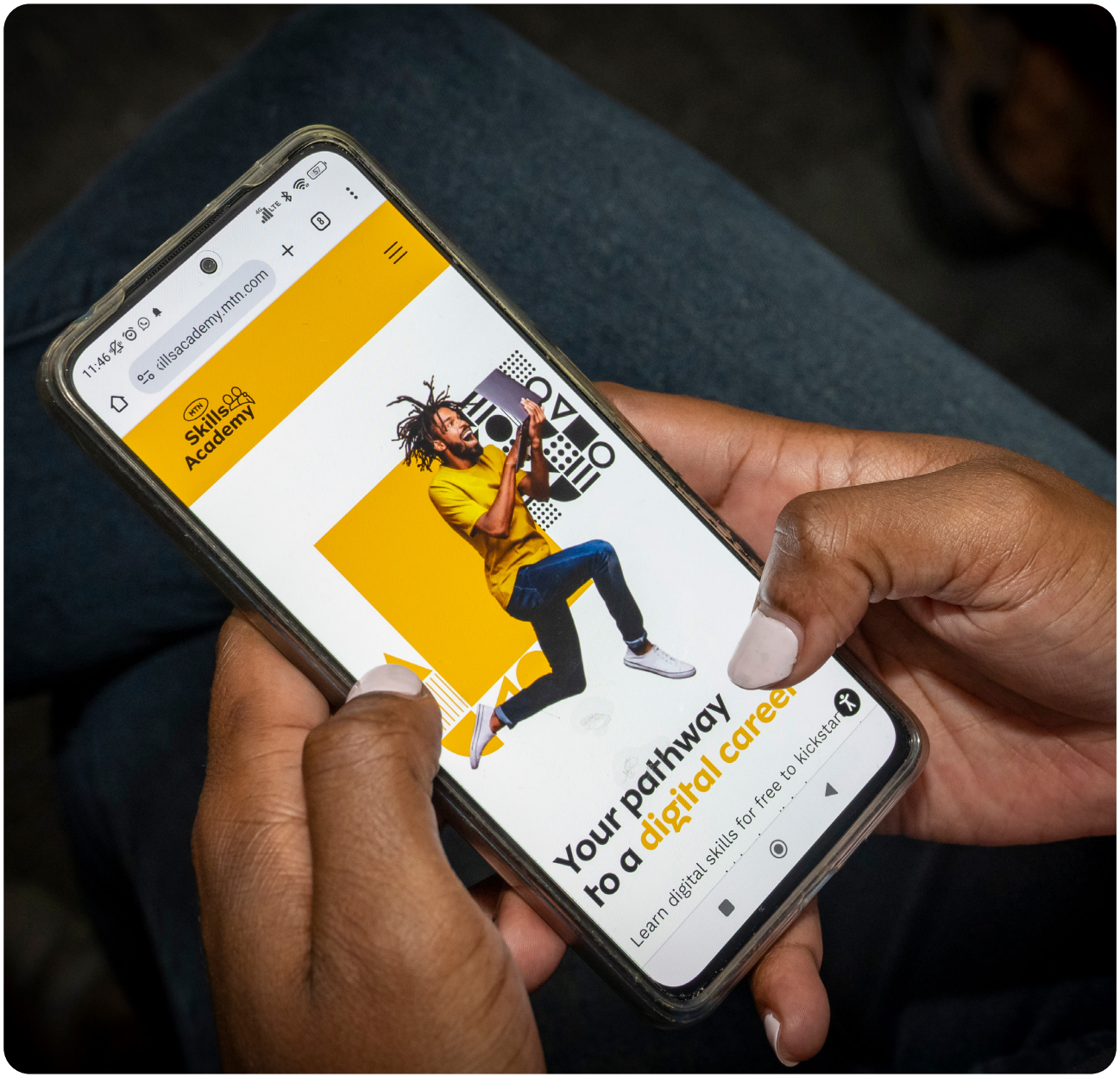
future and fostering partnerships for progress. We recognise collaboration across sectors and stakeholders is vital to driving meaningful change and achieving our sustainability goals.

Our commitment to high ethical standards and upholding our core values will guide us as we navigate the challenges and opportunities of the future. Through robust corporate governance, strict compliance with legal standards, anticorruption measures, a focus on human rights, we ensure that we operate in responsible ways that support our long-term sustainability and success.

In closing, I extend my sincere appreciation to every stakeholder who has played a crucial role in MTN's success. As we look to the future, we do so with confidence and determination. The road ahead may be challenging, but with your ongoing support and our unwavering commitment, we are poised to create a sustainable, inclusive, and connected world.

Thank you for being a part of the MTN journey.

MM 9



Our sustainability context

Our operating context

As one of the leading telecommunications operators in Africa, MTN operates within a unique and dynamic environment shaped by diverse socioeconomic cultural and environmental factors. In navigating this complex landscape, we recognise the interconnectedness between our business operations and the wellbeing of the communities we serve.

Macroeconomic and socio-political challenges

MM 1

MTN operates amid volatile and complex macroeconomic conditions, with global trends impacting our multiple markets. Economic pressures, taxation challenges and geopolitical tensions influence our adaptability and responses. We proactively address current trends such as supply chain disruptions or the cost-of-living crisis, recognising their impact on our business and consumers. We also need to navigate downward pressure on our tariffs at the same time as increasing demands on MNOs to invest more.

Digital inclusion and access

MM 6

One of the primary sustainability challenges in Africa is the digital divide, where disparities in access to telecommunications infrastructure and services exist between urban and rural areas. We address this challenge by expanding network coverage and investing in innovative solutions to reach underserved populations. By fostering digital inclusion, we aim to empower individuals and communities, enabling access to education, healthcare, financial services and opportunities for socioeconomic advancement.

Regulatory frameworks and compliance

MM 2

Operating across multiple African countries entails navigating diverse regulatory environments, each with its own set of laws and regulations governing the telecommunications sector. MTN places a strong emphasis on compliance and ethical business practices, working closely with regulatory authorities to ensure adherence to local laws while advocating for policies that promote fair competition, consumer protection and infrastructure development. We also pay attention to regional sustainability reporting requirements, such as Nigeria's formal adoption of the IFRS S1 and IFRS S2 standards. By fostering transparent and collaborative relationships with regulators, MTN contributes to the development of a conducive business environment that supports sustainable growth.

Environmental sustainability

Africa faces environmental challenges such as climate change, resource depletion and pollution, which have far-reaching implications for the continent's ecosystems and communities. The global energy crisis, amplified by factors like loadshedding in South Africa and grid failures in Nigeria, emphasises the need for reliable alternative energy. Through initiatives such as renewable energy deployment, resource efficiency, sustainable procurement practices and developing a circular economy, MTN seeks to mitigate its environmental impact and promote ecological stewardship in the regions in which we operate.

Community engagement and social impact

We recognise the importance of community engagement in driving local sustainable development that delivers relevant and lasting impacts. Through our sustainability initiatives, we invest in projects that address local needs and priorities, focusing on education, skills development and women's empowerment. By collaborating with local stakeholders and grassroots organisations, we foster meaningful partnerships that create shared value and contribute to the socioeconomic development of African communities.



Salient sustainability issues for mobile operators in 2023

The Global System for Mobile Communication Association (GSMA) conducts research on the sustainability issues that are most pertinent to mobile operators and identifies the topics that are most important in our industry sector. Understanding and addressing these salient issues is essential for MTN to operate responsibly, gain stakeholder trust and contribute positively to our communities.

- **Digital inclusion:** Ensuring access to mobile services for all promotes social and economic inclusion. It helps bridge the digital divide, fostering equality and providing opportunities for individuals and communities.
- **Network resilience:** Maintaining network reliability is essential for providing uninterrupted services and our networks must be resilient to disruptions, whether caused by natural disasters or other factors.
- **Climate change and energy efficiency:** Network operations contribute to carbon emissions. Addressing climate change and improving energy efficiency are crucial for reducing environmental impact and meeting global sustainability goals.
- **Product lifecycle:** Considering the environmental impact of mobile devices throughout their lifecycle, from manufacturing to disposal, is critical to minimise e-waste and support circular economy principles.
- **Evolving technological landscape:** The growing adoption of AI and machine learning requires mobile operators to navigate new technologies responsibly, while leveraging transformative opportunities in education, healthcare, finance and social domains.
- **Privacy and security:** Safeguarding user privacy and ensuring the security of mobile networks are essential to building and maintaining trust.
- **Human rights:** Respecting and promoting physical and digital human rights within our organisation and throughout the value chain contribute to positive social impact and help avoid reputational damage.
- **Child online protection:** Mobile operators play a role in creating a safe digital environment for young users, which is crucial for their wellbeing and development.
- **Supply chain:** Managing the social and environmental impacts within our supply chain helps mitigate risks related to labour conditions, human rights and environmental degradation.
- **Health and safety:** Ensuring the wellbeing of workers, as well as the safety of our services and solutions, is fundamental to protect our stakeholders.
- **Social and economic contribution:** Mobile operators contribute significantly to the social and economic development of regions by creating job opportunities, supporting local economies and driving innovation.

MM 3

MM 8

MM 5

Our sustainability strategy

MTN operates within a dynamic context shaped by various external factors, including shifting geopolitics, socioeconomic challenges, new emerging technologies and evolving compliance and sustainability framework requirements. These factors can impact our sustainability initiatives and performance. In the face of uncertainty, our sustainability strategy remains steadfast, providing a robust foundation to navigate the complexities of our operating environment. While rooted in four pillars, it possesses the adaptability required to respond effectively to emerging risks and capitalise on new opportunities as these arise.

Each sustainability pillar comprises clearly defined focus areas, which align seamlessly with both local and global ambitions, including government development plans. This deliberate alignment allows us to showcase tangible value to stakeholders, fulfil evolving ESG regulations and uphold standards in our business environment. Our sustainability focus areas are complemented by policies and procedures to facilitate implementation by our operating companies (Opcos).

We continuously benchmark our initiatives to ensure alignment with evolving sustainability standards, geopolitical dynamics and stakeholder expectations. Our most material focus areas are linked to clear targets and measurable performance indicators while we continue to manage and measure our remaining ESG matters, emphasising our commitment to transparency and accountability.

Our robust yet flexible sustainability strategy ensures our actions are impactful, relevant and aligned with our vision of creating shared value through responsible business practices. Through unwavering dedication and strategic adaptability, we continue to progress and contribute meaningfully to a more sustainable and inclusive world.

Strategic intent

***Ambition 2025:* Leading digital solutions for Africa's progress**

Belief statement

Everybody deserves the benefits of a modern connected life









Commitments			
We are committed to protecting our planet and achieving Net Zero emissions by 2040	We are committed to driving digital financial inclusion and a diverse society	We are committed to partners and stakeholders to create and protect value	We are committed to boosting inclusive economic growth on the continent
Metrics and actions			
• **Project Zero:** Reduce GHG emissions • **Energy footprint:** Improve energy efficiency within our networks and deploy renewables • **Water and waste management:** Reducing our impact	• **Increase access and reduce cost to communicate** • **Increase financial inclusion** • **Generational equality: Increase women representation** • **Contribution through information and communication technologies (ICT):** Digital education, skills and jobs	• **Responsible policies and practices, including:** business ethics and enterprise-wide risk management • **Enhance reputation and trust with stakeholders** • **Digital human rights (DHR)** • **Responsible procurement and supply chain**	• **Tax contribution across markets** • **Network infrastructure investment** • **Empowering local governments and enterprises**
UNSDGs			

*2023 performance metrics are available on page 14

Our ESG performance

Monitoring and measuring ESG performance

We have established a comprehensive set of ESG metrics aligned with our four sustainability pillars to monitor and enhance performance. These metrics are linked to executive remuneration, underscoring our commitment to transparency and accountability.

Despite challenging economic conditions, we successfully met our 2023 KPIs.

In our pursuit of Net Zero emissions by 2040, we exceeded expectations with a 10.9% absolute reduction in Scope 1 and 2 emissions in 2023, surpassing our annual target of 7.5%. This achievement, which includes MTN South Africa, rose to an impressive 42.1% reduction, primarily due to the sale of base transceiver station (BTS) sites in SA which caused an organic reduction in Scope 1 and 2 emissions. MTN SA is buying back some power assets so we expect normalisation in 2024.

Addressing the digital divide, we approached our 2023 target of 90% broadband coverage, achieving 89.18%. This expansion provided connectivity to an additional 9.2 million people, supported by the deployment of 6 984 sites in rural areas across our operations, promoting digital and financial inclusion in underserved communities.

Diversity, Equity and Inclusion remains integral to our values, evident in our workforce where women comprise 40%, nearing our 2025 target of 41%. We closely monitor key dimensions such as women in leadership (28% against 30% target), women in succession (33% against 35% target) and women in technology (23% against 21% target), ensuring progress in gender equality.

With most long-term targets on track, our sustained progress positions us favourably to achieve our objectives.

We are on track with all KPIs in the 2023 ESG index, including our reduction target for Project Zero, despite the excessive loadshedding experienced in South Africa, which necessitated the use of diesel generators to provide continuity of service. MTN South Africa saw a significant reduction due to a shift in emissions from Scope 1 and 2 to Scope 3, driven by changes in a TowerCo transaction.

ISSB	Creating shared value	Target 2023	Achieved 2023	Target 2022	Achieved 2022
Doing for planet	We are committed to eco responsibility and achieving Net Zero emissions by 2040				
	• **Project Zero: ~50% average reduction target by 2030 and Net Zero emissions by 2040^#**	7.5% reduction in Scope 1 and 2 emissions	10.9%*	3.5%	13.9%*
	• **Water and waste management: Baseline assessment**	–	70% of Opcos	50% of Opcos	70%
Doing for people	We are committed to driving digital and financial inclusion and diverse society				
	• **Cost to communicate: Reduce entry bundle to 1GB bundle price ratio**	14 Opcos	14 Opcos	14 Opcos	14 Opcos
	• **Broadband coverage: Achieve 95% by 2025^**	90%	89.2%	85.6% of market	87.8%
	• **Diversity, equity and inclusion (DEI): 50% women in overall workforce by 2030^**	40%	40%	40%	40%
Doing it right	We are committed partners to stakeholders to create and protect value				
	• **Reputation Index Survey: Achieve 75% score**	75%	80%	75%	79.6%
	• **DHR: Exceed Ranking Digital Rights Corporate Accountability Index Score**	–	–†	24	34
Doing for growth	We are committed to boosting inclusive economic growth on the continent				
	• **Network and IT investment**	–	R159bn	–	~R149bn
	• **Salaries and wages paid**	–	64.3%	–	8.5%
	• **Income taxes paid**	–	7.4%	–	9.4%
	• **Corporate social investment (CSI)**	–	9.9%	–	0.2%
	• **Commercial procurement**	–	0.1%	–	21.6%
		–	18.3%	–	60.3%

^ Linked to executive LTIs.
 # Reductions relative to base year emissions.
** Excluding South Africa, which was impacted by loadshedding.*
† Not assessed by RDR due to ownership changes.

Benchmarking our performance

We track our ESG progress through multiple mechanisms including benchmarking to best practice and monitoring the outcomes of selected local and global ESG rankings and ratings. Based on these outcomes, we develop action plans to maintain positive momentum and ensure continued alignment with our sustainability strategy and commitments.

CDP Carbon Disclosure Rating
B
(2022: C)

MSCI ESG rating
AA
(2022: AA)

Sustainalytics ESG risk ratings
22.2~
(2022: 26.2)

S&P Global Ratings
45
(2022: 47)

~ The lower the score the lower the risk.

Driving positive UNSDG outcomes

MM 6

Recognising the pivotal role of mobile connectivity in addressing societal challenges, the mobile industry, including MTN, committed to the 17 UNSDGs six years ago.

We have now reached the midpoint of the UNSDG implementation, set with a 2030 target. Unfortunately, the UN's 2023 update reveals concerning regression in progress due to climate disasters, conflicts, economic downturn and lingering COVID-19 effects. Only 12% of targets seem on track, and none of the 17 goals is likely to meet the intended timeframe.

For MTN, this is an opportunity to reinvigorate momentum, reassess our standing and rededicate ourselves to a future where no one is left behind.

What we are doing today

As part of our sustainability strategy, we have identified primary and secondary UNSDGs where we have the greatest contribution, aligning these with our four sustainability pillars.

Guided by the best practice proposed in the SDG Compass and the SDG Impact Standards we have conducted a comprehensive analysis of impact along MTN's value chain to help identify which SDGs MTN is best positioned to make a difference on. As we further engage with business and look to consciously embed SDGs in our organisation there could be slight adjustments to MTNs priority areas.

Our primary UNSDG contribution areas for shared value creation

UNSDG	Our contribution to the goal	Sustainability pillar
Quality Education 4.3, 4.4	• ICT powers digital learning for students and teachers, providing access to learning assets. • MTN Skills Academy empowers individuals with digital and financial skills training. • In addition to digital skills training for society, we run professional development programmes for our employees.	
Gender Equality 5.1, 5.2, 5.5b	• MTN empowers women through access to information, financial services and communication tools. • We are committed to achieving workforce gender equality, pay parity and a minimum target of 30% women representation in business transformations, upskilling programmes and specialised initiatives. Our efforts on gender equity extend to the executive leadership.^ • Our CSI strategy focuses on ICT skills and women empowerment. We promote the presence of women in science, technology, engineering, and mathematics (STEM) careers.	
Decent Work and Economic Growth 8.2, 8.3, 8.4,8.5, 8.6, 8.7, 8.8, 8.10	• MTN contributes to the economic development of the countries where we operate both directly, through our commercial activity and job creation, and indirectly, through the multiplier effect we have on other industries. We help businesses grow by providing online channels, consumer connectivity and access to mobile financial services. • Our contribution to local tax revenues is a critical factor for the economic stability of the regions in which we operate.	
Industry, Innovation and Infrastructure 9.1, 9.2, 9.3, 9.4	• Our mobile networks are critical infrastructure for providing affordable access to voice and data services that connect people to opportunities to improve their lives. • By expanding broadband and digital services, we contribute directly to increasing productivity, efficiency and the competitiveness of local businesses.	
Reduced Inequalities 10.2, 10.7	• Deployment of connectivity in rural areas allows many people to access, for the first time, essential digital services such as e-commerce and financial solutions. • Affordable connectivity enables access to information, social networks and online marketplaces and facilitates mobile money services. • Through ICT, we enable access to information for disadvantaged segments of society, including women, girls and those living with disabilities.	
Climate Action 13.1, 13.3	• We are minimising greenhouse gas emissions across our operations to build resilience and adaptive capacity to climate-related hazards.^ • Our circular economy programme extends the useful life of network equipment, which helps to reduce the risk of depletion of resources.^ • Beyond internal initiatives, we contribute to climate change mitigation through digital products and services, such as IoT solutions.	
Peace and Justice Strong Institutions 16.2, 16.5	• MTN complies with all national and international law, and actively works to mitigate threats to our business and society.^ • We protect fundamental physical and digital freedoms, in accordance with national legislation and international agreements.	
Partnerships for the Goals 17.6, 17.17	• MTN partners with a broad range of stakeholders to unlock the potential of digital solutions that drive sustainable development and to manage common industry challenges. • We recognise that leveraging information and communications technology (ICT) is crucial in achieving all of the SDGs.	

^ *Applies internally.*

Driving positive UNSDG outcomes continued

Secondary indirect opportunities

UNSDG	Our contribution to the goal	Sustainability pillar
No Poverty 1.1, 1.4, 1.5	• Our network and services stimulate local economic growth and support small enterprises. • Mobile money and micro-financing provide access to economic resources in poor communities.	
Zero Hunger 2.3, 2.4	• Digital services offer farmers access to market information, weather forecasts and training programmes. • Smart technologies, like IoT and digital platforms, improve agriculture and food security.	
Good Health and Wellbeing 3.4, 3.7	• Mobile technology enables communication with medical practitioners and provides health programmes. • Ayoba app channels offer health and wellness content, medical advice and mental health assistance.	
Clean Water and Sanitation 6.4	• We minimise our impact on water resources by conserving water at our operations. • Community water programmes provide access to clean water and sanitation.	
Affordable and Clean Energy 7.1, 7.2	• We are increasing the share of renewable energy in the global energy mix, via the deployment of renewable energy projects within our network. • ICT underpins the development of smarter, greener technologies across all sectors.	
Sustainable Cities and Communities 11.2, 11,3	• We help to create systems and infrastructure for modern, inclusive cities. • Cloud computing, smart grids and reduced energy consumption are key to sustainable urbanisation.	
Responsible Consumption and Production 12.2, 12.5, 12.6, 12.7	• Substantially reducing waste generation through prevention, reduction, recycling and reuse. • Encouraging suppliers to adopt sustainable practices.	

Read more about the mobile sector's contribution in the GSMA's 2023 Mobile Industry Impact Better Future Report.

Doing more in 2024

In the upcoming year, we plan to reassess our UNSDG strategy and identify specific long-term goals and targets for integration across operations. Rather than retrofitting SDGs, we aim to strategically enhance our impact by aligning where MTN's impact is greatest long our value chain.

Taking guidance from the SDG Impact Standards, SDG Compass and SDG Ambition Guidance, the outcome will be the development and deployment of tools enabling MTN Group and Opcos to establish and embed SDG goals and targets over time. Our goal is seamless integration into organisational systems and decision-making practices, fostering a common language and shared approach.

Responding to our stakeholders

MTN strives to be the partner of choice in attaining Africa's Agenda 2063 vision, aiming for an integrated, prosperous and peaceful continent driven by its citizens, particularly its women and youth. Engaging in informed consultation and encouraging stakeholder participation are essential for MTN's efforts in creating value.

Stakeholder and reputation management framework

Understanding the legitimate concerns and expectations of our stakeholders informs our approach to high-quality engagements. Underscored by transparency, we promote access to information and involve our stakeholders in the decision-making process.

MM 9

In line with this commitment, we revamped our Group Stakeholder and Reputation Management Framework 2023. This comprehensive framework includes our Stakeholder and Reputation Management Strategy, Stakeholder Management Policy and a practical playbook for implementation across our footprint.

As we continue to standardise our stakeholder and reputation management approach, we have enhanced the Framework to include our Fintech businesses. In 2024, we will onboard and socialise the Framework across other platform businesses to ensure a uniform approach to stakeholder and reputation management.

The framework enables our operating companies (Opcos) to effectively plan, execute, report, monitor and evaluate our engagements with stakeholders. This enables the building of relationship capital and health thus enhancing our reputation, trust levels and the proactive management of issues that may arise. The engagement framework also ensures proper governance as well as compliance and adherence to the King IV principles for stakeholder management. The framework also establishes baseline standards for effective stakeholder engagement across our Opcos.

Monitoring and measuring stakeholder sentiment

The success of our initiatives to foster a strong reputation, cultivate relationships and practise effective engagement is evaluated and monitored through feedback received during our regular interactions and via the annual Reputation Index Survey. In 2023, five thousand three hundred (5 300) respondents participated in the survey, representing a diverse sample of respondents from 15 stakeholder categories across 14 markets. The outcomes of the survey gave us an understanding of how our stakeholders perceive our business. The survey confirmed our enhanced reputation as result of addressing some of the material issues and legitimate expectations raised by our stakeholders. However, the survey also highlighted the need for MTN to provide a more focused attention to the quality of engagement, which will require intense, agile and proactive responsiveness.

Our stakeholders' perceptions in 2023

How well we meet stakeholder expectations on material issues
80%
(2022: 79.8%)

How stakeholders experience our engagement and responsiveness
72%
(2022: 76%)

Stakeholders	Reputation (%)	Quality of engagement (%)
Civil society	79.8	73.10
Government	80.3	75.18
Investor community	76.0	78.59
Media	78.2	73.55
Mobile industry	84.7	74.08
Organised business	77.4	70.26
Regulators and policymakers	76.5	67.73
Subscribers and customers	77.9	76.59
Suppliers and vendors	81.0	70.36
Trade partners	80.9	71.18

How we are responding

We have noted stakeholder calls to improve the quality of our day-to-day engagements. In response, we have adjusted the format of our annual stakeholder engagement plans to make better provision for quality of engagement – especially in terms of ensuring our stakeholders experience us accessible, transparent, and equitable in our engagement. We are also further gearing our engagement approach towards Partnerships for Progress, in order to include more stakeholders in our response to material issues.

Heading into 2024, we are focused on addressing our stakeholder's material issues, enhancing the quality of our engagement, strengthening our trust with stakeholders, and monitoring stakeholder perception of our brand.

The RIS shed further light on stakeholder perceptions of how well we perform on the topics that they have identified as being the most important to them:

	Importance rank 2023	**Performance 2023**	Importance rank 2022	Performance 2022
Business performance and financial results	**1**	**82**	2	83
Product and customer experience	**2**	**73**	1	75
Impact on socioeconomic development	**3**	**81**	3	81
Contribution to the mobile and fintech industry	**4**	**85**	5	89

We will continue to be attuned to stakeholder expectations on these topics, as well as the other key material issues identified in the research:

- Compliance and harmonisation of legislation and regulations across markets.
- Localisations of staff, suppliers and service providers.
- Innovativeness of MTN products.
- Robustness of customer protection measures.

Doing for planet

MM 6

Environmental stewardship is an MTN imperative to ensure our business and the communities we service thrive. We believe the growth and success of any business needs to consider environmental aspects to guarantee a future for our planet that supports people and prosperity. As a result, we take responsibility for the activities, products and services we control and influence. We manage our environmental impacts throughout our geographic footprint and are continually improving our processes and systems to support our African environment.

In the rapidly urbanising sub-Saharan African region, we play a crucial role in making the benefits of modern connected life accessible. The fast-paced development, however, imposes stressors on the ecosystem, necessitating systematic environmental management. Despite Africa's vast natural resources supporting growing economies, the environment is deteriorating rapidly, leaving us vulnerable to climate change impacts such as poor management, pollution, land degradation, water scarcity and deforestation.

While our industry's environmental impacts are comparatively small, deliberate action is essential to protect the natural wealth sustaining our economic and social development. Operating across diverse borders, we encounter varied regional priorities and environmental challenges. Addressing these issues requires cross-sector and trans-boundary approaches, focusing on key factors like emission reductions, waste management and water usage in the atmosphere, land and water respectively.

Managing our environmental impacts involves a per-country approach, considering the unique nuances of each Opco, local legislations and policies while maintaining a strategic vision for sustainable development across the continent.

MTN's environmental management aligns with our Group environmental strategy, employing a systematic approach to address the varying needs of our Opcos while upholding our commitment to protecting the planet. Our approach considers a variety of elements, recognising their interactions within a complex and interconnected environment. Achieving zero emissions involves deploying energy efficient technology, integrating renewable energy within our footprint and working with suppliers to reduce emissions across the value chain. MTN is also building parallel circular economy programmes to reduce waste and water plays a critical role in sustainable development.

We are doing for the planet by



Taking action for the atmosphere

- Reducing Scope 1 and Scope 2 emissions and greening our energy supply through Project Zero
- Working with our suppliers to reduce Scope 3 emissions

Protecting and restoring our land

- Developing a circular economy
- Managing our waste

Working towards water resource protection

- Optimising water consumption

6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION

Taking action for the atmosphere



MTN is dependent on energy to power our operations. Energy use (from the burning of fossil fuels either directly via fuel consumption or indirectly via electricity) is the leading source of GHG emissions, which contribute to a warming planet.

Energy development and supply in Africa

Africa, in particular, is disproportionately affected by the consequences of climate change, despite bearing the least responsibility for the problem. The continent accounts for less than 4% of the world's energy-related carbon dioxide (CO_2) emissions to date and has the lowest emissions per capita of any region.

Close to 600 million people in Africa continue to live without access to electricity and more than 900 million without access to clean cooking solutions. Only 10% of the population has access to the electrical grid and, in some remote regions, fewer than one in every 20 households has grid electricity.

Even in the areas covered by the electrical grid, power is often unreliable. Energy development has not kept pace with the rising demand in developing regions, placing a untenable strain on existing resources and infrastructure. The World Bank has declared 32 nations in Africa to be in an energy crisis.

Despite abundant sustainable resources, the high upfront costs hinder a widespread shift to green energy. With Africa's surging population and a projected 60% increase in energy demand by 2040, navigating this transition is pivotal for both the continent and global Net Zero emission goals by 2050. Furthermore, barriers to renewable deployment and enablement across the continent, such as regulation, policy and supply, are at different levels of maturity and to scale we need the support of a variety of stakeholders.

Energy challenges in our major markets

	Nigeria	South Africa
Energy supply	Nigeria relies on three main energy generation sources: coal, hydro and natural gas.	South Africa relies on a mix of energy sources including coal, natural gas, nuclear, hydropower and renewable energy.
Challenges	Generating system capacity remains erratic and unreliable and cannot meet the increasing load demand.	Low maintenance has crippled most facilities, leaving unreliable coal stations as the primary energy generation source.
Impact	Nigeria's electricity grid has collapsed 46 times between 2017 to 2023. This situation has adverse effects on the economy as it slows down the country's development process.	Due to insufficient capacity, the country implements rolling blackouts to conserve electricity. South Africans spent a total of 1 742 hours with no power in 2023, more than double the amount experienced in 2022 and almost 10 times as much as 2021.

How we are responding

As a responsible corporate citizen, MTN recognises the pressing need to keep our customers connected while taking immediate measures to reduce our carbon footprint. We address the imperative for climate action through our Project Zero strategy, which concentrates our efforts on decreasing GHG emissions across our footprint and, in so doing, improving energy security and enhancing operational efficiencies. We also actively engage and collaborate with our suppliers and industry partners to mitigate climate risks and support sustainable business growth.

Source
https://www.iea.org/reports/africa-energy-outlook-2022/key-findings

Fact sheet
The World Bank and Energy in Africa
https://www.worldbank.org/en/home

Taking action for the atmosphere continued

Our goals and commitments

We are committed to

Achieving Net Zero GHG emissions across Scope 1, 2 and 3 emissions by 2040 against a 2021 baseline

Reducing absolute Scope 1 and 2 GHG emissions by 50% by 2030

Decreasing absolute Scope 3 GHG emissions from fuel and energy-related activities by 50% by 2030

We will achieve our goal by

Increasing renewable energy (RE) penetration

45% in markets with mature RE landscape by 2030

Focus on RE penetration to the extent possible in other markets

Reducing energy use

Deploying more efficient technologies which optimise energy consumption

Improving efficiencies and redesigning processes

Engaging and incentivising our suppliers to commit to achieving Net Zero

Ensuring 80% of our suppliers by spend will have science-based targets by 2026

Supporting transparent disclosure

Climate change is a key priority for MTN and we are committed to sharing our approach to climate change, as well as the successes and challenges in transitioning to Net Zero emissions.

Setting science-based targets

In 2021, MTN signed a pledge with the Science-based Targets Initiative (SBTi), which formally commits the Group to our Net Zero ambition.

The SBTi validated our company-wide GHG emissions reduction targets in May 2023 – a significant milestone in our sustainability journey as well as an important recognition of our dedication to mitigating climate change.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Transparent reporting and climate-related disclosures

Since 2014, we have been participating in the environmental transparency process through CDP reporting.

In 2023, we achieved a B rating from CDP. Our reporting has been rated on par with the Africa regional average for the media, telecommunications and data centre services sector.

CDP
DRIVING SUSTAINABLE ECONOMIES

We pledged our support for the recommendations of the TCFD in 2021 and in 2022 we issued our first TCFD fully aligned Climate Report.

In June 2023, the ISSB issued a consolidated standard for sustainability-related disclosures worldwide, which fully incorporate the recommendations of the TCFD.

In response, MTN has pledged to begin the journey of adopting the ISSB's IFRS Sustainability Disclosure Standards. We are currently assessing the gaps in our disclosures and practices against the standards and intend to mature our alignment during the year ahead.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

IFRS



MTN position statement on environment https://www.mtn.com/wp-content/uploads/2024/04/MTN-Position-on-Environment.pdf

MTN's Net Zero philosophy https://www.mtn.com/wp-content/uploads/2023/05/MTN-Net-Zero-Philosophy-2022_WEB.pdf

CR **2023** https://mtn-investor.com/reporting-suite/index.php

Taking action for the atmosphere continued

Our Net Zero strategy

To realise our Net Zero targets, MTN has launched its Project Zero programme. Our approach to achieve Net Zero is guided by the following steps.

1) Set ambitions → 2) Measure emissions across all scopes → 3) Identify decarbonisation levers → 4) Develop strategy implementation roadmap → 5) Collaborate with partners, vendors and industry → 6) Activate enablers for organisation-wide transformation

Developing tailored Net Zero strategies for each Opco

Reducing Scope 1 and 2

MM 6

MTN operates in many countries, each with their own electricity grids and market rules. Given the variable conditions and energy supply challenges in many of our markets, our largest eight Opcos have set individual Net Zero strategies which cover their approach to energy use. Best practices have then been shared with the rest of the footprint for adoption and learning. This ensures customised outcomes suitable for local operating conditions are implemented.

Net Zero strategies are in place for eight of our biggest markets, namely South Africa, Ghana, Sudan, Nigeria, Cameroon, Uganda, Côte d'Ivoire and Liberia.

The following initiatives have been implemented to date:

- Performed a granular emission review and audit per asset class for Scope 1 and 2.
- Conducted a market-specific regulatory and policy assessment to understand the renewable energy landscape and policy parameters.
- Developed a customised Scope 1 and 2 strategy per asset increase energy efficiency, green energy supply and outline investment considerations for climate projects.
- Detailed a decarbonisation implementation plan leveraging the initiatives identified and team capacities.
- Defined the financing requirement and approach to enable the plan.
- Drove several central technology requests for proposal to enable technology innovation in each country.
- In addition, in 2023, various technology proof of concepts have been deployed across multiple Opcos to identify new energy management tooling, hybrid energy solutions and more efficient technology options.
- Each Opco's progress is measured biannually through KPIs and forms part of the Group's ESG KPI index.

Partnering to reduce emissions throughout the value chain

Reducing Scope 3

In 2021, we undertook a Scope 3 materiality assessment to better understand the emissions across our value chain and improve our Scope 3 emissions reporting and understanding.

We have set a near-term Scope 3 supplier engagement target, which aims to see 80% of suppliers (by spend) committed to setting emission reduction targets by 2026. To achieve this, MTN is engaging with our suppliers and key TowerCo and other partners to educate and encourage them to set their own emission reduction targets in line with SBTi guidance.

This education layer is pivotal. By starting supplier dialogues and encouraging supplier commitment to climate science, we indirectly drive Scope 3 emission reductions as suppliers improve their knowledge and start deploying emission reduction strategies and projects.

We are encouraging our suppliers to sign a pledge to join MTN's road to Net Zero to reduce Scope 3 emissions and are asking them to work beside us to:

- Commit to set emission reduction targets in alignment with science-based targets by 2026 for their organisations and publicly communicating their commitment.
- Consider joining the CDP supply chain programme as a member by reporting environmental data through CDP's questionnaires and sharing their emission data with us.
- Prepare a carbon emission reduction roadmap by identifying potential decarbonisation levers across Scope 1, 2 and 3 that can be implemented across their organisation's global footprint.
- Consider adopting waste management and circular economy practices, and actively supporting MTN's activities to provide lifecycle product service to our customers including trade-ins and recycling options.

Taking action for the atmosphere continued



What we are doing in **Uganda**

MTN Uganda has achieved a remarkable 15% reduction in emissions despite adding over 1 000 sites in two years. This success is attributed to widespread solar deployment and the integration of lithium-ion batteries.

In 2023, a 9kW solar system (expandable to 18kW) and a 20kVA generator were installed at the Paludar BTS site. Previously relying on the landlord's generator, which had frequent failures, the new system significantly reduced generator run hours from 720 to approximately 150 per month. This translates to substantial fuel savings of around 1 600 litres per month and a decrease of approximately 570 hours in generator run time.



What we are doing in **Nigeria**

Expanding its commitment to renewable energy, MTN Nigeria is in the procurement process to engage vendors for off-site renewable energy projects. Vendors will build, own, operate and maintain renewable or hybrid energy farms, providing over 6MWh of electricity per day from solar energy across three locations, excluding the new data centre.

MTN Nigeria is also focusing on energy efficiency upgrades across its facilities. In 2024, several energy efficient projects have been planned to be deployed including Inverter cooling units at BTS sites and high energy efficient cooling units at buildings and switching centres with expected annual energy savings of 1 540MWh.



What we are doing in **South Africa**

MTN's head office in Johannesburg, South Arica, already has a 2MW gas trigeneration system, a 330kW concentrated solar power plant (CSP), and several backup diesel generators. We are now adding a 4MW grid-tied photovoltaic solar power system and a 2MW/6MWh battery energy storage system (BESS) to the plant. During loadshedding, the hybrid plant will be able to output up to 4.9MW of electricity, allowing better energy management during power outages. The solar and BESS systems will also reduce the amount of energy required from City Power during daytime and peak demand periods.

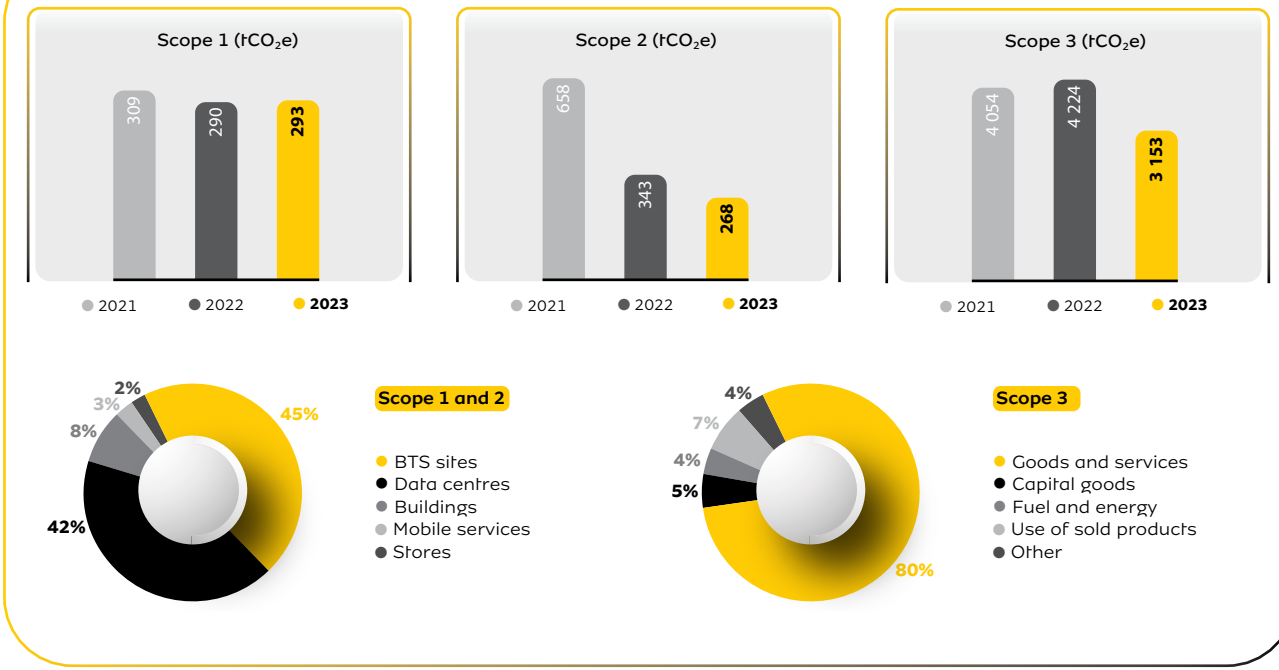
A second phase of the project will see a further increase in solar and battery energy with the potential opportunity to feed energy back to the power grid. This will position MTN as an independent power producer in our own right.



Taking action for the atmosphere continued

Sources of emissions and emissions profile

What our emissions profile looks like in 2023





Major shifts impacting our emissions profile

Business operations are dynamic and evolving and, consequently, any deviations in operations can result in emissions profiles changing. Fluctuations can be influenced by several factors, including but not limited to:

ISSB
- Changes in reporting boundary (e.g. merger, acquisition or divestiture), calculation methodologies, or improvement in the accuracy of emission factors trigger a significant cumulative change in MTN's base-year emissions.
- A data processing error or a number of cumulative errors that are collectively significant are discovered via audit controls and processes.

In line with SBTi guidelines, we would recalculate our baseline if the factors listed above prompt a change of 5% or greater to our overall emissions profile Improving the accuracy of our carbon footprint is an ongoing process; as we learn more, we refine our carbon models and adjust our climate roadmap.

Taking action for the atmosphere continued

CASE STUDY

Partnerships for progress



Developing an Africa-based early warning weather system

During COP 28, Tomorrow.io and MTN Group announced a groundbreaking initiative aimed at delivering life-saving early warnings and vital weather information to over 300 million at-risk individuals in Africa. This collaboration integrates Tomorrow.io's advanced weather engine – leveraging satellite data, generative AI, and deep learning models – with Microsoft's Azure cloud platform and MTN's extensive mobile network services.

MTN's broad customer base will benefit from early warning notifications about severe weather events, facilitating timely evacuations and preparation actions. The initiative focuses on delivering hyperlocal, impact-based weather information to communities with limited accessibility across the continent. By partnering with local meteorological departments, the collaboration aims to enhance users' access to critical weather information.

Empowering communities with actionable weather intelligence, the initiative enables informed decision making in the face of climate unpredictability. The partnership, launching initially in Western Africa, plans to expand its reach to all African countries where MTN operates. This strategic alliance underscores the potential of data and AI to provide life-changing weather insight, ensuring that communities most affected by climate-related challenges can take proactive measures in response to extreme weather events.

Doing more in 2024

Looking to the year ahead, our focus is on:

- Scaling up green energy usage and exploring innovative solutions for enhanced energy efficiency.
- Investigating energy co-creation and solutions tailored to the countries in which we operate. For instance, surplus energy generated by our South African solar solutions might be channelled back into the grid or used to power nearby traffic lights.
- Investing in combined wind and solar projects, commencing with a pilot project in the Western Cape, followed by ventures in the Eastern Cape, leveraging its robust wind resources. Wind power proof of concepts are underway, and we are exploring innovative approaches to harness wind power effectively.
- Re-establishing connections with our suppliers and key partners to promote awareness and encourage them to set emission reduction targets aligned with SBTi guidance. This education initiative plays a crucial role in fostering supplier commitment to climate science, indirectly driving Scope 3 emission reductions as partners enhance their understanding and implement emission reduction strategies and projects.

Protecting and restoring our land

Sustainable land management is a cornerstone in achieving sustainable development and supports efforts in food security, climate change mitigation and adaptation. In Africa, implementing these practices is critical for securing a prosperous future. Waste management and a circular economy empower sustainable land management through preventing land pollution and optimising resource utilisation, creating a synergistic and resilient system.

Exploring land management and sustainable practices in Africa

Land quality, which is crucial for our survival, is declining globally. Human activities like deforestation and loss of habitats contribute to land damage, degradation and global challenges like desertification. Approximately 33% of the global land surface is affected by desertification, with Africa being the most severely impacted region. Poor waste management exacerbates land degradation and affects GHG emissions. As we contribute to economic and social transformation of Africa, we understand that waste generation will also increase.

Land degradation impacts women's access to water and food. Reforestation, specifically tree planting, promotes gender equity, empowers women and aids climate efforts while improving water quality and land life. In November 2023, MTN Rwanda planted 25 000 trees in Nyarugenge District as part of an environmental initiative that aims to support a greener future in Rwanda and preserve the country's natural beauty.

Our approach

Our approach to land management focuses on responsible waste and resource management.

We implement a circular economy to enhance resource management and enforce responsible waste management across all our operating markets. This two-pronged approach strengthens our commitment to environmental sustainability.

Networks and environment position statement
https://group.mtn.com/wp-content/uploads/2022/10/MTN-Position-on-Networks-the-environment.pdf



Protecting and restoring our land continued

Developing a circular economy

MM 6

In a world where reducing our impacts is paramount, MTN is charting a course towards a circular economy. Our approach seeks to extend the life of materials, products and services while minimising waste and the consumption of new resources. Instead of the linear 'take, make, dispose' model, we are transitioning into a 'make, use, return' paradigm. At the heart of this shift is Project Infinity, our comprehensive initiative aimed at conserving resources and reducing waste.

Project Infinity

Project Infinity serves as the cornerstone of our circular economy strategy. This initiative is focused on reducing resource consumption, extending product lifecycles and minimising waste. Its core principles revolve around the reuse and redeployment of refurbished network equipment, allowing us to extend product lifecycles significantly.

Avoiding Scope 3 emissions

Our circular economy journey aligns closely with our vision of decreasing global Scope 3 emissions particularly Category 1: Purchased Goods and Services, which accounts for a substantial portion of the carbon footprint. By reusing equipment rather than purchasing new resources, we sidestep the emissions associated with mining, manufacturing and supply processes.

In 2023, the Scope 3 emissions avoided through Project Infinity exceeded our expectations. Our initial target was to double the emissions avoided compared to 2022. However, we have more than tripled these targets.

7 911tCO$_2$e
emissions avoided
(2022: 2 363tCO$_2$e)

Network waste materials recovered or recycled

Material	Volume (kg) 2023	Volume (kg) 2022
Aluminium	**105 248.67**	269 047.11
Lead	**70 916.52**	61 076.80
Iron	**75 706.61**	51 880.60
Zinc	**17 721.88**	39 482.27
Other elements	**121 853.55**	35 652.06
Other metals	**1 244.00**	1 057.16



Protecting and restoring our land continued

Entrenching and enhancing circular economy practices

Refining the playbook	Our circular economy playbook answers a wide range of questions and challenges that may arise from Opcos, suppliers and manufacturers, offering clear guidance to all stakeholders.
Opco onboarding	By engaging Opcos more directly, Project Infinity's reach and impact have expanded. This closer collaboration streamlines processes, allowing for more effective implementation of circular economy practices.
Workshops with manufacturers and suppliers	Closer collaboration with suppliers is vital for accessing support, services and the licences required to make the circular economy programme a success.

4 449 units
of network equipment repaired or reused
(2022: 2 268 units)

1 109 620kg
network waste diverted from landfills
(2022: 817 200kg)

47.7 tonnes
reused
(2022: 23.4 tonnes)

606.2 tonnes
serialised e-waste recycled
(2022: 293.6 tonnes)

455.7 tonnes
bulk e-waste recycled
(2022: 499.9 tonnes)

Collaborating for education and impact

We have recognised that collaboration is essential to make a substantial impact in circularity. We have expanded our network of partners, including original equipment manufacturers, to work collectively towards more sustainable practices. Our continued engagement with manufacturers and suppliers has allowed us to address operational challenges and ensure the highest standards of quality and support for refurbished equipment.

We continue to work closely with organisations such as the Joint Alliance for CSR (JAC) and the GSMA to address climate change and circularity in the telecommunications sector. Our efforts with JAC have resulted in a report that emphasises the significance of Scope 3 emissions and the urgency to address them across industries.^

Expanding Project Infinity's scope and scale

Our initial Project Infinity focus was on network equipment, but we have observed a growing demand for circular practices in consumer devices. While we are in the early stages of this expansion, our aim is to promote and facilitate the reuse and recycling of devices, such as mobile handsets, to reduce e-waste and resource consumption.

Furthermore, we are working to expand the footprint of our circular economy programme across multiple Opcos. South Africa has been a pioneering Opco in this regard, and we aim to include Nigeria and Ghana as the next MTN markets to join our circular economy mission. Our goal is to gradually include more Opcos, facilitating greater collaboration in achieving a circular economy.

Deriving value out of what would normally be wasted

During 2023, we 3D printed over 200 back-panels to restore faulty items back to working condition.

This initiative, with a cost of US$10 000, resulted in a surplus of US$56 000 through the resale of these refurbished items to the aftermarket.

Partnering to recycle e-waste in Benin

In a joint effort with Ericsson, MTN Benin is taking substantial strides in addressing the challenge of e-waste. As part of Ericsson's Product Take-Back programme we have collaborated to collect, decommission, transport and recycle over 123 metric tonnes of e-waste since 2021. Ericsson-approved recyclers in South Africa handle the recycling of decommissioned network equipment, ensuring the safe disposal of the materials and components. Certificates of destruction are provided to MTN Benin as proof of responsible disposal.

MTN is committed to efficiently managing e-waste, extracting value from discarded equipment and minimising the environmental impact, including reducing landfill usage.

Doing more in 2024

As we look to the future, we aim to:

- Expand Project Infinity's scope by including more network equipment, mobile devices, IT and transmission components. A possibility is being investigated to reuse some of the devices for improving child literacy and promoting native-language e-books.
- Formalise commitments from major vendors to support refurbished equipment.
- Introduce KPIs for circular economy practices across our Opcos.

^ **Achieving Net Zero in the Telecoms Industry:** Tackling Supply Chain Emissions https://jac-initiative.com/climate-change-report/

Protecting and restoring our land continued

CASE STUDY

Partnerships for progress



Launching the Africa PachiPanda Challenge to tackle environmental changes

MTN Zambia and the Worldwide Fund for Nature (WWF) announced the Africa PachiPanda Challenge at the COP28 climate meeting in 2023. This collaborative initiative aims to inspire young individuals and youth-led SMEs to create inventive solutions promoting sustainability.

Amid an array of outstanding entries at the 2023 PachiPanda Challenge, Isaac Mwanza's EcoBuild initiative secured a well-deserved victory. EcoBuild is not just an innovative startup; it is a beacon of transformation, turning industrial waste, particularly copper slag, into a sustainable alternative cement.

Isaac Mwanza's overarching mission is to revolutionise the construction industry by offering sustainable and environmentally responsible building solutions. EcoBuild products are meticulously designed to reduce environmental impact, conserve resources and foster long-term sustainability in the construction industry. At the forefront is Eco-cement, Isaac's flagship product developed from an industrial waste product. His innovative process not only minimises waste, but also provides an eco-friendly alternative to traditional cement with distinctive properties.

With a promising future, Isaac continues to drive change and inspire others with his unwavering commitment to creating a more sustainable world. We congratulate Isaac on clinching a prize of US$5 000 to further his visionary initiative.

Isaac Mwanza won the top PachiPanda Challenge prize of US$5 000 with the EcoBuild project, offering groundbreaking sustainable building solutions.

Protecting and restoring our land continued



Responsible waste management

MM 6

To address waste management, we progressed from our 2022 waste baseline studies by engaging with our operations to understand their specific challenges. These engagement sessions were facilitated in collaboration with our partner, the National Cleaner Production Centre South Africa, which conducted the initial study. The discussions delved into the necessity of waste baseline assessments, the methodology employed, and the resulting outcomes and recommendations. Recommendations ranged from overarching Group-wide strategies to specific actions tailored to each operational area, including potential partnership opportunities. The implementation of these recommendations varied across Opcos depending on their operational needs and circumstances, resulting in differing levels of progress.

Opcos have undertaken various levels of implementation, including the establishment of monitoring and measurement processes to gain a comprehensive understanding of waste generation. Training and awareness regarding waste management have been implemented.

Furthermore, partnerships have been forged with recycling companies to mitigate waste sent to landfills, particularly in addressing e-waste, which is significant to telecom operations. Opcos have partnered appropriately to effectively manage their e-waste.

MTN eSwatini demonstrated their commitment to the environment through the implementation the 2023 waste baseline recommendations. The programme kicked off in April with the launch of an internal waste recycling campaign. To ensure its success, the team invested in training on waste segregation techniques. This commitment to education paid off, as conveniently placed recycling bins throughout the departments have been well received by employees.

The waste management team has also adapted to the new procedures, further re-enforcing the effectiveness of the baseline recommendations. In a collaborative approach, MTN eSwatini partnered with a forward-thinking recycling plant. This partnership not only allows the recycling plant to collect the recyclables free of charge, but it has also significantly reduced the need for skip collections, resulting in fewer trips by waste disposal trucks and a lower carbon footprint. The same partner extends their services to cover the e-waste disposal, ensuring responsible handling of these specialised materials. The team made significant strides towards reducing their environmental impact through the adoption of a programmatic approach to waste management.



Working towards water resource protection

The demand for water continues to rise with global growth. While access to clean water, sanitation and hygiene is considered a human right, billions of people still lack this fundamental access. The water issue is further complicated by water scarcity, pollution, degraded water-related ecosystems and challenges in co-operating over transboundary water basins, impacting water quality and access.

MM 6

Water intersects with various global issues, affecting health, food security, gender equity, jobs, education, industry, disasters and peace.

The complexity deepens with ongoing climate change, placing vulnerable populations in increasingly dire conditions due to droughts and unpredictable weather events like flooding. This underscores the urgent need for effective water infrastructure to address these challenges.

Across MTN's operations, the most common uses of water are ablution facilities and kitchen taps. A benchmark water-use intensity of 32 litres per day is selected for the MTN markets, which is an average observed in regions in the Association of Southeast Asian Nations regions.

Generally, sufficient water is available for use requirements in all buildings assessed at MTN's various premises. Where supply issues are known, large capacity storage reservoirs are installed to mitigate supply shortfall.

Water monitoring is a key focus as we develop our water management system. Following the recommendations outlined in our water baseline study, we have embarked on a comprehensive programme to track water usage and sources across our MTN facilities. While data collection is still in its early stages, this initial insight is already proving valuable. We are starting to identify nuances in water consumption patterns related to the specific operating environments of our locations.

A prime example is our Nigerian operations. Here, we have observed that water source distribution varies significantly depending on the region. This finding, compared to the data from other MTN operations, highlights the importance of considering location-specific factors when implementing group water management strategies.

By gaining a deeper understanding of our water sources and usage patterns, we can strategically select appropriate monitoring devices to further strengthen our baseline data. This data will be instrumental in identifying operational inefficiencies that contribute to water waste. Ultimately, it will empower us to establish SMART (specific, measurable, achievable, relevant and time-bound) water reduction targets, ensuring a data-driven approach to optimising our water consumption across all MTN locations.

To manage our water resources, we embarked on baseline assessments and, this year, we unpacked the implications of the study to the applicable Opcos. Depending on their operational needs, each Opco implemented recommendations and identified strategic partnerships for water management. These water activities were wide-ranging and included training and awareness.

What we are doing in **South Africa**

With the support of the MTN SA Foundation, we provided a life-sustaining borehole that ensures clean water for the community of Charlestown, located outside Newcastle in KwaZulu-Natal. The project was implemented in partnership the Department of Social Development KwaZulu-Natal.



What we are doing in **Cameroon**

The population of Mazare, in the Far North region of Cameroon, now has access to drinking water thanks to a potable water access point. The project was handed over by the MTN Cameroon Foundation in May 2023.



Doing more in 2024

Looking ahead, we intend on progressing towards standardised monitoring and measurement of water consumption across our markets.

Doing for people

Broad social inclusivity lies at the heart of MTN's vision, reflecting our belief that everyone deserves the benefits of a modern, connected life. Those not digitally connected risk exclusion from life-enhancing online services, presenting a challenge that demands our attention. Sub-Saharan Africa, in particular, faces a dire situation where less than a quarter of households have internet access. Specific categories of people face the most significant challenges in adopting digital technologies, including women, individuals with disabilities, children, youth, older persons, those with low incomes and residents of remote areas.

Our commitment to more sustainable societies stems from the understanding that everyone, regardless of background or location, should have access to the opportunities provided by digital connectivity. By driving digital and financial inclusion, upskilling our workforce with future-fit skills, fostering diversity and inclusion, and uplifting communities through CSI initiatives, MTN is actively contributing to positive social change in the markets we serve. We recognise that our growth is inseparable from the health and prosperity of the communities in which we operate.



We are doing for the society by

Accelerating digital inclusion

- Rural connectivity
- Affordable data and handsets
- Digital adoption

Driving financial inclusion

- Convenient, low-cost transacting
- Saving
- Micro-lending
- Insurance remittances

Fostering a skilled, diverse and inclusive society

- In our workplace
- In our communities
- In our retail outlets

Uplifting our communities

- Developing digital skills
- Women and youth empowerment
- Investing in national priority areas
- ***Y'ello*** Care

Accelerating digital inclusion

Digital inclusion is an area where MTN can take a leadership role in creating change to deliver social and economic impact. Connectivity is the gateway to the digital world, which creates numerous social and economic opportunities.

MM 5

MM 6

While affordable connectivity and digital access can transform lives and bridge divides, sub-Saharan Africa still has broad coverage and usage gaps. Therefore, we focus on bringing internet access to underserved communities, increasing affordability for the most vulnerable groups of society and helping these groups to capitalise on all the benefits of connectivity by offering digital education and accessible experiences to enhance their digital participation.

Our strategy for driving inclusive connectivity

Our strategic ambition is to reach 200 million active data subscribers by 2025, doubling our data subscriber base.

To this end, we focus on providing 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.

As of 2023, mobile internet was accessible to 55% of the world's population. Only **23% had access in sub-Saharan Africa, while the region had a high usage gap of 60%*.**

The usage gap metric illustrates the share of the population covered by mobile data networks but who do not have access due to barriers such as affordability or a lack of digital skills.

Read more

**https://www.statista.com/statistics/1381183/global-mobile-internet-penetration/*

CHASE

Fulfilling the connectivity and communication needs of our customers



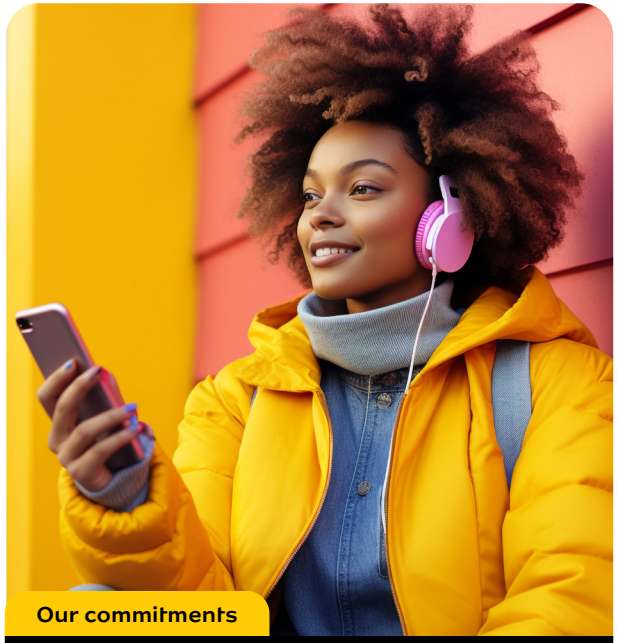
Coverage
Ensure sufficient and affordable data coverage in rural and low-income areas

Handsets
Increase affordability and access to data-enabled devices

Affordability
Increase data services affordability

Service bundling
Create service offerings that are relevant, simple and meaningful to customers

Education and ease of access
Enhance digital literacy and ease with which data can be accessed



Our commitments

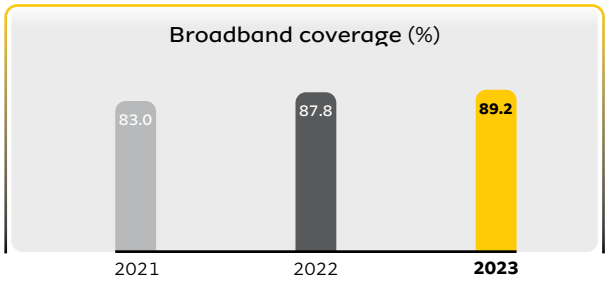
- Achieve **95% broadband coverage by 2025.** To ensure we stay on track, we have tied executive remuneration to this objective.
- Maintain or **reduce 1G bundle price ratio.**

Accelerating digital inclusion continued

Accelerating rural connectivity

MM 3

The first step towards an inclusive digital world is ensuring everyone, everywhere, can connect to it. With a significant portion of Africa's population living in rural areas, we are committed to expanding our network to underserved communities.



In 2023, we took significant strides towards overcoming key barriers to rural internet availability.

- Through substantial investments in site rollout, we have brought connectivity to an additional 9.2 million people in 2023 and deployed 6 984 sites in rural areas across our operations.
- We have achieved broadband coverage of 89.2% across the geographies we operate in, nearing our target of 90% against our ***Ambition 2025*** target of 95% and bringing the total number of people with rural coverage to 35.8 million.
- To expedite our Rapid Rural Rollout (R3) programme, we collaborated with nine specialist partners (2022: 12) and embraced new commercial partnership models.
- We are testing OpenRAN technology to supplement or replace existing radio access network providers. An OpenRAN environment expands the ecosystem, lowers costs and accelerates innovation.
- We are also investigating pilot projects for low-earth-orbit satellite connectivity to complement our rural terrestrial network.
- We have piloted solar-powered network coverage sites in Benin, which results in greener site solutions and reduces environmental impact, supporting MTN's road to zero carbon emissions.



Accelerating digital inclusion continued

CASE STUDY

Rural connectivity

Extending mobile network coverage deep into rural Africa

MTN Zambia has teamed up with Africa Mobile Network (AMN) to extend mobile network coverage to rural communities across Zambia. Leveraging the AMN model, MTN can reach remote areas without the need for upfront investment or operational risks. Through the deployment of advanced technology, we are enabling affordable and sustainable services for smaller communities, providing connectivity to individuals who were previously disconnected.

In partnership with AMN, we not only establish network infrastructure, but also offer heavily subsidised mobile phones to villages, ensuring accessibility for all. Additionally, we support the establishment of airtime dealers and mobile money agents, maintaining constant communication with them and providing credit facilities. This enables villagers to easily access mobile money services for deposits and withdrawals, effectively enabling these outlets to serve as community banks.

One such success story comes from Mawanda Village in the Eastern Province of Zambia. The experiences shared by its residents serve as powerful illustrations of the positive impact of our rural connectivity initiatives.



"A long time ago, we used to write letters to Lusaka. Now MTN thought of us and gave us phones so that we can communicate with people in Lusaka. So we are very grateful for bringing us phones here in our village.

When money comes, we are able to collect from MTN Mobile Money. Things are much easier because of the phones MTN has provided."

Gertrude Banda, resident



"I want to mention that MTN is a very good network and since the time they installed this tower, it has really helped us. We use the MTN network to make referrals for patients who need to go to hospital and to call an ambulance in emergencies. Sometimes the people are calling us to refer a person from the community to our facility."

Stanley Kaluba, Clinical Officer in Mawanda



"People come to withdraw money or open mobile money accounts. They can buy airtime through MTN MoMo or receive money from Lusaka. There are so many things I am able to do for a living now. I am very thankful."

David Phiri, mobile money agent

Accelerating digital inclusion continued

Closing the usage gap

MM 6

Increasing affordability is essential to driving internet adoption and usage in Africa, as the cost of access can be a significant barrier for many people in the region.

- The cost of handsets and devices can be prohibitively high for many individuals, making it difficult for them to access the internet.
- Additionally, the cost of data can be high, limiting the amount of time people spend online.

These challenges highlight the digital vulnerability of poorer communities, where people face a choice between having connectivity and meeting other basic needs.



Affordable devices

Owning any kind of mobile phone improves life, providing access to information, financial services, connectivity, economic opportunities and emergency response. Entry-level 2G phones are cost-effective and accessible due to their simplicity, while smartphones offer advanced features but come at a higher cost.

Over half of MTN users still use 2G devices, limiting their internet capabilities. Therefore, we are collaborating with manufacturers to create affordable smartphones and offer data plan subsidies. Financing options, like instalment plans, help spread the cost of devices, making them more budget friendly.

MTN's smartphone acceleration programme has driven smartphone adoption, resulting in over 183.3 million smartphones on our network across various markets in 2023 (compared to 166.5 million in 2022).

Innovating for low-cost 4G handsets

Price is the primary obstacle that blocks 2G subscribers from moving to a fully connected and digitally empowered 3G or 4G smartphone experience. To overcome this obstacle, in 2023, MTN successfully developed a 4G smartphone that will sell at a cost of only US$30. With carefully selected specifications that deliver an empowering, minimal viable product, the phone targets customers who are making the shift from 2G to 4G devices. This represents a significant achievement and demonstrates MTN's commitment to providing affordable technology.

Partnering for smartphone financing

Through our partnerships with reputable financing partners such as M-KOPA, Intelligra and PayJoy, MTN is making smartphones more accessible to people who cannot pay for them upfront. Our device financing programmes allow customers to pay a deposit, typically 20 to 30% of the device's cost, and pay the remainder over several months (six, nine or 12 months).

In Uganda, 25% of smartphones added to the network in 2023 came from device financing initiatives. In Rwanda, this figure is 45%, establishing these two countries as leading device financing markets. The success in these markets has provided valuable insight into what works, which MTN plans to replicate in other markets.



500 000
smartphones financed through various partnerships since launching in 2022

Driving industry engagement

We intend to drive industry engagement with various stakeholders to reduce handset costs.

Increase in RAM specifications

The increase in Android Go's RAM specifications from 1GB to 2GB is a significant challenge. It impacts device pricing as RAM is a crucial cost component. MTN aims to work with industry stakeholders to lobby for lower RAM specifications, which would reduce device costs and increase affordability.

Tax regime lobbying

MTN plans to lobby governments, particularly in markets where there is a lack of access to affordable smartphones. The goal is to relax tax requirements for entry-level smartphones, making them more affordable. The anticipated result is increased smartphone adoption and data usage, leading to higher tax revenue for governments.

Expanding device financing

MTN's device financing programme will expand to new markets, focusing on achieving more traction in countries like Ghana, Nigeria and South Africa. Successes in these markets will further drive device financing initiatives and promote digital inclusion.

Accelerating digital inclusion continued

CASE STUDY

Partnerships for progress



Bridging the digital divide: FoneYam device financing solution by MTN South Africa

In South Africa, as in many developing nations, access to digital technology remains a hurdle for a large segment of the population, with only 44% owning smartphones in 2023. This stark statistic widens the digital divide, particularly as a result of device affordability issues, limiting South Africa's full participation in the modern economy. The country's ongoing migration to 4G networks aims to impend 3G and 2G networks by December 2027. Consumers are therefore required to upgrade their devices to those compatible with 4G networks, which can be prohibitively expensive for many individuals and households, particularly those already facing financial constraint. This requires targeted initiatives like device financing to address smartphone access and affordability.

"South Africans are leveraging financial inclusion education to embrace improved consumer lending practices, effectively navigating economic challenges by positively utilising credit products and prudently managing debt, leading to recorded improvements in credit scores," as stated in the TransUnion Credit Landscape report of 2023, which creates an opportunity for successfully rolling out device financing initiatives and addressing the smartphone access gap.

MTN South Africa partnered with the FoneYam device financing programme in 2023, with MTN capturing 37% of device sales through the FoneYam initiative at Pep (a South African low-cost retailer). FoneYam introduces flexible financing options tailored to the needs of low-income consumers ranging from instalment payments spread over flexible periods, with minimal or no interest, making devices more accessible without imposing a significant financial burden on consumers. MTN South Africa plans to partner with co-financing partners to add value to the consumer to increase uptake and promote our customer relationship.

Device financing solutions play a crucial role in narrowing South Africa's digital divide by addressing affordability issues. These initiatives empower individuals to fully participate in the modern economy, leading to improved connectivity, expanded educational and job opportunities, and enhanced social inclusion. Continued investment in sustainable device financing programmes is key to driving economic growth and societal advancement in South Africa's digital transformation journey.

"Before I got help to buy a phone, I felt a bit left out because I couldn't afford one. But now, I have the internet all the time, which has changed everything. I can talk to my family whenever I want, look for jobs online and even learn new things. It feels like a whole new world has opened up for me, and I'm really thankful for that."

Accelerating digital inclusion continued

Affordable data connectivity

MM 4

More than an affordable handset is needed to connect to the digital world; one must also have affordable data. Therefore, we actively monitor our pricing, focusing on both voice and data and tailor programmes to ensure affordability for the bottom 50% of our user base in terms of income.

Improving data pricing to support those who need it most

To make internet access affordable, the UN recommends that 1GB of mobile broadband data should cost 2% or less of a country's gross national income per capita. MTN Group uses a Price, Income and Elasticity (PIE) score to evaluate if our data pricing aligns with affordability.

- Over 2023, the cost of data reduced by 17.5%, highlighting our ability to continue providing affordable data connectivity despite the challenging macroeconomic conditions prevalent across our markets. The changes in the blended cost of data have resulted in a 15.6% growth in data usage per subscriber over the 2023 financial year.
- Sixteen of our markets remained within the UN's affordability range.
- 14 markets improved data pricing over 2023, with data usage at a Group level continuing to grow in double digits.

Balancing challenges and opportunities

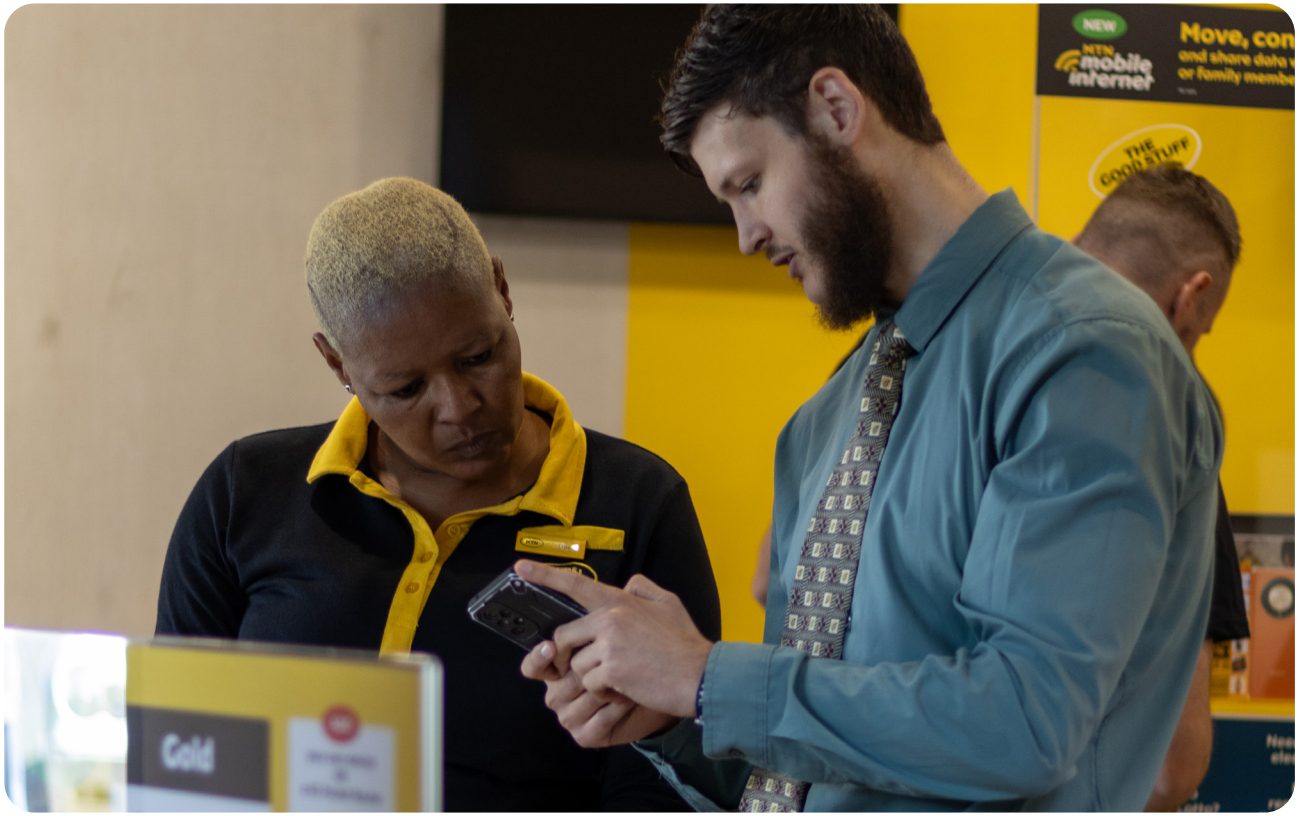
Many of our markets have experienced high levels of inflation. In these markets where there have been parallel price increases on data we have ensured that these increases are asynchronous-minimal for entry level bundles and higher for much bigger bundles.

In response to challenging macroeconomic factors, we have intensified our focus on ERMB management to boost data revenue. These efforts include below-the-line value-reengineering initiatives, such as scaling back free data and promotional offers to enhance overall data effectiveness. Moreover, we tailor data packages and promotions to suit diverse user needs and financial capacities, ensuring a broader demographic can afford and benefit from data connectivity.

We have also developed network coverage plans to connect rural areas to accelerate data connectivity in these communities. Accelerating data will, over time, bring down the cost of data and allow for MTN to provide more data value to our customers.

Price	Income	Elasticity
Assess the ratio of the Opco entry-level bundle against 1GB bundle to avoid anti-poor pricing structures.	Assess the effective rate per 1GB against income levels of the bottom 50% in the country to drive data affordability on the base.	Determine the elasticity of demand for data by the bottom 50% to identify data adoption weaknesses and opportunities.

This framework ensures entry-level data pricing is accessible to the bottom 50% and helps our Opcos understand the impact of their pricing decisions on customers in the lowest income groups. Each market assesses their data affordability against the PIE guidelines on a quarterly basis.



Accelerating digital inclusion continued

Digital literacy

MM 6

Digital technologies and online platforms are becoming fundamental to everyday life. In emerging markets, digital skills are increasingly essential to accelerate development and further equality. At MTN, we recognise our responsibility to ensure inclusive growth and progress: no one should be left behind in this profound evolution to a digital future.

Increasing the availability of digital literacy content

MTN's flagship educational programme, MTN Data-Smart, is a digital literacy programme based on the Mobile Internet Skills Training Toolkit of the GSMA, meant to improve people's awareness of mobile internet and applications. The toolkit is a set of free resources to teach people the basic skills they need to access and use mobile internet. All training given incurs zero data cost to consumers and customers are further incentivised to complete the training with free data upon completion of the programme.

MTN Data-Smart is accessible in Ghana, eSwatini, Afghanistan, Zambia, South Africa, Nigeria, Kenya, Cameroon, Uganda, Rwanda, Côte d'Ivoire, Benin and Sudan.

In October 2023, MTN Rwanda entered into a partnership with GSMA to run a digital literacy programme called 'We care'. The GSMA and MTN Rwanda teams subsequently facilitated a training session where 60 channel developers were trained in January 2024. We have also provided the field teams with localised educational materials on the use of the Internet, popular social media platforms, streaming platforms and search engines for customers to access information quickly.



Accelerating digital inclusion continued

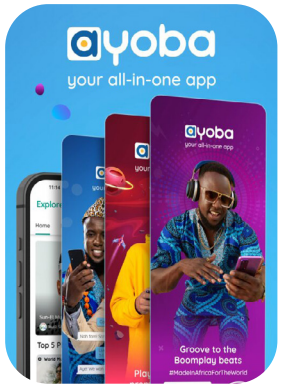


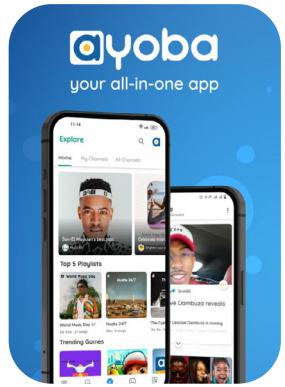
MM 5

Driving digital inclusion through local content with ayoba

By providing digital content and services that are accessible and relevant to the local population, MTN's ayoba app serves as a vital enabler of mobile internet adoption and usage.

Ayoba is a gateway to a more inclusive, empowered and connected future for communities across Africa and the Middle East. Going beyond instant messaging and group chats, the app is a powerful enabler that unlocks digital opportunities while fostering social interactions and community building. It also supports businesses and entrepreneurs by providing a platform for advertising, networking and reaching potential customers.





Social connectivity	Ayoba provides a platform for communication and connectivity, leveraging MTN's communication and telecoms strengths to help build communities.
Access to information	The app offers access to a wide range of localised information and services, including news, entertainment and financial services, making it easier for people to access the information they need.
Economic empowerment	Ayoba provides opportunities for financial inclusion, with services like mobile money and e-commerce, helping people participate in the formal economy and improve their financial wellbeing.
Job creation	By enabling businesses to reach new customers and access new markets, ayoba has the potential to drive economic growth and create new job opportunities.
Education	The app offers educational content and services, supporting lifelong learning and helping to build a more knowledgeable and skilled population.

Ayoba services work on Android and iOS devices. However, our unique SMS continuity feature allows messages to be shared with feature phones as well, allowing for access to a wider user base.

With a commitment to linguistic diversity, accessibility and local content, the ayoba app supports many languages across the MTN markets, including isiZulu, isiXhosa, Arabic, Yoruba, Swahili, Hausa, French and English.



Accelerating digital inclusion continued

Enriching local content

Ayoba introduced 53 new channels in 2023, 13 available in French, five in Arabic and 35 in English across local and regional markets. These channels are aligned with ayoba's mission to empower and uplift local communities, contributing to a more inclusive digital environment. We significantly increased our offering of French content with Dycoco and Iconic TV, our new local partners. Ayoba also launched Wikipedia pages in three languages during the year.



Total number of ayoba channels

197

Supporting entrepreneurs and small businesses

The ayoba platform is scaling up to offer managed services over a micro-app marketplace. During the year, we actively collaborated with local businesses to launch several micro-apps, opening new opportunities for entrepreneurship and small businesses.

As part of ayoba's commitment to supporting entrepreneurship, the app ran a competition called Ayoba Supports Your Hustle, rewarding the winning entrepreneur with US$5 000 in cash and a valuable six-month mentoring programme with a partner company.

Read more about how ayoba drives innovation and supports young entrepreneurs through ecosystem initiatives on page 88 of this report.

Promoting African talent

Ayoba Music has a strong focus on African artists and hits, supporting local talent and providing exposure for emerging artists, thereby contributing to the growth of the local music industry. During 2023, ayoba partnered with Boomplay to give users access to a broader range of songs and playlists, all curated locally to cater to diverse musical tastes.

Improving accessibility and educational content

Ayoba has now introduced an 'Explore' mode a new preview mode that allows users to experience the app and gain access to educational content prior to registration. The new landing page draws together a curated offering of all ayoba content, making it easier for users to find information that interests them.

Ayoba makes education and valuable resources easily accessible through various channels and encourages users to make a positive impact within their communities. For example:

- The **Brighten Your Day** channel (and the French version 'Illumine ta journée') features campaigns encouraging users to make an impact within their communities, such as showcasing ways to increase awareness of breast cancer.
- **Ayoba Supports Your Hustle** (and the French 'ayoba supporte vos activités') features advice and information helping aspiring entrepreneurs expand their businesses to their local community.
- Numerous third-party channels offer medical assistance, mental health assistance, current affairs and business news.

Doing more in 2024

Accelerating digital inclusion

We are exploring several options to scale rural broadband connectivity, including:

- Increasing capital investments in low-cost sites.
- Deploying new satellite solutions.
- Increasing efforts to power sites with renewable energy.
- Co-investing in rural industrial hubs for renewable energy and electrification solutions.
- Innovative funding solutions such as green bonds or Development Finance Institution financing closing the usage gap.
- In 2024, we aim to focus on rolling out our US$30 4G phone across Opcos, making affordable handsets more accessible than ever before.
- We will continue to ensure data prices across our markets are within the UN's affordable internet target while driving opportunities to provide more data value to our customers.
- Ayoba aims to enhance user experience by providing personalised content and expanding its reach to North and East Africa during the coming year. The app is on a continuous journey to make a more profound impact in the lives of its users and communities across the region.

Driving financial inclusion

Over the past decade, mobile money has transformed the face of financial services in Africa and the Middle East as digital technology provided opportunities to leapfrog traditional financial service solutions.

MM 5

MTN aims to be a transformative force in the mobile financial services sector, striving to unlock digital economies with affordable, inclusive and comprehensive financial services through our mobile money platform, MTN MoMo. As our fintech business scales to support cashless and digital economies, our goal is to evolve into an end-to-end platform, creating a digital marketplace that connects consumers to businesses and fosters business-to-business interactions. Rapidly expanding our partner ecosystem through integration with third-party providers is integral to achieving this vision, enabling new financial use cases and services.

MM 6

MoMo's strategy focuses on delivering value to customers by offering low-cost services such as transferring money or buying airtime and electricity, with the service being zero-rated on the MTN network. This fintech platform presents a significant opportunity to revolutionise affordable, inclusive and comprehensive financial services for underserved or unbanked populations across our markets.



Ensuring responsible mobile financial services

MM 2

Across our footprint, mobile financial services are regulated by the respective central bank in each country of operation, with substantial compliance requirements to which we adhere strictly. During 2023, we were granted a Payment Services Provider licence in Cameroon by the Banking Commission of Central Africa.

Our strategic objectives are underpinned by a foundation of responsibility, ensuring we combat potential fraud in the mobile financial services system. Seven of our 16 markets have the GSMA mobile money industry certification, ensuring safer, more transparent, resilient financial services. The GSMA certification has, among others, the following advantages:

- Promotes excellence in the quality of mobile money services.
- Better standard of information system delivery.
- Trust when dealing with regulators, consumers, merchants and agents.
- Added security and protection of customer funds.
- Validation of adherence to compliance standards and industry best practices.

Driving financial inclusion continued

Our MoMo fintech platform

MM 3

MTN has set a target of reaching 100 million active consumer wallets and supporting five million businesses through our MoMo fintech business by 2025.

MoMo digital wallet
personal services and transactions for African consumers

Services and solutions
- Send and receive local money transfers.
- Send and receive international money transfers.
- Make international payments with MoMo MasterCard.
- Pay bills, services, or merchants.
- Access loans in the form of a cash advance or overdraft facility.
- Save or invest in MTN shares (i.e. Ghana) or into a saving account with a partner bank.
- Get insured with aYo.

Customers' benefits*

- **Save time**

An average of 80% of customers across all markets saved time sending money to friends, family and other contacts compared to when they did not have MTN Mobile Money.

- **Save money**

Cost savings were a significant driver in MTN MoMo uptake among users, with 73% of customers across all markets mentioning that sending money with the app cost them overall less compared to when they did not have the app.

- **Experience less fraud**

Experiencing less fraud on MTN MoMo was another primary reason why customers opted to use the mobile money app.

Impact

72.5 million
people actively use MoMo every month across 16 countries
(2022: 69.1 million)

Our MoMo platform facilitates more than
US$272.1 billion
in transactions every month
(2022: US$221.3 billion)

MoMo merchants
supporting enterprise and business growth for all African businesses

Services and solutions
- Request payments, create bills, upload invoices and collect payment from customers with MoMo or card.
- Pay suppliers and employees.
- Augment business growth by selling products on MoMo.
- Access business loans.
- Benefit from business insurance with aYo.

Merchant benefits

- **Convenience**

Across all markets, merchants noted that most of their customers prefer mobile money services such as MTN MoMo because of their convenience.

- **Cash management**

MoMo minimises the risk of losing money because the cashiers have no access to the MoMoPay platform. It is also easy to transfer money from the MoMoPay account to the bank, allowing merchants to monitor and analyse the amount of money each branch brings in and the number of transactions made.

- **Affordable**

Merchants highlighted that there are no charges associated with customers sending them money.

Impact

2.1 million
merchants were served through MoMoPay during 2023
(2022: 1.5 million)

9.5 million
MoMoPay unique users
(2022: 10.4 million)

MoMo agents
supporting Africa's largest fintech platform

Services and solutions
- Provide vital, in-person access to mobile money services by helping customers cash in or out of their MoMo accounts.
- Earn commissions and fees for the financial services provided, such as cash withdrawals, deposits, and money transfers.
- Attract customers who use mobile money services, thereby increasing foot traffic to their business.

Agent benefits

- **Flexible working hours**

Agents noted that the job allows them work flexibility and to make money, especially when they are working in busy locations.

- **Funding for expansion**

Some agents work with MTN MoMo to raise funds to expand their businesses and open other branches to increase profits and employ people.

- **Income supplementation and employment**

Agents across all markets noted they became MTN MoMo agents to supplement their income and better their livelihoods, while some became agents for employment purposes.

Impact

1.3 million
active agents in 2023
(2022: 1.3 million)

** Feedback received from customers, agents and merchants during True Value primary research.*

Driving financial inclusion continued

Additional MoMo Services **

MoMoKash	MoMoRemit	Insurance Products	MoMoAPI
MoKash is a service that enables customers to save and apply for short-term loans at reasonable fees, providing an alternative to traditional bank loans with potentially lower interest rates. The customer does not require any bank account and does not have to visit any bank to fill out forms.	MoMo is often used for international and domestic remittances, allowing users to send and receive money quickly and safely across countries and borders. These monetary transfers from individuals working abroad contribute significantly to the wellbeing of recipients in their home countries, supporting essential needs such as education, healthcare and daily expenses.	Some MoMo platforms provide insurance products, allowing users to purchase insurance coverage such as. • Device insurance • Life cover • Funeral cover	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.
Facilitated an average of **89 837 loans per day** (2022: 75 117) Loan disbursement value of 2023: US$1.9bn (2022: US$1.4bn)	Facilitated a total of **US$3.3 billion** in remittances (2022: US$2.2 billion)	Total number of MTN Insuretech customers **23.9 million** (2022: 20.9 million)	Facilitated more than **644 million** open API transactions from over 2 346 partners (2022: 338 million API transactions)

We are continuing our efforts in developing MoMo solutions for high-potential industry verticals such as government, e-commerce, transport and, agriculture, FMCG, oil, gas and subsidies such as electricity and water.

*** Note that the specific services offered by MoMo can vary by region, as regulations and market demands influence the features available in different locations.*



Driving financial inclusion continued



Empowering entrepreneurs and small businesses

In 2023, we continued to focus on addressing common challenges faced by SMEs and providing practical solutions to enhance business operations.

- In 2023, we launched a Teller Till feature, which is especially beneficial for distributors collecting payments from their retailers. This initiative has been rolled out in multiple regions, including Ghana, Uganda, Cameroon and Benin. Additionally, there are plans to introduce a dedicated app for Teller Till in 2024.
- We introduced a nano profile feature designed to assist entrepreneurs and small businesses in collecting payments without upfront costs. This allows for quick and easy set-up, enabling users to start accepting payments without facing significant barriers or complexities.
- Recognising the challenges informal traders face, especially in areas with limited connectivity, MTN has introduced a dual-SIM, Wi-Fi-capable point-of-sale terminal in South Africa. This innovative solution aims to reduce risks associated with carrying cash, providing traders with a safer and more efficient way to accept electronic payments. Additionally, real-time reporting features on the terminal enable traders to stay informed about their transactions.

Simplifying credit with MoMoAdvance

Our MoMoAdvance service allows eligible MoMo customers to complete transactions such as purchasing airtime through a revolving credit model even when their wallet has insufficient funds. MoMoAdvance continues to gain traction in Uganda. We have successfully piloted our consumer overdraft offering in five additional markets in 2023 and aim to launch the product in a total of three markets in the upcoming financial year.

Expanding women's mobile money use

MoMo services play a pivotal role in advancing financial inclusion and empowerment for women, especially those in underserved or remote areas, providing them with tools to manage their finances, support their businesses and contribute to their overall wellbeing. MoMo also provides a secure means to manage and store their funds, reducing the risk of theft or loss.

A GSMA[4] study found evidence that MTN MoMo Pay is providing two important and distinct benefits to women in Ghana, particularly those who work as vendors in the open markets.

- It empowers female micro-entrepreneurs in markets through the digitisation of their transactions, thus deepening their financial inclusion.
- It drives greater mobile money use and engagement among female customers.





Accelerating financial inclusion through new partnerships

- Our collaboration with Mastercard aims to enhance financial inclusion by leveraging MTN's extensive customer base and Mastercard's technical infrastructure and innovative solutions to provide secure and efficient financial services, particularly in regions with limited traditional banking infrastructure.
- We are partnering with Fintech, Optasia and Ecobank to launch a mobile money microloan service in Guinea. Ecobank will provide the capital as part of the arrangement, MTN Mobile Money will power the loan disbursement and Optasia's AI technology platform will power loan decisions.
- Saana Capital – an international cross-border company with a licence from the Central Bank of Nigeria (CBN) – and MTN have partnered to enable bill payment services and seamless inbound and outbound transfers throughout Africa.

Doing more in 2024

In 2024, MoMoCard, our virtual card powered by Mastercard, will allow users to buy and pay for anything from anywhere in the world. Additionally, we will continue piloting e-commerce operations in Uganda, Ghana and Ivory Coast.

Our fintech team intends to expand MoMo to non-MTN users, enhance interoperability and strengthen our BankTech capabilities.

Read more

[4] *https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2020/05/MTN-MoMo-Pay-Merchant-Payments-Expanding-Female-Mobile-Money-Usage-in-Ghana.pdf*

Driving financial inclusion continued

CASE STUDY

Enabling African businesses to scale with MoMo API



Medhi Matovu, Entrepreneur

Medhi Matovu, an entrepreneur from Uganda, shares his success story with MoMo APIs on propelling business to new heights. By harnessing the power of MoMo APIs, his business, Lusuku, has unlocked enhanced efficiencies and witnessed a substantial surge in revenues.

"I started running my e-commerce platform way back in 2018. Initially, we relied on traditional payment methods like cash on delivery, but everything changed when MTN's open API, specifically the 'collections' API, entered the scene. Before integrating the MoMo API in late October 2019, we encountered challenges with cash transactions, including cases where drivers disappeared with funds. The API transformed our payment process, making it seamless and secure. Now, our drivers focus only on delivering products, while the API takes care of the monetary transactions.

The transition was remarkably smooth, thanks to the comprehensive documentation available on the MoMo website and an active developer community. With the API, we have experienced improved accuracy and speed in processing payments. The real-time prompts ensure reliability and the sense of urgency created by immediate payments has reduced abandonment rates. The MoMo API not only boosted conversion rates, but also increased customer confidence. The ease of making payments without extensive verifications has positively impacted user behaviour. The return rate has surged compared to cash transactions, as customers have a clear record of their interactions. Scalability is a significant advantage of the MoMo API, capable of handling any volume of orders even during promotional campaigns. Its flexibility is evident in adapting to dynamic user requirements with minimal disruptions to our established logic flow. What sets the MoMo API apart is its understanding of users' diverse needs. The few necessary updates are seamlessly integrated, ensuring a smooth experience for developers. MoMo offers various other useful APIs such as mobile wallets, remittances and disbursements, catering to different use cases. Since integrating the MoMo API, our revenue has increased, and losses from drivers disappearing with cash have been minimised. It is a game-changer for any developer seeking a reliable and scalable solution for seamless financial transactions in the e-commerce landscape."

Supporting a skilled, diverse and inclusive society

MM 7

At MTN, we recognise the value of diverse and inclusive societies where people can bring their uniqueness. Diversity of thought, skills and experience drives innovation, which is essential to achieving our business strategy and supports our purpose to build a connected future so everyone can thrive.

Our approach involves actively promoting diversity and inclusion within our workforce, implementing training programmes to upskill employees, and supporting initiatives that foster skills development and bridge societal gaps.

We are passionate about creating an inclusive, accessible and supportive environment, a place where everyone can be themselves and feel a sense of belonging.

Read more

Our position statement on diversity and inclusion
https://www.mtn.com/wp-content/uploads/2023/09/MTN-Position-on-Diversity-and-Inclusion.pdf

Our position statement on labour practices
https://www.mtn.com/wp-content/uploads/2023/09/MTN-Position-on-Labour-Practices.pdf

Enabling our people to 'Live Inspired'

Empowering, enabling and supporting our workforce requires agility and flexibility to ensure employees adapt and thrive in the rapidly changing environment. Our employee value proposition (EVP), is therefore aligned with post-COVID realities and our ***Ambition 2025*** goals.

We crafted our 'Live Inspired' EVP with an emphasis on the future to inspire our people to think differently, innovate and actively engage in building the future of our business and market. Our proposition is defined by our four 'Pillars of Inspiration', namely:

Work *with meaning*

Work with meaning
- Empowered to work
- Small and swift teams
- Work fit for capability
- Anytime work

Connect *to develop*

Connect to develop
- Outcomes for goals
- Invested leadership
- Coach to manage
- Agile performance

Thrive *in positivity*

Thrive in positivity
- Secure, rewarded and recognised
- Balanced work and life
- Anywhere workplace
- Inclusive and diverse

Grow *with purpose*

Grow with purpose
- Future for future learning
- Career flexibility
- Ownership culture
- Sustainability

We have made it our mission to ensure our employees truly Live Inspired. All our key initiatives are aligned with our Live Inspired proposition and made richer by listening to the voices of our people.

Work *with meaning*

Work with meaning

Embracing the concept of 'Work with Meaning' goes beyond the conventional idea of a job, transforming a career into a source of impact and inspiration. The focus areas include empowering individuals in their roles, forming agile and efficient teams, aligning work with individual capabilities, and fostering an environment where work can happen anytime. The ultimate goal is to redefine the perception of work, unleashing the full potential of every individual and enabling them to bring their best selves to work daily.

Fit for purpose tools and technologies

We firmly believe that a digital mindset across the business core, work enablement practices and fit for purpose tools and technologies can create efficiencies in business operations, maximise talent productivity and improve work-life balance. We have made great strides in our workplace digitisation journey and we continually explore new ways to enhance digital experiences as a means to simplify work, improve accessibility and drive meaningful collaboration and engagement across the footprint.



Supporting a skilled, diverse and inclusive society continued

Connect to develop

The essence of human progress and development lies in connection, and 'Connect to Develop' embodies this fundamental belief. Human connection is not just a desire, but a necessity for development. MTN acts as a facilitator, connecting people to common goals, shared outcomes and collaborative success. Anchored in authentic leadership, this pillar emphasises outcomes-driven goals, invested leadership, coaching for effective management and the flexibility of agile performance. It reflects a commitment to fostering meaningful connections that drive both personal and collective development.

Listening to the voices of our people

The voices of our people are integral to shaping our culture. By conducting a series of anonymous internal 'Sentimeter' surveys throughout the year, we consistently evaluate experiences across dimensions such as leadership, diversity, inclusion, learning, development, HR services, internal communication and strategy adoption.

The 17th instalment of the Group Culture Audit (GCA), performed by an international benchmark agency, further gauges engagement across various cultural aspects. In 2023, we enhanced our approach by introducing a biannual survey for GCA, specifically focusing on sustainable engagement. Survey evaluations considered the average of the two GCAs conducted during the year.

All employee-led surveys (Sentimeter and GCA) were consolidated and administered through a single platform on our MTN MOVE app.



Sentimeter survey outcomes

- Survey adoption increased by 2%, with 86% of participants responding to the surveys in 2023, indicating increasing confidence and improvement in our rapid feedback strategy.
- Leadership sentiment improved by 4% to an average of 82%.
- Inclusive experience improved by 4% during the course of the year to an average of 86%.
- HR experience improved by 3% while learning, growth and career opportunities experiences improved by 6%, with a year-end satisfaction rate of 82%.
- Rewards and recognition sentiments improved by 4%, with an average of 77% satisfaction.
- Workplace flexibility experiences improved by 4%, with an average of 80% satisfaction.

Group Culture Audit achievements

- 92% overall average participation rate.
- Our annual average sustainable engagement stood firm and consistent at 83%, with MTN Ghana and MTN Cameroon achieving the highest outcomes at 94%.
- Leadership confidence is at 75%, with 73% of our Opcos exceeding global telecoms norms.

Revitalising our values-led culture

In 2023, we embarked on a pivotal mission to fortify our values-led culture, recognising the essential role this plays in sustaining growth. Engaging over 300 leaders and 2 500 employees across diverse markets, we thoroughly re-evaluated MTN's core values, culminating in the launch of the refreshed Live Y'ello values. This revitalisation fortifies our commitment to embedding inclusion as a cultural cornerstone, ensuring accountability in our actions and presentations.

The Live Y'ello values were unveiled at the Global Leadership Gathering, receiving a 100% satisfaction rating from over 450 global leaders. The subsequent global deployment involved in-person workshops and online training for over 6 000 staff and leaders, reinforcing MTN's commitment to a vibrant and inclusive culture.

Recognising and rewarding our people

We continued to work to enable a high-performance and rewarding culture. MTN has implemented multiple interventions beyond the traditional performance management approach to ensure each MTNer is driven by purpose and is aligned with the Group's ***Ambition 2025*** strategy. We encourage employees to strive for team collaboration and appreciate each other's contributions.

Recognition is central to how we create a thriving culture. Our digital recognition platform, MTN Shine has over 96% registered users and continues to be the cornerstone of our recognition strategy. In 2023, over 54 000 messages of gratitude were shared across our footprint. Our hybrid Global Appreciation Week engaged colleagues virtually and in offices, resulting in over 25 000 messages on MTN Shine.

In addition, ongoing initiatives like Appreci8 days consistently reinforce our culture of gratitude.

Supporting a skilled, diverse and inclusive society continued

Thrive
in positivity

Thrive in positivity

'Thrive in positivity' centres on creating an environment that inspires and uplifts. In the era of remote work, it recognises the multifaceted nature of individuals' lives beyond the workplace. This pillar thrives on genuine inclusion, promoting a balanced approach to work, embracing diversity and fostering an inclusive and diverse workplace. The emphasis is on creating a positive atmosphere that respects individual differences and enables employees to be their most productive selves.

Advancing equality, diversity and inclusion

MM 7

At MTN, diversity, equity and inclusion are central to our progress as a company and across the African continent. Our strategy for DEI has championed women's equality and has a stringent focus on people with disabilities and different abilities.

Our journey towards our deliberate DEI vision has been core to MTN's people strategy.

- We committed to achieving workforce gender equality by 2030.
- We committed to gender pay parity as a key strategic measure to enhance the quality of DEI.
- We committed to attaining deliberate gender representation in our strategic programmes across the business. We aim to achieve a minimum target of 30% women representation in business transformations, upskilling programmes and specialised initiatives that form part of ***Ambition 2025.***

As a proud champion of the HeForShe alliance, we are continuously learning, listening and playing our part in creating an inclusive environment where women have a deep sense of belonging within MTN. Our CEOs and executive leaders across the footprint take pride in spearheading our ambition for a gender equal world.

Awareness, sensitisation and learning

Structured DEI learning programmes are delivered to staff and leadership teams across markets to influence everyday inclusive actions and behaviours. These programmes include self-learning training content, workshop sessions and sensitisation learning programmes.

Inclusion sentiments

The inclusion sentiments of our people are closely monitored and evaluated to comprehend their experience of connection, inclusion, openness and genuine belongingness to our organisation and the work environment.

In 2023, we observed improvements across our inclusion indicators:

- Inclusion stands as the highest-rated sentiment across the Group, with the strongest sentiments experienced by leadership.
- Women's sentiment on DEI has improved by 4% since 2022.
- Twenty out of 23 markets show improved inclusion sentiments of up to 5% compared to 2022.

Inclusive leadership talent development

MTN adopts a leadership-led accountable approach to DEI, focusing on increasing women in leadership, succession and critical roles. Executive ESG-led performance rewards are aligned with the DEI agenda, resulting in positive shifts in our short- and long-term incentive framework. We are encouraged by the improvements we have made to achieving gender equality.

Women in the workforce **40%** (up 0.3% since 2022)	Women in management **34%** (up 1.4% since 2022)
Women in succession **33%** (up 4% since 2022)	Women in technology **24%** (up 3% since 2022, exceeding our 2025 plan for women in tech by 3%)

Our focus on fast-tracking gender equality, leadership and succession continues to be a critical focus. Women representation in the C-suite improved by 3% at MTN Group and 4.7% across our markets. We enforce global inclusion mandates for hiring, placement and exit to ensure fairness in decision making.

Building a pipeline of talented women leaders

In our commitment to fortifying our women leadership pipeline for executive succession, we expanded the Rising Leaders programme in 2023, engaging 249 women across 18 countries through six new cohorts. In-depth leadership and technical capabilities focusing on three critical learning pathways (data science, fintech and technology) were embedded into learning journey for participants through various online learning, masterclass sessions and action learning programmes. Launched in 2020, this programme has experienced significant growth, boasting over 400 successful women graduates.

Women @ Work

We are extremely proud of our Women @ Work network, a digital platform crafted from our gender equality strategy. Since its launch, over 5 000 women from 21 countries have joined. This network comprises six digital spaces for women to network, learn, apply for jobs and enhance visibility. Upcoming enhancements include features for virtual cross-continent mentoring, specialised career pathing and exclusive hiring opportunities.

Rising leaders



"Being a part of the Rising Leaders programme has been an absolute privilege. The programme required a lot of focus and sacrifice to set aside time and effort to attend the modules. It has not only provided me with additional skills and abilities, but has also enhanced my personal and professional perspectives.

As the General Manager for Enterprise in Zambia, the programme has helped me better manage my team and positioned both me and my team to understand the dynamics in the market where we operate.

I am grateful to MTN for investing in equipping leaders with the relevant skills in this era. It is a programme I would definitely recommend to anyone."

Mildred Chica
General Manager, Enterprise MTN Zambia

Supporting a skilled, diverse and inclusive society continued

NextGen STEM women in technology

Driven by our passion for nurturing future women talent in technology, we launched the MTN NextGen STEM programme. A cohort of 33 students underwent a specially curated 48-hour initiative over six months with leading technology universities in Benin, eSwatini and South Africa. This journey focused on self-discovery, development, workplace readiness and real-life problem-solving skills. Top-performing students were earmarked for potential opportunities within MTN, with a coaching role in supporting the next cohort, fostering a continuous cycle of support for future women in the programme.

Gender pay parity

In our pursuit of comprehensive and transformative gender equality and equity, we go beyond initiatives improving women's representation to address biases and policy-driven measures. Our commitment includes ensuring equality and equity in pay, a critical focus since 2021.

Differentiating between gender pay gap and equal pay, our philosophy adheres to equal pay principles based on globally recognised Hay reward levels. While equal pay pertains to men and women earning the same value for the same work, gender pay gap analyses mean and median pay differences between all women and men at MTN, irrespective of factors such as level, specialisation, role or nature of work.

Pay parity gap analysis

Conducting a thorough examination of our gender pay gap drivers, we identified women's representation in senior positions and critical skilled areas as significant factors. Action plans have been formulated, emphasising gender-conscious leadership and strategic hiring to reshape our workforce composition.

^ Key notes to gender pay computations:

Our gender pay gap computations are based on the key principles derived from the UK pay gap methodology.

The 2023 reported gender pay gap percentages were independently reviewed by EY as part of the agreed-upon procedure guidance.

Gender pay is based on actual gross pay received by eligible employees (active on payroll as of December) during the period 1 January to 31 December of each year respectively.

Computations may be subject to a 1% to 2% minor margin of difference.

The 2023 Group consolidated pay gap comprises all eligible employees across 20 markets / business groups and is computed using South African Rand (ZAR) as the common base currency.

Computations for 2023 exclude Irancell, Afghanistan, Botswana Business Solutions (our ISP operator) and Ayoba.

'Mean' and 'median' are two different calculations. To calculate the mean, the values (e.g. monthly pay or bonus pay) are added together and divided by the number of employees. The median is the number in the middle of all values when arranged from lowest to highest.

Progress on gender pay gap reduction

Since 2021, we have actively focused on reducing our gender pay gap. One of the key strategic measures we undertook in 2022 was to develop a comprehensive pay adjustment model to strengthen our compensation mechanism in promoting gender pay parity. The adjustment model is based on our 'equal pay for equal work' philosophy and seeks to continuously identify opportunities to improve parity. The actions we took across several markets to implement the pay adjustment model, along with tangible measures to improve the hiring of women in senior and critical roles over the last two years, have achieved positive outcomes.

In 2023, we re-performed our gender pay gap analysis review across our markets, with the following findings:^

- Our total pay mean gap stands at 24.94%, while the median gap is at 20.66%, marking a reduction of 3.19% and 1.76% in mean and median pay gap, respectively, since 2022.
- Our salary mean gap is at 20.68%, while the median gap is at 20.10%, marking a reduction in the salary gap of 1.69% and 3.79%, respectively, since 2022.
- Our bonus pay gap is at 33.91%, while the median gap is at 23.54%, marking a reduction of 6.99% in mean gap and an increase of 6.44% in the median gap.

We believe that our sustainable approach to gender pay gap reduction is making a difference in our commitment. We will continue our efforts with periodic pay reviews, undertake adjustments where required and apply mindful practices in equitable hiring to ensure we meet our agenda for gender pay parity.

Eradicating harassment and discrimination

At MTN, we adopt a zero-tolerance stance towards any form of discrimination or harassment and are committed to proactive detection and prevention as well as taking action on any alleged incidents.

Read more

Our position statement on diversity and inclusion
https://www.mtn.com/wp-content/uploads/2023/09/MTN-Position-on-Diversity-and-Inclusion.pdf

Our position statement on labour practices
https://www.mtn.com/wp-content/uploads/2023/09/MTN-Position-on-Labour-Practices.pdf

Our Anti-Harassment and Discrimination Policy has been updated in alignment with new legislative amendments. This comprehensive policy encompasses various forms of harassment, including sexual, psychological and cyberbullying, as well as threats, shaming, hostile teasing, insults and discriminatory language. In pursuit of a safe and inclusive work environment, we also actively drive our Speak-up framework.

Policy updates were communicated to employees through mandatory training, emphasising various aspects of harassment. Our e-learning platform played a crucial role in providing animated and creative training on policies, covering the employer-employee relationship, Grievance Policy and disciplinary code.

We promoted awareness of harassment and discrimination as societal issues, reinforcing our Zero-Tolerance Policy through team engagements and knowledge-sharing forums. Leadership at all levels actively drove our culture, modelling inclusive behaviours for the entire Group.

During the year under review, we received reports of 20 alleged incidents of workplace harassment or discrimination, ranging from bullying and intimidation to racism, victimisation and sexual harassment (compared to 24 incidents in 2022). Each reported incident was thoroughly investigated, addressed promptly, and met with appropriate remedial measures, including verbal warnings, final written warnings, suspensions and dismissals. We remain committed to treating complaints with respect, sensitivity and confidentiality, offering support structures, including counselling, through our employee wellbeing programmes.

Empowering people with disabilities

It is said that the true measure of any society is how it treats its most vulnerable members. At MTN, we take this to heart and are deliberate in ensuring our employees and customers experience our inclusive culture at all touchpoints.

Mobile devices and services offer life-changing benefits, enabling more independent living. Yet, GSMA research indicates many persons with disabilities remain disconnected and digitally excluded. MTN is actively working across its markets to rectify this.



Supporting a skilled, diverse and inclusive society continued

What we are doing in **South Africa**

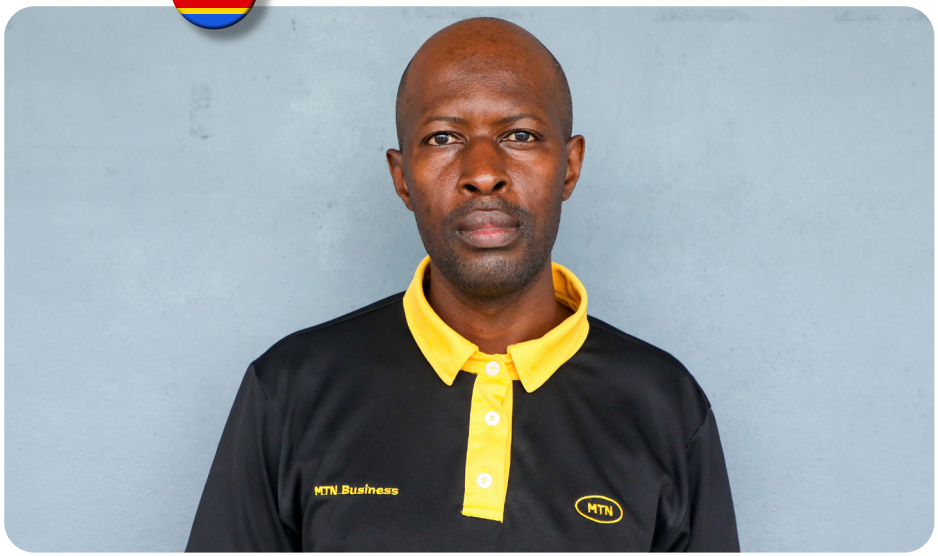
We have launched a groundbreaking National Relay Service (NRS) pilot, in collaboration with Convo South Africa, a deaf-owned company. This technology-driven system empowers visually and hearing-impaired individuals by enabling them to make and receive phone calls. By leveraging various communication methods, such as voice, typing or sign language, operators facilitate calls for or between the deaf, hard-of-hearing or deafblind South Africans. This initiative particularly enhances the efficiency of reaching emergency services for those with hearing or speech impairments.

What we are doing in **eSwatini**

MTN eSwatini has joined our inclusive movement by training its frontline and contact centre staff in sign language.

"As a sign language communicator responsible for manning the Sisonkhe WhatsApp line, I've had the privilege of interacting with our hearing-impaired customers directly through text and video chats. Over the years, it has been an incredible experience building relationships and providing assistance to our valued customers. They appreciate the accessibility of our services, available 18 hours a day, and the assurance that help is just a message away."

- Bongumenzi Dlamini, Contact Centre Agent at MTN eSwatini.





What we are doing in **Cameroon**

MTN Cameroon is increasing its efforts to employ people with disabilities, and train and render technical support to ensure an inclusive retail experience. This initiative is currently being scaled to our other operating markets.

The Opco also has a WhatsApp channel dedicated to visually impaired persons and has trained staff in sign language.

What we are doing in **Rwanda**

MTN has introduced a programme to make our service and products more accessible to persons living with disabilities in partnership with the National Union of Disability Organisations of Rwanda. Through this initiative, MTN Rwanda included sign language communication in all its television advertisements and interpreters in its call centre to aid persons with disabilities via video calls.

Supporting a skilled, diverse and inclusive society continued

Grow with purpose

It is essential for our sustainability to understand change and build resilience by enhancing the skills, knowledge and attributes for our people. Rooted in the belief that genuine growth stems from a purpose that transcends individual aspirations, 'Grow with purpose' seeks to inspire real, meaningful advancement. This pillar focuses on providing opportunities for individuals to explore innovative aspirations, acquire future skills and utilise them to make a meaningful impact in the world.

We have actively instilled an agile approach within our workforce to meet 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.

Digital learning for future-proof skills

In keeping with our mission to be at the forefront of digital learning solutions, we upgraded our global digital leaning platform and launched ULearn in September 2024. With over 3 000 bespoke learning experiences and over 28 000 additional courses, ULearn aims to deliver a wide variety of functional, technical MTN and leadership e-content to all staff to up and reskill for our digital transformation. Since the launch, over 10 700 employees have been enjoying the new platform with an 80% satisfaction rating achieved within the first four months. Seventy-one percent of all targeted learners have accessed our new learning platform.

Upskilling for future-critical skills

In alignment with our ***Ambition 2025*** strategy, we have mapped career growth learning journeys based on the five critical skills essential for success. Focused programmes in data science, fintech, digital product management, emerging tech, AI and machine learning have resulted in professional upskilling across the organisation. Ten critical skills blended learning programmes were completed in niche areas by learners across our footprint, building Group-wide critical capability. The MTN ULearn platform played a pivotal role, facilitating over 6 200 registrations and 1 240 completions in critical skills, demonstrating a workforce commitment to developing the expertise needed for the future.

Notably, 45% of programme completions were by women, enhancing the female pipeline for a tech-centric future.

Investing in our future leaders

In our commitment to developing the next generation of leaders, the Global Graduate programme plays a pivotal role in attracting and cultivating young talent for future leadership positions, reinforcing our critical skills pipelines. A total of 86 talented individuals were recruited in 2023 from nine markets, of which 60% were female. Aligned with our strategic direction, the programme focuses on fintech and digital skills; data science; and cloud/software engineering and big data. The programme employs a blended learning approach, combining digital platforms like MTN Ulearn, in-house expert-led master classes, action learning projects, and personalised coaching and mentorship.

Simultaneously, our Rising Leaders programme continues to be a marquee development programme to empower women on their technical and leadership path. In 2023, 249 women across 18 Opcos, representing various critical functional areas, completed their learning journeys. The curriculum included personal mastery, future leader skills, action learning projects and personalised programmes.

Global Career Week

In 2023, we hosted an employee Career Week event, which engaged employees around future techco career development options and all the high-value learning options available to help them boost their career capital. Key benefits to MTNers were understanding the breadth of available institutes, the range of critical skills qualifications and the bespoke MTN learning journeys that are on offer.

Ninety-seven percent of learners completed one or more digital learning programmes, with over than 183 000 learning hours spent.



Doing more in 2024

We are excited to continue creating a working environment where our people can truly Live Inspired.

Work with meaning

During the upcoming year, we will continue to leverage digital tools. Our goals include activating our digital HR and hospitality-grade service strategy to improve responsiveness, value and ease of doing work. Future enhancements are geared towards ensuring our employees have access to world-class content and tools and that wellbeing is kept top of mind.

Connect to develop

We will continue to gather employee insight to support each individual's growth and development. In 2024, we aim for everyone to Live Y'ello, integrating value-led behaviours into work practices, decision making and brand association.

Thrive in positivity

Initiatives to further embed a supportive and inclusive culture include:

- Advancing critical skills and leadership development, with a focus on women's participation.
- Strengthening the Women @ Work platform for enhanced opportunities and mentorship.
- Cultivating a gender-focused talent pipeline in STEM.
- Actively addressing and minimising the gender pay gap.
- Continuous progress towards 2030 gender equality goals.
- Refreshing the Speak Up framework for a secure work environment.
- Upgrading infrastructure to better support differently abled individuals.

Grow with purpose

We will continue to drive learning, development and upskilling by advancing our marquee programmes in critical skill areas across our operational footprint. In addition, we aim to enhance MTN's talent directory and create an internal talent marketplace during the year ahead.

Uplifting our communities through digital inclusion

MM 6 MM 7

MTN's success is intrinsically tied to the wellbeing of the communities and environments we serve and we are dedicated to reaching and uplifting society's most vulnerable and marginalised segments.

Our updated corporate social investment (CSI) strategy is characterised by a shift towards ICT-enabled initiatives. While we recognise the importance of addressing national priority areas and disaster relief, our objective is to allocate 75% of our CSI spending to programmes within the ICT ecosystem over the next three years. Within this ecosystem, MTN maintains its steadfast commitment to promoting gender equality and youth development. To facilitate the execution of this strategy, programmes and projects are now categorised into ICT or non-ICT and are evaluated based on their contributions to gender equality and youth development. We firmly anchor this approach in multi-stakeholder collaborations with global and African organisations.

Our MTN Foundations at the country level serve as the vital link between the Group and the communities benefiting from our CSI initiatives. The Group sets overarching guidelines while allowing individual countries to choose implementing partners and programme designs. We are actively collaborating with our operating countries and CSI divisions to enhance programme robustness and ensure consistent, accurate and frequent reporting. We have also provided training in monitoring and evaluation to bolster reporting standards, enlisting external expertise to share best practices.

Opcos are mandated to allocate a minimum of 1% of their net profit after tax to fund CSI initiatives.

Enabling digital skills for young people

Our commitment to youth empowerment is reflected across our markets, with numerous CSI programmes and partnerships focusing on digital education. These collaborations with civil society, government organisations, local communities, NGOs and other sector players ensure that we play our part in offering relevant solutions to local challenges.

What we are doing in **Benin**

Tita Digital Skills programme is shaping the digital landscape in public universities. The initiative focuses on providing digital training, fostering job creation and nurturing youth entrepreneurship. We collaborate with public universities, the Ministry of Higher Education and ICT organisations to build a digital ecosystem of innovative learners, aligning with our commitment to long-term vision and access to digital education. The project awarded 300 scholarships during this first phase.

What we are doing in **Cameroon**

The Y'ello Digital Talent Competition engages universities and engineering schools in a digital quest for impactful solutions. The competition, themed around digital solutions in education, encourages innovation and empowers young minds to contribute to the country's development. It serves as a platform for fostering creativity and addressing key societal issues.

What we are doing in **Uganda**

The ACE programme aims to equip youth with practical skills in digital and financial technologies to enable them to provide innovative ICT solutions to solve community problems. The initiative launched in 2022 in partnership with the Ministry of ICT and National Guidance, the National ICT Innovation Hub, Centenary Technology Services, Refractory, MUBS Entrepreneurship Innovation and Incubation Centre, as well as MoMo Uganda. In 2023, the first cohort graduated 185 youth.

Read more
Our position statement on corporate social investment
https://www.mtn.com/wp-content/uploads/2024/04/MTN-Position-on-CSI.pdf

More than
2.93 million
youth beneficiaries supported in 2023
(up 0.2% since 2022)



Doing loves direction

Learning charts the course

MTN Skills Academy

Begin your pathway to a digital career:

skillsacademy.mtn.com

Doing for tomorrow, today.

Expanding the MTN Skills Academy

The MTN Skills Academy aims to provide access to digital and financial skills training across Africa. By bridging the gap between high demand and low supply, we aim to increase digital skills and employment opportunities. However, this 'Tool for Doers' is more than a training platform. It is a holistic model of upskilling, an ecosystem that goes beyond imparting digital and financial skills. We believe access to information, career guidance and soft skills development are equally important in shaping future leaders.

The platform provides a range of courses and training programmes, including coding, web development, digital marketing and data analytics, besides others, with the aim of ensuring 60% of youth and adults has at least basic proficiency in sustainable digital skills by 2025.

The Skills Academy offers several advantages, including low data usage and zero-rating in specific markets. It also provides multilingual support and includes features to facilitate use by differently-abled individuals. It collaborates with strategic partners, such as PACE Career Centre, to offer comprehensive career guidance; and Coursera, an online learning provider, to deliver training in basic, intermediate and advanced technology and business skills.

Following a successful initial launch in Zambia in 2022, in 2023, we introduced the MTN Skills Academy in multiple operating countries, including South Africa, Nigeria, Cameroon, Ghana, Uganda, eSwatini and Côte d'Ivoire.

The MTN Skills Academy is:

- Designed on 'inclusion for all' principles.
- Demand-based.
- Ranges from foundational and basic skills to intermediary and advanced.
- Country-specific.
- Free to use.

In 2024, we plan to expand its reach, providing even more resources and skills to benefit our users.

Uplifting our communities through digital inclusion continued

CASE STUDY

Partnerships for progress



Nour el Hadj Souleymane
Student at the Virtual University of Ivory Coast

"One day, while browsing the LinkedIn platform, I came across a post from MTN announcing the launch of a fully funded training course by the MTN Foundation. I clicked on the link and enrolled in the Skills Academy.

I opted for specific courses to gain essential skills for my future career as a data analyst: Excel for the fundamentals of data analysis, Google Sheets, and mathematics for data science.

The Skills Academy initiative is a fantastic opportunity for young people. The courses are not only free, but also provide valuable skills that can lead to employment opportunities, both nationally and internationally. I highly encourage all my friends to register on this platform and explore the multitude of skills it offers."

MTN Cameroon launches the Skills Academy to empower youth and bridge digital skills gap

In December 2023, the MTN Skills Academy was officially launched at the African Institute of Computer Science (IAI Cameroun) campus in Mfou, Cameroon. The launch ceremony introduced over 100 students to the e-learning platform, equipping them for success in our rapidly evolving world.

In collaboration with renowned e-learning platforms like Coursera and Pace Career Centre, the MTN Skills Academy serves as a free online learning hub tailored for youths, jobseekers and professionals aiming to thrive in the digital sector. Beyond addressing the demand for digital skills, our goal is to enhance employment opportunities. This 'Tool for Doers' extends beyond training, offering a holistic approach to upskilling. It functions as an ecosystem that not only imparts digital and financial skills, but also emphasises the significance of information access, career guidance and soft skills development in shaping future leaders.

"I would like to congratulate MTN on this initiative. This platform offers us a wide range of learning opportunities and enables us to raise awareness among our friends who aspire in the field of IT and will now be able to train themselves."

– Mpomo Eric Daniel

"I would really like to thank MTN Cameroon for this opportunity they are offering us through the Skills Academy platform, where we'll be able to benefit from several courses and certification that will help us in our academic and career path."

– Enbang Biessala Steve

"These days, it's not easy to get quality training because of the high cost of training institutes. That's why I would like to thank MTN for this great initiative which offers training courses and certification free to all."

– Etong Messi Marie Flore

"I would like to thank MTN Cameroon for giving us this opportunity to receive free training courses in IT and all areas of digitalisation. This platform offers us free certifications and training, and even the grandmother in the village can get training through this platform."

– Mbegue ARsene Maeva

"This platform is easy to use and is packed with resources. And this is great!"

– Amombo Stephane Wilfried

Uplifting our communities through digital inclusion continued

Unite! Campaign against gender-based violence

MTN has reaffirmed its dedication to combating gender-based violence (GBV) and promoting safer environments for women and girls worldwide by joining the 2023 Unite! campaign. The initiative aims to raise awareness and break the silence surrounding GBV, encouraging women to speak out against this pervasive issue affecting millions globally. Particularly in sub-Saharan Africa, where GBV rates exceed the global average, we recognise the urgent need for action.

As Africa's leading communications company, MTN leverages its resources and technology to support the campaign's efforts in making communities safer. During the 16 Days of Activism against GBV campaign, MTN advocated for amplifying survivor voices, supporting women's organisations and strengthening feminist movements to empower survivors, prevent violence, protect women's rights and educate male allies.



Bridging the digital gender divide

As a company, we are steadfast in our dedication to connectivity, inclusion and skills development for all, with a specific focus on women and girls. We are actively engaged in initiatives aimed at kindling girls' interest in STEM, to inspire them to pursue careers in these future-oriented fields where women are often underrepresented.

126 million

women and young girls empowered with digital skills

(2022: 2.5 million and 2021: 3.2 million)

What we are doing in Côte d'Ivoire

Our STEM GIRLZ project seeks to equip girls and young women with foundational STEM knowledge, as well as the ICT skills and knowledge they need to participate in the digital economy.

What we are doing in Congo-Brazzaville

Our One Woman = One Training in ICT programme, in partnership with Chevron, is designed to cultivate digital skills among selected women. This initiative encompasses essential modules like automation, computer graphics and community management.

Uplifting our communities through digital inclusion continued

CASE STUDY

Partnerships for progress



Elizabeth Booi, Founder and Director
Phambily Analytics

Our Women in Digital Business Challenge aims to address the stark underrepresentation of women in the digital economy, offering a platform for female entrepreneurs to showcase their potential and contribute meaningfully to the world of technology.

The MTN SA Foundation kicked off its second annual Women in Digital Business Challenge in 2023. Ten successful candidates entered a four-month mentorship journey in which they received expert advice on how to grow their businesses and adopt suitable marketing strategies. In addition, they were given help to ensure that financial and business management skills they require to run a successful small business were improved. Once graduated from these programmes, each of the 10 women received R100 000 funding to further develop their businesses.

We are proud to share the success stories of some of our winners below.

Elizabeth Booi, founder of Phambily Analytics, has leveraged the MTN SA Foundation's Women in Digital Business Challenge prize to empower women and youth in IT and data analytics. Phambily Analytics' primary focus is on imparting statistical literacy, numeracy, research literacy and data analytics skills, extending support to high school and university students to boost their confidence in mathematics, statistics and research.

While Elizabeth emphasises Phambily Analytics' commitment to assisting, supporting and mentoring individuals, she acknowledges the importance of generating an income for sustainability and scalability. The prize money has served as a catalyst for operational growth in 2024, enabling Phambily Analytics to broaden its impact to over 1 000 individuals. In addition, two international companies and one South African Academy are now using Phambily material to run in-house courses for their staff.

The funds are also being used to facilitate the development of a learning management system and accreditation processes, paving the way for accredited skills courses.

Elizabeth's vision extends beyond skills development; it aims to foster a diverse and inclusive IT and data analytics field. She particularly emphasises the importance of having more women, especially black women, in these roles. Through Phambily Analytics, Elizabeth strives to create a pathway for women to assume senior roles, becoming influencers and decision makers in the ever-evolving digital landscape.

"Since receiving the Women in Digital Business Challenge support, we have managed to add three additional team members to our team. We completely re-engineered our sales strategy to focus on bigger clients and capacitate our business accordingly through the segmentation of our business into three departments: Agency, Digital Transformation and Supplies. This has opened up new opportunities for us in the market which never existed for us to grow our business."

– Mamello Mofokeng, Saturated Digital Solutions Agency

"In 2023, I was nominated as one of the top 10 in the Women in Digital Business Challenge. I was in the process of rebranding my business post-COVID-19 because I had lost everything; I needed a fresh start. The funds were very helpful towards rebuilding and improving the business. The money also assisted in paying some of the small debts the company had. The business advice and training has made a huge difference."

– Khathu Maphari, Khuphulanani Training Institute

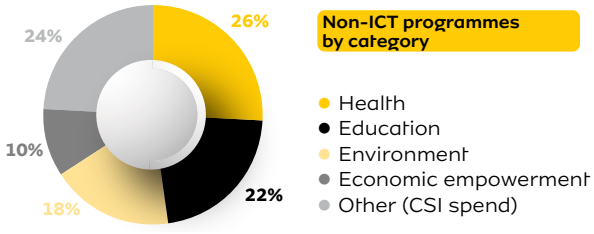
Uplifting our communities through digital inclusion continued

Investing in national priority areas

Our CSI strategy emphasises addressing national priority areas aligned with the national development plan of each of our markets. Our approach is underpinned primarily by UNSDGs.

As part of our CSI strategy, MTN is committed to the development and progress of the host nations in which we operate beyond our own CSI directive of 'digital skills for digital jobs'. With this in mind, we recognise the need to address specific national priority areas, aligned with local government's naming conventions and the developmental programmes entrenched at a country level. Many of these programmes are underpinned by the UNSDGs, allowing us to act as partners in solving some of the greatest global crises.

Our national priority areas primarily focus on initiatives across five broad categories including health, environment, education, economic empowerment and other non-specific categories.



During 2023, environmental programmes aligned with National Priority Areas have thrived.

What we are doing in **Cameroon**

The 21 Days of Y'ello Care promoted green entrepreneurship through the construction of a plastic waste pavement tile factory in Cameroon.

What we are doing in **Rwanda**

MTN Rwanda embarked on tree planting initiatives to combat deforestation and climate change.

Health initiatives have also made a substantial impact during the year.

What we are doing in **Nigeria**

MTN Nigeria's Y'ello Doctor project aided 52 107 individuals across six states with medical outreaches.

What we are doing in **South Africa**

The MTN South Africa Foundation supported disaster relief, providing aid during the Hammanskraal cholera outbreak and floods on the Cape West Coast.

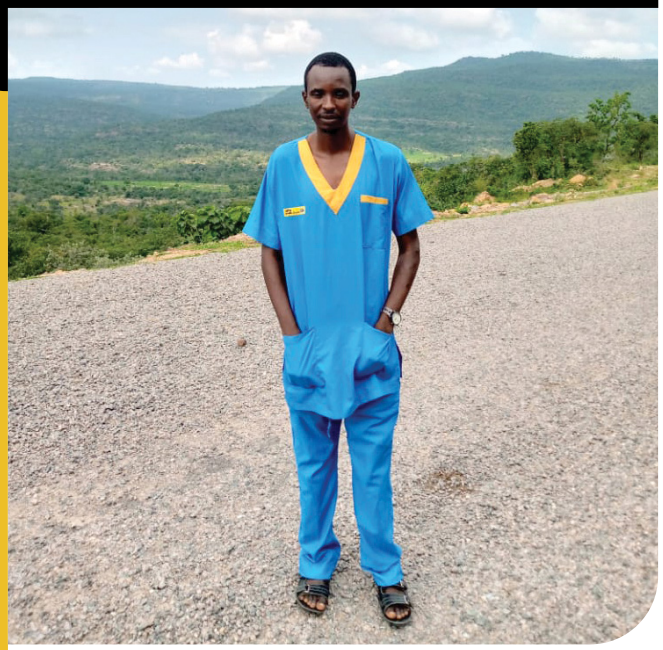




Uplifting our communities through digital inclusion continued

CASE STUDY

Partnerships for progress



Dr David Edwin

Delivering free primary healthcare services with Y'ello Doctor in Nigeria

MTN Nigeria's Foundation is delivering essential healthcare through the Y'ello Doctor Medical Intervention Scheme across six states. The Y'ello Doctor initiative provides free primary healthcare services to individuals in underserved communities in Lagos, Kano, Kwara, Gombe, Anambra, and Rivers State, through a mobile medical clinic platform. The initiative focuses on information dissemination through health talks, diagnosis and treatment of common communicable and non-communicable diseases such as malaria, pneumonia and sexually transmitted infections, screening for tuberculosis, blood pressure, diabetes and referral of patients to secondary healthcare facilities.

This initiative was carried out in collaboration with participating States Ministry of Health and the National Primary Health Care Development Agency with emphasis on women and children.

Dr David Edwin, leading the Gombe team, expresses gratitude for the opportunity and highlights the project's profound impact.

"The Y'ello Doctor project left an indelible mark on the people of Gombe. It brought medical care to remote areas where doctors were scarce; a cause close to my heart having grown up in a village without medical services.

This initiative delved deep into the lives of beneficiaries, offering services ranging from wellness checks to maternal kits and screenings. Through Y'ello Doctor, I honed my skills in community entry, team and stakeholder management, areas I had not explored before. It was a departure from my work in government hospitals, yet immensely fulfilling, given the vast number of people we reached. Particularly gratifying was witnessing people receive medical care for the first time."

Uplifting our communities through digital inclusion continued

Supporting communities through 21 Days of Y'ello Care

Now in its 16th year, MTN's 21 Days of Y'ello Care initiative continues to flourish as our flagship employee volunteerism campaign, designed to significantly impact in local communities. In 2023, this initiative saw remarkable engagement across various Opcos, signifying the collective dedication and meticulous planning evident in each market.

The theme, 'Empowering entrepreneurs to unlock growth and job creation for communities', focuses on grassroots entrepreneurs, equipping them with essential digital and financial tools, broadening market access and providing valuable business mentoring. This year's campaign extended its reach to often underserved areas, focusing on rural, remote and disadvantaged communities, with particular attention to women, youth and individuals with different abilities.

MTN hosts Y'elloCare awards annually, where we recognise the Opco that demonstrated the most impact through CSI initiatives that are well aligned with their nation's state agenda.

The overall winner for the 2023 Y'ello Care campaign was Uganda, with the highest overall score

Their campaign was well structured with clear objectives and three project streams to address each objective. The objectives were all aligned with the theme of the Y'ello Care 2023 campaign, but then were refined with a clear country-level context and rationale, which saw the projects focusing on small and micro-enterprises led by women, youth, persons with disabilities and refugees.



5 089 employees
volunteered their time in 2023
(2022: 4 057)

24 199
total hours volunteered

13 313
direct beneficiaries

Sound governance: Doing it right

MM 9

Our focus on 'Doing it right' underscores the critical importance of good corporate governance in guiding our actions and decisions. Not only is robust governance integral to MTN's identity as a responsible corporate entity, but it also serves as a cornerstone for the wellbeing and satisfaction of the diverse spectrum of individuals and communities we serve.

Ethics forms the bedrock of MTN's governance principles, shaping a culture where every action aligns with the highest standards of integrity. Compliance with laws and regulations is not merely a legal obligation for MTN; it is a pledge to ensure we operate ethically, transparently and in harmony with the societal norms of the regions we serve.

As a digital service provider, we acknowledge our responsibility to keep society safe through data privacy measures and cybersecurity practices. We also champion child safety online while preserving a free and fair internet that respects digital human rights. Moreover, embedding sustainable practices across our supply chain acknowledges that corporate responsibility transcends operational boundaries, resonating with MTN's commitment to positively impacting the environment and society.

In essence, ethical conduct, legal adherence and risk management are the foundation of our reputation as a responsible corporate citizen and a trusted telecoms partner.



We are doing it right by

Safeguarding our people and customers

- Enhancing information and cybersecurity
- Respecting digital human rights
- Treating customers fairly
- Promoting health, safety and wellbeing
- Ensuring electromagnetic frequencies (EMF) and 5G safety

Embedding ethical and responsible business practices

- Promoting ethical conduct.
- Entrenching fair competitive practices
- Managing and reducing risks
- Committing to compliance

Partnering for an ethical supply chain

- Responsible and inclusive procurement
- Embedding sustainability across our supply chain

Safeguarding our people and customers

MM 8

In tandem with the evolution of technology, the surge in online safety concerns necessitates stringent adherence to privacy regulations. We place a high priority on complying with regulatory requirements and cultivating a culture that prioritises the protection of personal information.

We adopt a holistic approach to shield customers from online threats and maintain a secure digital environment. Collaboration with various entities is integral to our strategy, aiming to prevent human rights abuses. Furthermore, we advocate for internet access as a fundamental right, aligning it with principles such as freedom of expression, privacy and communication security.

Our commitment to safety and security extends beyond digital realms. We actively implement health and safety practices to safeguard the wellbeing of our people and customers. Additionally, we diligently ensure that the electromagnetic frequencies (EMF) associated with our services are safe, contributing to the overall safety and welfare of individuals within our network.



Protecting customer privacy and data security

Enhancing privacy management

Over the past decade, the communication services landscape has evolved significantly, granting companies like MTN access to user data, including identity, communication patterns, location and personal interests. Safeguarding customer data privacy and security has become a pivotal element of our business in a world where personal data is integral to maintaining a competitive edge.

Our proactive approach to customer data privacy is rooted in building trust and confidence among our users, ensuring their personal data is protected in accordance with applicable privacy regulations. We have embraced leading digital governance practices, aligning them with local market regulations when necessary. MTN's Data Privacy and Protection Policy serves as a guiding document for our employees, emphasising compliance with privacy principles and regulations to protect customer data effectively.

To bolster data security, MTN employs a robust framework aligned with ISO 27001 and the NIST cybersecurity standards. Our Data Protection and Privacy Policy comprehensively outlines how we collect, store, process, transfer and dispose of personal information and empowers customers to enforce their rights.

Strengthening our data privacy and protection practices

- This year's key milestone was the successful rollout and implementation of our updated Data Privacy and Protection Policy. To ensure its effective implementation, we have initiated training sessions and socialisation efforts to enable Opcos to understand and adopt policy changes more effectively.
- We made substantial strides in data privacy by establishing minimum data privacy and data protection controls across the entire MTN Group. This is especially important for regions without pre-existing privacy legislation. We have expanded privacy regulations to cover 11 markets in MTN's operating footprint.
- During the year, we comprehensively revised our privacy notices. These revised notices are designed to be more user-friendly and thorough, ensuring individuals understand their privacy rights and how their data is processed.
- We conducted training sessions to elevate employee awareness of privacy principles and practices. These sessions, including e-learning modules, span 14 topics and have been delivered across four sessions each, totalling 56 sessions in the first rollout.
- In 2023, MTN received no substantiated complaints regarding breaches of customer privacy or data loss.

Our safety, security, privacy and protection universe

- **Protecting privacy and securing customer data**
- **Protecting networks and devices to keep communications secure**
- **Protecting consumers from illegal activity and antisocial behaviour**
- **Protecting public health and safety and meeting legal obligations**

Safeguarding our people and customers continued

Advancing information and cybersecurity

MM 8

In the face of relentless technological innovation and a growing wave of malicious cyber threats, MTN remains committed to fortifying information and cybersecurity measures. We focus on safeguarding the integrity, confidentiality and availability of sensitive customer data and critical business information, ensuring our networks and platforms remain resilient and secure.

Governance and frameworks

We employ a comprehensive defence-in-depth strategy at MTN to protect our systems and data. Our internal control framework, derived from our policies and standards, benchmarked against the NIST cybersecurity framework, and that aligns with the ISO 27001 standard, ensuring comprehensive coverage. In the IT domain, our technical security standards are synchronised with the Centre for Internet Security benchmarks, with minor adjustments to align with our overarching policies and standards. In the network domain, we follow the guidance of the GMSA to bolster our security posture.

Accelerating our information security strategy

We launched the execution of the refreshed ASPiRE+ Information Security Strategy during 2023. Notable achievements, among others, include deployment of DevSecOps and Cloud Access Security Broker initiatives for continued improvement of detection and compliance capabilities. We have also enhanced our information security structures to support the continued deployment of fintech security capabilities, contributing to the security of financial transactions within our ecosystem.

Entrenching cybersecurity awareness

We continued to ensure every employee is well acquainted with MTN's Group Information Security Policy and associated procedures, standards and guidelines. By equipping our workforce with the knowledge and tools needed to identify and report cybersecurity incidents, we enhance our collective defence against cyber threats.

Over
15 000
employees completed
cybersecurity training in 2023



Safeguarding our people and customers continued

Respecting human rights

MM 8

Human rights apply online just as they do offline. Since 2012, we have been a signatory to the UNGC, which commits companies to 10 guiding principles on human rights, labour rights, environmental protection and measures to fight corruption. Our commitment extends to protecting customers and ensuring fairness during interactions with our products and services. We ensure compliance with human rights safeguards and promote transparency in our actions by publishing our annual Transparency Report.

MTN actively engages in initiatives like the Global Network Initiative (GNI) and Joint Audit Co-operation (JAC), to better incorporate human rights into business practices. Our involvement with JAC includes sharing best practices, mapping supply chains and collaborating with civil societies. The GNI principles guide our stance on freedom of expression and privacy when addressing government pressure to disclose user data, remove content or restrict communications.

Read more
MTN Group 2023 TR
Page 24

Our position statement on digital human rights
https://www.mtn.com/wp-content/uploads/2024/04/MTN-Position-on-DHR.pdf



Keeping children safe online

As technology advances, there is a growing concern about child rights violations, particularly online sexual abuse and bullying. MTN is actively addressing this issue by collaborating with organisations like the Internet Watch Foundation (IWF) and educating children, parents, teachers and caregivers on responsible digital technology use through a comprehensive Group-wide Child Online Protection programme

Our comprehensive approach to child online protection

Blocking software

MTN deploys blocking software identify and block sites flagged by the IWF for containing child sexual abuse material. The effectiveness of this approach is evident in the escalating number of blocked sites reported in 2023.

Peer-to-peer influence

We acknowledge the influence of our peers and are actively working to establish child champions within the Group and broader society.

Technology solutions

MTN is exploring the development of a tool to assist parents in better controlling their children's online activities. This tool addresses the absence of readily available apps for parental control in the African context.

Research and education

Our research and education programmes, such as the Help Children Be Children campaign, are designed to enhance awareness and empower children, parents, caregivers and educators.

MTN's adaptive mobile blocking activities	2023	2022	2021
Number of URLs inspected (m)	**656**	145	174
Number of URLs blocked (m)	**1.0**	0.7	0.3
Blocking rate (%)	**0.17**	0.46	0.15
Number of URLs blocked per day	**3 000**	1 800	700

Safeguarding our people and customers continued

Upholding and advancing digital human rights

MM 8

As a leading telecommunications provider, MTN assumes the responsibility to protect and advance digital human rights across our diverse markets. The increased reliance on AI-driven algorithms and the expansive capabilities of 5G networks have intensified concerns related to privacy, data protection and algorithmic bias. Additionally, as mobile penetration surges, issues such as digital exclusion, surveillance and the potential for technological discrimination have become more pronounced. Striking a delicate balance between technological progress and safeguarding digital human rights is imperative. This commitment is outlined in our Digital Human Rights Policy.

Upholding the principles of 'Protect, Respect, Remedy', our comprehensive digital human rights framework guides our approach to incident management, impact assessment, advocacy and disclosure. Our annual digital human rights impact assessments (DHRIA), conducted with external experts, pinpoints salient human rights issues pertinent to our operations. Building on the DHRIAs, we conduct risk assessments across all Opcos to better comprehend local and thematic risk factors.

Key human rights issues

- Access to the internet.
- Child rights and online protection.
- Data privacy and customer protection.
- Network performance and reliability.
- Incident response and disclosures procedures.
- Geopolitical factors: conflict, elections, government interference.

Challenges

- Conflicting legislation.
- Influx of new guidelines and standards.
- Asymmetry of information.
- Lack of uniform standards and metrics.
- Fragmented legal framework.



Safeguarding our people and customers continued

Responsible marketing

MM 2

In line with our commitment to maintaining brand credibility and fostering positive customer relationships, MTN has established a robust Responsible Marketing Policy. This policy serves as a guiding framework, ensuring our marketing efforts are accurate, appropriate and inclusive.

Maintaining fair sales practices and ensuring customers receive clear information about our products and services is a foundational principle at MTN.

Throughout 2023, responsible marketing practices were further embedded across the MTN Group. We extensively utilised digital channels like Google Digital Marketing and OnePIN to facilitate transparent and informative customer interactions.

Additionally, we have proactively communicated with our Opcos, urging them to distance themselves from affiliate marketing practices. This recommendation stems from concerns about the quality of subscribers acquired through such channels and an increased volume of complaints related to potentially fraudulent subscriptions.

A key milestone in Ghana was the initiation of quarterly independent Treating Customers Fairly (TCF) audits by Internal Audit and Forensics, which indicate an impressive overall compliance rate of 91%.





We are committed to providing transparent advertising that clearly delineates:

- Customer subscription costs per service, per day.
- Outlines the process for unsubscribing.

Read more

Our position statement on Treating Customers Fairly
https://www.mtn.com/wp-content/uploads/2024/04/MTN_Position-on-Treating-Customers-Fairly.pdf

Our position statement on responsible marketing
https://www.mtn.com/wp-content/uploads/2024/04/MTN_Position-on-Responsible-Marketing.pdf

Safeguarding our people and customers continued

Treating Customers Fairly

As the number of services offered to our customers by MTN or our partners continue to increase, it is important that our customers remain aware of the costs they incur, the services they use and how to control and remove access to these services. Treating Customers Fairly (TCF) lies at the heart of this commitment.

To ensure MTN customers are protected and treated fairly, we have implemented a TCF Policy, which is aimed at ensuring MTN customers are protected against fraudulent and scam activities. MTN has also implemented the necessary fraud detection measures to protect customers. Our TCF Policy is effectively enforced through the contracts we put in place with our partners, ensuring TCF principles are adhered to across all services they provide. Furthermore, sanctions have been put in place to address violations of the policy.

While the TCF Policy provides overarching principles across the MTN Group, the TCF framework offers a more granular, operational-level guide for implementing these principles consistently across the organisation. Together, they form a comprehensive approach to treating customers fairly and transparently. As a result, TCF is firmly integrated into the core of our operational procedures. We conduct regular internal audits and Opcos implement interventions to address any identified issues.

Our TCF framework and policy help to minimise the risk of financial mis-selling, avoid reputational damage, reduce complaints and improve customer retention.

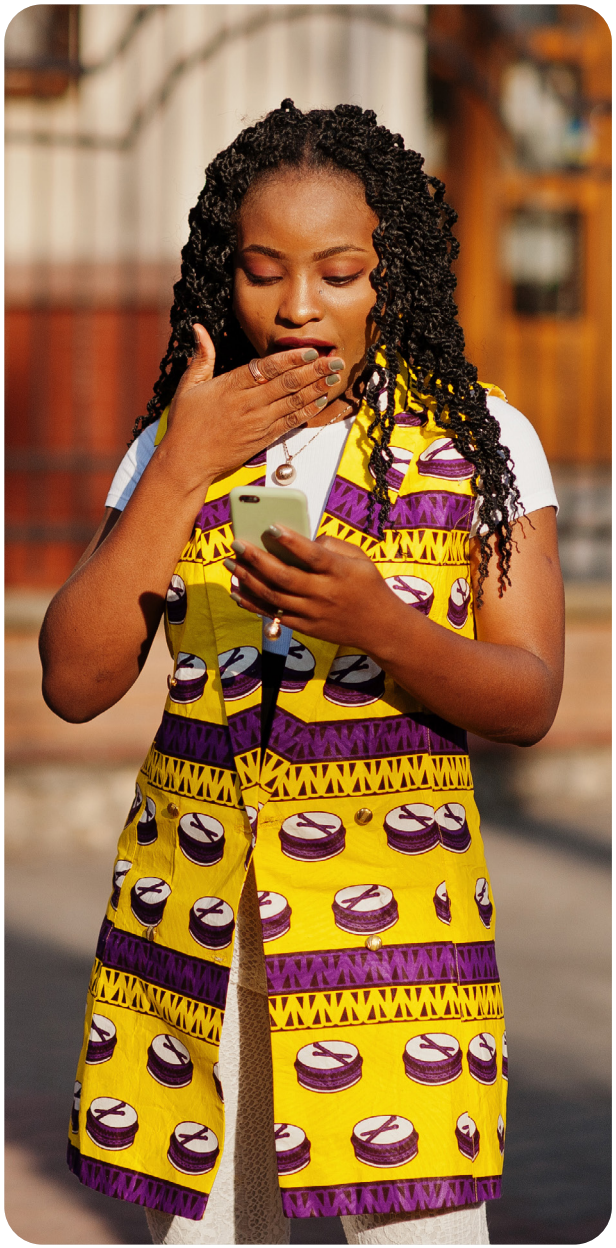


Our TCF Policy, established in 2017, encompasses key considerations such as:

- **Product design.**
- **Marketing, promotion and free trials.**
- **Pricing communication and awareness.**
- **Subscription double opt-in flows.**
- **Ensuring customers receive notifications regarding the services they are subscribed to.**
- **Ongoing customer service.**

Augmenting our TCF practices

- Governance surrounding digital services was strengthened through rigorous reviews of marketing materials and promotional content before dissemination by our partners.
- Internal efforts were initiated to explore potential fraud management solutions. Teams have launched a request for information process to identify best-in-class options for digital fraud management.
- The introduction of a TCF operating framework and governance policy in Ghana led to a 58% reduction in digital services complaints to the call centre compared to 2022.
- Implementation of digital marketing fraud management began, with South Africa and Nigeria already integrated into the platform. Although the digital fraud management solution has not been deployed across all Opcos, alternative methods such as Unstructured Supplementary Service Data (USSD) double opt-in are in place, requiring customers to confirm service subscriptions through a two-step process.
- South Africa experienced a decrease year-on-year call centre complaints, attributed to increased customer self-service, particularly through subscription management on USSD common code.
- We have initiated the use of chatbots to enhance customer engagement, with Nigeria's Chatbot Zigi demonstrating a steady increase in customer interactions.



Safeguarding our people and customers continued

Promoting health, safety and wellbeing

MTN is dedicated to promoting health, safety and wellbeing across multiple fronts, whether online, at work or at home. We implement stringent safety protocols to protect all individuals that may be impacted by our operations.

During 2023, we revamped our Health and Safety Policy and procedures to strengthen governance and management, aligning them with ISO 45001 and ILO standards. These updates, alongside a clear articulation of duties, reflect our commitment to employee and management responsibilities regarding health and safety.

MTN continuously conducts internal or external health and safety audits.

Strategic focus areas

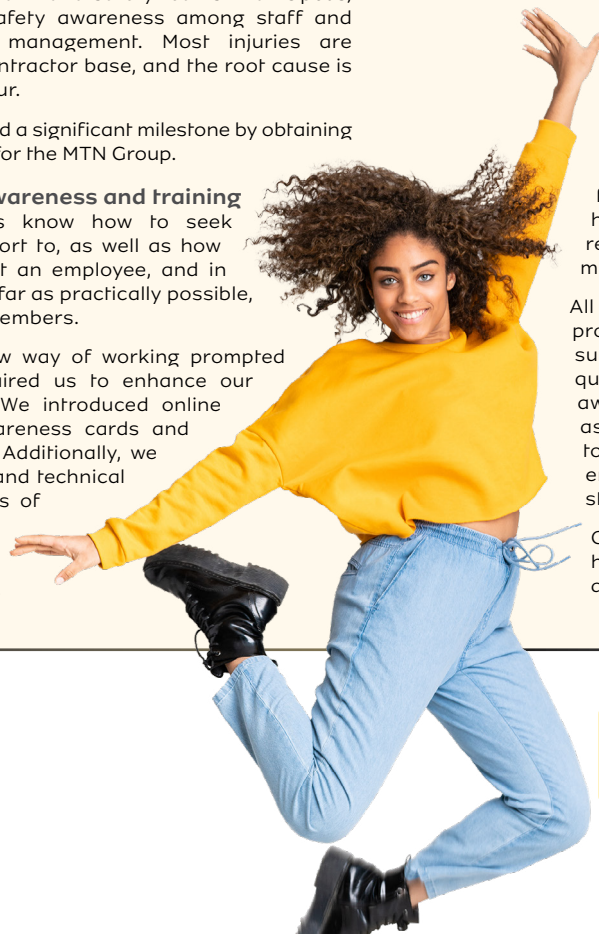
Our strategic focus for the fiscal year 2023 covered reducing incidents and maintaining our zero-fatality rate, skill capacitation for health and safety teams in all Opcos, driving a culture of safety awareness among staff and improving contractor management. Most injuries are reported among our contractor base, and the root cause is usually human behaviour.

During 2023, we achieved a significant milestone by obtaining ISO 45001 certification for the MTN Group.

Health and safety awareness and training

We ensure employees know how to seek assistance, who to report to, as well as how MTN is able to support an employee, and in some instances and as far as practically possible, their extended family members.

The transition to a new way of working prompted by the pandemic required us to enhance our training programmes. We introduced online health and safety awareness cards and pop-up screen savers. Additionally, we reintroduced our staff and technical teams to the new ways of managing safety, considering aspects such as ergonomic chairs for those working from home.



We continued to provide regular health and safety training programmes for employees and our contractors, covering areas like first aid, firefighting, compensation for occupational injuries, diseases and fall arrest, to name a few.

Health and safety performance and programmes are measured, monitored and reported on an ongoing basis.

Health and wellbeing initiatives

Addressing challenges such as remote working, stress management and digital fatigue, we continued to invest in holistic health and wellbeing initiatives. Our focus remained on five pillars: Emotional and mental, physical, financial, career and social.

All MTN Opcos implement employee wellbeing programmes and ongoing awareness and support activities. This ensures a healthier quality of life for our staff, promotes greater awareness about physical, financial and other aspects of health and wellbeing, and ensures tools and services are available to support our employees during personal or work-related stress.

Our 24-hour Life employee health services helpline ensures all employees always have access to professional advice.

Ensuring safe electromagnetic frequencies

In a rapidly evolving technological world, concerns have surfaced about the impact of telecommunication equipment on health. Our goal is to understand how mobile phones, masts and emitted radio waves function in relation to health so that we can ensure our networks are doing no harm. The MTN Group EMF Policy, operationalised during the financial year, ensures our infrastructure deployment aligns with global best practices.

- We work with government regulating agencies and designated international bodies such as the International Commission on Non-ionising Radiation Protection (ICNIRP) to ensure set standards are met.
- We continuously monitor and evaluate our mobile networks and test our products to ensure we meet all regulations and comply with international EMF safety guidelines.
- The ICNIRP's emission limits for specific frequency bands are integrated into our site design and operational practices.
- Our in-house EMF testing facility ensures user equipment complies with specific absorption rate limits and undergoes country-specific conformity assessments.

There were no new EMF compliance incidents or queries during 2023.

MM 2

Read more
Our position statement on Occupational Health and Safety
https://www.mtn.com/wp-content/uploads/2024/04/MTN-Position-on-Occupational-Health-Safety.pdf

Safeguarding our people and customers continued

Doing more in 2024

Enhancing privacy management
Our objective is to ensure compliance with evolving privacy regulations is maintained while leveraging the potential of these innovations to enhance our services and operations.

We intend to better understand the implications and considerations inherent to the implementation of rapidly evolving technologies, including facial recognition and artificial intelligence, on data privacy.

Advancing information and cybersecurity
- Advancing the PACE strategy for accelerated execution of ***Ambition 2025***.
- Strengthening fintech security structures.
- Enhancing incident management capabilities with security orchestration, automation, and response (SOAR) integration.
- Expanding robotic process automation for digital transformation.
- Continuous adaptation to the evolving cyber threat landscape with advanced threat analysis.

Keeping children safe online
We are planning collaborative initiatives with other telecoms players to drive targeted awareness campaigns. We remain committed to creating a safer online environment for children and adolescents.

Upholding and advancing digital human rights
While acknowledging the potential of 5G and AI to enhance human rights, we are mindful of addressing adoption asymmetries that may exacerbate the digital divide.

We will focus on developing internal expertise and collaborating with external partners to lead in digital human rights. A persistent challenge is the availability of talent for implementing security tools, especially in emerging technologies.

Responsible marketing
Our focus will be on implementing digital fraud solutions across more Opcos, with the aim of further enhancing digital security and customer trust.

Promoting health, safety and wellbeing
We are aiming for consistent alignment with ISO 45001 ways of work and to motivate staff to own a strong health and safety culture, at the workplace and at home.



Embedding ethical and responsible business practices

At MTN, our foundation is built on sound corporate governance, ethical business conduct, robust risk management and regulatory compliance. Beyond legal mandates, we uphold high ethical standards to fulfil the expectations of our customers, stakeholders and employees. We stand against corruption and bribery, championing fairness, honesty and adherence to antitrust regulations.

MM 2

MM 9

Our dedication to governance and ethics is the bedrock of our risk management approach. Regular reviews, strategic policies and ERM structures underscore our commitment to detecting, preventing and responding to significant risks. Anchored by a comprehensive code of ethics, we set clear expectations for workplace conduct and legal compliance across all operations.

We do business in full compliance with the laws of each country in which we operate, including:

- International trade laws and regulations.
- Embargoes and sanctions.
- Competition laws.
- Fraud.
- Anti-bribery and corruption laws.
- Anti-money laundering laws.
- Intellectual property laws.
- Human rights and equal opportunity obligations.



Embedding ethical and responsible business practices continued

Promoting ethical conduct

MM 9

We cultivate a work environment where employees understand the essence of ethical behaviour and are equipped to navigate ethical challenges effectively. The MTN ethics framework permeates the entire Group through ongoing training initiatives, ethics awareness campaigns and the cultivation of certified Ethics Officers in each Opco to ensure consistent and high-quality training, guidance and resolution.

All employees bear the responsibility to:
- Uphold MTN's values in their conduct.
- Familiarise themselves with established MTN policies and procedures and adhere to their requirements.

Our code of ethics articulates our stance on corporate governance, customer service, employee relations, interactions with governments and our commitment to communities, society and the environment. In tandem with our code of ethics, we have introduced the MTN Conduct Passport, outlining the ethical standards for individuals associated with MTN. These core business principles establish a common understanding of expectations from every MTN team member. The passport serves as a gateway to detailed policy documents and provides contact information for relevant departments should employees need guidance.

A continuous learning approach ensures the integration of MTN's code of ethics into everyday business practices. Regular training sessions, mandatory for all employees, managers, executives and Board members, cover a range of topics, fostering a deep understanding of our ethical standards and commitment to ethical business practices.

Throughout the year, ethics awareness campaigns, including participation in global initiatives like Ethics Day, reinforce an ethical culture across the Group. We regularly survey employees to pinpoint opportunities for strengthening our ethics culture and maintain a centralised process for disclosing and addressing potential conflicts of interest.

We consistently review our practices to ensure relevance and engage in dialogue for necessary improvements. Both our Board and leadership serve as committed role models of ethical behaviour, actively endorsing ethics management interventions at every organisational level.

Strengthening ethics governance and management practices

Our Ethics Management programme was successfully completed in 2023, including presentations to all departments as well as updates to employee induction content. A notable accomplishment was the development and rollout of a comprehensive Ethics Management Toolkit, offering clear guidance on the scope and strategy of ethical practices at MTN.

The ethics team also conducted risk assessment exercises, identifying areas for improvement in our ethics programme. Initiatives were set in motion to enhance collaboration between the Ethics Management and Proactive Fraud teams, aiming to leverage synergies and share best practices.

We continued to review and update key ethics-related policies, including the Directorship and External Appointments Policy; Gifts; Hospitality and Entertainment Policy; Anti-Bribery and Corruption Policy; Conflict of Interest Policy; and our Conduct Passport.

The completion rate for our annual declaration of interest process reached 97% across Opcos in 2023, demonstrating an improved commitment to disclosure and transparency. Resolutions for effective conflict management for higher-level employees were also implemented across the Group.

Entrenching our ethics framework across the Group

Board members, employees and suppliers underwent diverse training initiatives to foster a collective comprehension of ethical standards. Various ethics training programmes, including e-learning and awareness campaigns such as 'I'm an Ethical Being, even in hard times' in MTN Sudan, were implemented throughout the year.

We prioritised the training, development and performance evaluation of Ethics Officers to ensure a consistent and high-quality approach to ethical advice and conflict resolution.

Addressing ethics-related concerns

We proactively addressed specific ethics-related concerns as these become apparent. An uptick in workplace bullying queries prompted external surveys and reinforced reporting procedures to ensure a safe and respectful working environment. Additionally, the low utilisation rate of the whistle-blowing hotline triggered awareness campaigns and efforts to encourage employees to leverage this reporting channel.

Measuring the maturity of our ethical culture

Following the ethical culture maturity survey by Ethisphere, conducted in 2022, MTN performed a thorough Ethics Programme Risk Assessment across all Opcos in 2023. This assessment gauged the effectiveness of seven key objectives. Three were marked as requiring minor improvement; two were deemed effective; one received a major improvement rating; and one necessitated further evaluation. The outcomes provided valuable insight, guiding ongoing efforts to enhance the maturity of MTN's ethical culture.



Embedding ethical and responsible business practices continued

Combating fraud, corruption and bribery

MM 9

Fraud, corruption and bribery pose significant threats to a business' sustainability and reputation, negatively impacting social and economic growth. At MTN, we maintain a steadfast zero-tolerance approach to these issues, recognising their detrimental effects on the rule of law, public trust and overall economic stability. Our strategy encompasses best practice policies, transparent reporting mechanisms and proactive fraud risk management initiatives.

The MTN Group Anti-Bribery and Corruption Policy aligns our efforts with the overarching Group ethics framework:

- We engage only with parties who share our commitment to ethical business conduct, ensuring our business relationships are free from any compromise.
- Our Gifts Policy and Register reinforce transparency, requiring employees to declare gifts, hospitality and corporate expenses.
- Our procurement policies emphasise legal, ethical and professional conduct, with due diligence ensuring third-party engagements are legitimate and justifiable.
- Political donations are openly disclosed, supporting strong democracies without placing undue obligations on recipients.
- Charitable donations and sponsorships, integral to our corporate citizenship role, are undertaken without creating obligations for customers, suppliers or public officials.

The Group Anti-Bribery and Corruption Policy is disseminated across our Opcos, subsidiaries and partners, with detailed training conducted at various organisational levels and functional areas. In addition, our MTN employee Conduct Passport sets clear expectations regarding the declaration of personal, contractual or business interests to promote transparency. It also requires employees to report suspicious or improper activity and provides details regarding the Group's confidential and anonymous whistle-blowing channels.

Extending ethical practices throughout our supply chain is crucial. Our supplier code of conduct reinforces anti-bribery practices, ethical business dealings, and a zero-tolerance policy against corruption. This code encourages suppliers to adopt similar principles and promote ethical conduct throughout their supply chains. MTN provides supplier training sessions and continuous support to ensure our approach is understood, communicated and applied.

We continuously enhance fraud-related policies, training and internal controls, and leverage emerging technology to disrupt fraudulent activities.

The following key principles guide our fraud management, risk assessments and controls.

Finding fraud is a good thing
Identification of fraud in our organisation as MTN is viewed as a positive and proactive achievement. Quite simply, if we do not find fraud, we cannot fight it.

There is no one solution
We recognise that addressing fraud needs a holistic response, which incorporates detection, prevention and response, underpinned by a strong understanding of our risk profile.

Fraud and corruption are ever-changing
Fraud and anti-fraud practices evolve in line with the environmental, geopolitical, financial and social pressures that underlie fraud and other forms of misconduct. We are agile in our approach to remain abreast of these evolutions.

MTN's Board has oversight of the Group's actions and performance regarding anti-bribery and corruption through the Audit Committee. All fraud-related concerns are reported by Opcos to Group Internal Audit and Forensics.

Encouraging employees to speak up

Our sustainability depends on each employee accepting personal responsibility for doing the right thing. MTN employees and associated parties are often in a good position to identify concerns regarding misconduct or breaches of any MTN-related policies and procedures or any applicable law.

We provide a conducive environment for confidential and anonymous reporting. We encourage the reporting of incidents, confidentially and/or anonymously to various whistle-blowing channels available, including Tip-Offs Anonymous which is managed by the independent external service provider and available across our footprint. We ensure a safe space for whistle-blowers through independent and confidential handling of reports and investigations. MTN strictly prohibits retaliation of any kind against anyone for reporting or supplying information about violations or potential violations of MTN related policies, procedures or any applicable laws.



Read more
Our position statement on whistle-blowing
https://www.mtn.com/wp-content/uploads/2024/04/MTN-Position-on-Whistle-blowing.pdf

Embedding ethical and responsible business practices continued

Creating a safe environment for whistle-blowers

In 2023, we noted improved confidence in our whistle-blowing channels, supported by communication with complainants via the whistle-blowing channels and improved turnaround times in investigation completion. With management support, incidents are thoroughly investigated, issues promptly addressed and appropriate remedial measures implemented, including consequence management.

To enhance accessibility, we continued with support and awareness of the localised language whistle-blowing facilities in MTN Nigeria. We are also exploring options for localised whistle-blowing channels for our francophone operations.

119

calls to tip-offs anonymous whistle-blowing hotline (2022: 123[-])

This figure excludes incidents reported via walk-ins, email, management concerns and internal audit queries. A total of 127 tip-offs have been received. Eight were noted as test calls.

[-] Restated due to prior year adjustment.

Trends in issues raised through the whistle-blowers facility

MTN's whistle-blowing facility solicited reports under various categories, including fraud (airtime, commercial, general, etc.), theft, human resources, procurement irregularities, governance and enquiry. Notably, the key categories of allegations received in 2022 included human resource-related concerns, customer-related incidents and internal fraud. The system also handled reports of unethical behaviour, addressing subcategories such as harassment, conflict of interest and nepotism.

The present fraud risks landscape has intensified the demand for effective responses to increased risks of cybercrime. This includes external fraudsters and organised crime groups that are growing more specialised and professional, often collaborating with employees.

Training and stakeholder engagement to combat corruption

Throughout 2023, MTN conducted awareness sessions and training forums, equipping employees and third-party service providers to combat corruption effectively. Examples of ongoing fraud awareness training include:

- Monthly new joiners' induction fraud awareness training.
- Annual International Fraud and Ethics Week activities and awareness.
- Annual fraud and ethics training for suppliers and vendors.
- Regular fraud awareness presentations across various Group functions.

Topics of fraud training include conflicts of interest, whistle-blowing channels awareness and navigating emerging fraud trends.

Gifts and favours enquiry

We recently conducted a C-suite enquiry into gifts or favours received from significant global suppliers during their visits, showcasing our dedication to maintaining transparency and integrity among top executives.



Embedding ethical and responsible business practices continued

Managing sustainability-related risks and opportunities

MM 6

MM 9

Companies that manage risks and opportunities related to sustainability are better equipped because they expose their businesses to fewer risks and are, hence, more sustainable. Risk management is integral to protecting value.

Our risk management approach recognises that sustainability-related risks can have a significant impact on MTN's performance and long-term viability. We therefore manage our sustainability-related risks in the same way that we manage any other operational or strategic risks.

MTN's Group-wide ERM methodology guides our risk management, providing an approach to uniformly identify and evaluate potential events that may impact our ability to achieve our objectives, in line with our strategy, risk appetite and risk preferences. Our methodology uses concepts and workflow from established risk management frameworks and standards – including ISO 31000, COSO Framework, King IV Corporate Governance – and other leading frameworks such as ISO 27001 for Information Security and ISO 22301 for Business Continuity Management.

An integral aspect of the identification of our sustainability-related risks and opportunities is the Group's double materiality exercise. Each year, senior management evaluates an extensive list of potential ESG and economic sector and business model issues based on the scale of their internal and external impacts. These material matters are individually ranked and aggregated into broader themes as outlined on page 06 of this report. Further detail is available in our 2023 Integrated Report.

ISSB

While sustainability-related risks address the impact of ESG factors on value creation, materiality assesses the importance of specific sustainability issues to MTN and its stakeholders, evaluating their relevance to our strategy and overall performance. This dual consideration ensures MTN's risk management strategy is both comprehensive and aligned with the company's commitment to sustainable practices.

Our sustainability risk landscape at a glance

According to the S&P Global Ratings ESG industry report card*, the most material sustainability risks for the telecommunication industry relate to:

Social exposures

Stemming from geopolitical trends, consumer behaviour, social cohesion, safety management and workforce skills.

Environmental exposures

These are lower owing to the industry's low direct and indirect use of water and low contribution to GHG emissions, waste, and toxicity. However, the sector is increasing its focus and reporting on environmental risks, which are more quantifiable than other ESG risks.

Governance-related factors

The factors are more company and region-specific and primarily relate to jurisdictional uncertainties in emerging markets.

Read more

* *https://www.spglobal.com/_media/documents/esg-industry-report-card_telecoms.pdf*

Our holistic approach to sustainability risk management

MTN's risk management practices are characterised by proactive governance, robust oversight and a commitment to balancing sustainability considerations with strategic decision making.

Effective governance and oversight

MTN's governance structures, as outlined on page 05 of this report, ensure effective oversight of sustainability-related risks and opportunities. Roles and responsibilities are clearly defined in organisational documents, job descriptions and policies, backed by the Group ERM methodology.

Management's role in monitoring sustainability-related aspects involves the Group Chief Risk Officer and Chief Sustainability Officer, who identify and assess risks. The Three Lines of Defence model ensures a comprehensive oversight mechanism, and the Board Social, Ethics and Sustainability Committee and Group Risk Committee oversee this function.

Informed decision making

To maintain transparency and vigilance, the governance bodies receive monthly updates on sustainability-related risks and opportunities. The Group Risk Management and Compliance Committee, as well as the Social, Ethics and Sustainability Committee and Group Board, review compiled information quarterly, ensuring strategic alignment and informed decision making.

MTN acknowledges that Board decisions involve trade-offs between environmental, social and economic considerations. An embedded ESG component in risk assessments ensures major decisions are aligned with MTN's commitment to sustainability. The sustainability pack submitted to the Board provides additional insight into these considerations.

Setting targets and monitoring progress

MTN's commitment to sustainability is not just a rhetoric. The Board oversees the progress towards ESG targets, ensuring sustainability metrics are integrated into remuneration policies. The Chief Sustainability Officer plays a pivotal role in developing and aligning sustainability targets with the overarching corporate strategy.

Integrating controls and internal functions

The integration of sustainability considerations into risk management processes is a collaborative effort. The Corporate Affairs and Sustainability department, along with the Risk and Compliance team, has developed an internal control business process, which includes risk owners, operating structures, reporting lines, end-to-end ERM and strategic drivers identified to improve oversight and collaboration. This process aims to create a comprehensive

Embedding ethical and responsible business practices continued

Risk and control matrix (RACM) specifically addressing ESG-related risks. The RACM, currently in the discussion phase, draws on industry best practices and existing benchmarks to ensure the relevance of control design within MTN.

Simultaneously, the Group Risk and Compliance team has developed a detailed ESG risk register, and individual Opcos have undertaken ESG risk assessments to evaluate sustainability-related risks comprehensively. The ESG risk framework includes a curated sustainability risk register with mitigating factors. Monthly operational tracking and quarterly reviews are undertaken to manage ESG risks effectively.

MTN applies scenario analysis to various risks but seeks further exploration for sustainability risks.

Consolidated assurance for comprehensive risk management

MTN has adopted a consolidated assurance approach that incorporates inputs from all three lines of defence.

- First line: Own and manage risks.
- Second line: Oversee or specialise in risk management or compliance.
- Third line: Provide independent assurance.

ERM methodology is part of MTN Group's integrated assurance objectives. This approach ensures a holistic view of sustainability-related risks, integrating market-specific perspectives in alignment with the Group's sustainability framework.

Building competency for sustainable strategies

Assessing the skills and competencies required for overseeing sustainability-related strategies is a priority at MTN. Regular evaluations identify gaps, leading to targeted training or recruitment. The skills and competencies of the team are paramount in navigating the evolving landscape of sustainability.

Our journey towards connecting sustainability and financial reporting

The ISSB inaugural sustainability reporting standards (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures), issued in June 2023, mark a significant advancement in global ESG approaches. These standards aim to unify existing disclosure frameworks across industries, geographies and accounting principles.

A fundamental shift accompanies these standards, emphasising the financial quantification of sustainability-related risks and opportunities. The key message is clear: sustainability information holds equal importance to financial data. Effective collaboration between finance, sustainability and risk teams is essential to ensure complimentary and fact-based disclosures that meet the ISSB's requirements.

To support the widespread adoption of the new investor-focused standards, MTN has committed to initiating the adoption process for these standards throughout our organisation. While understanding sustainability risks and opportunities is a complex and iterative process, MTN embarked on this journey in 2023, aiming to mature our understanding of ESG risks and opportunities and work towards compliance with the framing required by IFRS standards.

Introducing our Internal Control Improvement programme

Our Internal Control Improvement programme, known as Project RubiX, is a strategic initiative designed to establish a standardised framework of crucial internal controls across MTN's operations. The primary goal is to enhance key control operations, control self-assessment, provide continuous monitoring mechanisms and foster a risk-aware culture within MTN.

Project RubiX extends beyond streamlined internal processes; it plays a crucial role in identifying, monitoring and managing ESG risks. The project maintains high-quality deliverables and benchmarks our risk and control matrix (RACM). Additionally, it defines a comprehensive Group internal control framework, ensuring the appropriate design and implementation of key controls.

Preparing to adopt IFRS ISSB disclosure guidance

In 2023, MTN initiated processes to begin integrating IFRS ISSB S1 and S2 disclosure guidance within our reporting practices, proactively conducting gap assessments for both standards. These assessments provided insight into our current alignment and highlighted the necessary steps to enhance our adherence to IFRS S1 and IFRS S2 going forward. Collaborating with our ESG implementation partners, we formulated an IFRS ISSB adoption roadmap and action plan,, actively engaging stakeholders to ensure comprehensive understanding and commitment.

To ensure Group-wide alignment, we provided capacity development sessions to our Group executives and Opcos, outlining the implications of the new disclosure guidance and its impact on our stakeholder communications through reporting. We have commenced the process of aligning our reporting suite with IFRS S2 disclosure guidance, as demonstrated in our 2023 Climate Report.

We understand IFRS S2 needs to be applied in conjunction with IFRS S1 and will provide more information regarding our progress towards IFRS S1 alignment in the year ahead.



Embedding ethical and responsible business practices continued

MM 2

Committing to compliance

Our approach to compliance is deeply ingrained in a Group-wide governance framework. This framework is founded on robust policies, principles and practices in alignment with globally recognised standards. We constantly enhance our compliance programme by adapting to evolving circumstances, refining our product and service offerings, and responding to changing external trends.

Notably, the majority of our markets have progressed significantly over the past year and are now functioning at leading levels of maturity. This marks a substantial step towards strengthening our compliance posture. Another achievement has been the overall reduction in the number of reported compliance breaches across the Group compared to previous years. This indicates the effectiveness of our compliance efforts in mitigating risks and maintaining compliance standards.

In 2023, governance of compliance also saw improvements.

- We conducted a comprehensive review and update of the Group Compliance Policy to align with an organisational change involving the separation of Fintech and Mobile Communication businesses.
- Roles and responsibilities within the compliance function were updated to meet evolving business needs and priorities.
- The Terms of Reference for the Group Compliance Committee are being revised to enhance governance.

Sustainability-focused compliance

We have fortified our compliance approach in the sustainability realm, in line with our ***Ambition 2025*** strategy, where sustainability plays a pivotal role.

Our commitment to effective ESG compliance risk management led to establishing a comprehensive compliance universe. This universe focuses on key areas, including data privacy, anti-bribery, corruption and human rights, among others.

During 2023, we also developed comprehensive compliance risk management plans (CRMP), to ensure adherence to these core ESG laws and regulations. These CRMPs outline specific ESG obligations, laying out the necessary controls to achieve compliance.

Over
700
compliance risk management plans developed in 2023

Compliance monitoring and testing

Monitoring and testing processes validate our compliance level. Our goal is to test our entire compliance universe within a three-year timeframe to ensure comprehensive adherence. In 2023, we have tested 92% of our compliance obligations.

This robust testing process ensures we maintain a comprehensive understanding of our compliance landscape and are better equipped to address potential issues in a proactive and timely manner.

Entrenching compliance in 2023

Training and awareness

A notable focus during the 2023 financial year was on delivering comprehensive training and raising awareness on key policies. We also prioritised refresher training for Exco member, champions and the general. This training has been integrated into employee and Board member onboarding processes.

Leveraging robotics and data analytics

We have invested in enhancing our compliance processes through the use of internal customised compliance tools.

Doing more in 2024

Looking ahead, we will concentrate on:

- Improving the ethics management programme by strengthening areas identified in our risk assessment exercise.
- Exploring the use of technology and analytics to actively combat fraud and corruption.
- Engaging with internal and external stakeholders to prepare for ISSB adoption, supported by capacity-building initiatives to support effective implementation.
- Enhancing proactive compliance management by applying data analytics to imported data within our compliance management tool.
- Strengthening testing, oversight and assurance mechanisms to identify risk and compliance vulnerabilities.

Continuous monitoring and evaluation through output measures and feedback mechanisms will be maintained to refine and optimise our ethical practices.



Partnering for an ethical supply chain

As Africa's largest mobile network operator, we manage complex supply chain operations involving over 19 000 suppliers. Global sourcing and supply chain (GSSC) procures products and services within four broad categories: network, IT, Business Services and Platform Enablement.

MM 6

To ensure continuity of supply, MTN proactively manages different legal, social, ethical and environmental risks. We have a responsibility to ensure our procurement practices:

- Are conducted according to local and international laws and standards.
- Adhere to the highest levels of ethical and moral conduct.
- Benefit local economies.
- Support Net Zero initiatives to reduce emissions.

We embrace this across all parts of our business, and we expect the same from our suppliers. Our supplier code of conduct outlines our commitment to respect and promote human rights and fair labour practices, including equal opportunities, environmentally sustainable business, and a zero tolerance for bribery and corruption. Only upon passing our due diligence process and signing the supplier code of conduct, can suppliers participate in sourcing events through MTN's online sourcing platform.

We also work collaboratively on supply chain risks within the Joint Alliance for CSR, a globally recognised industry body committed to promoting technologies and practices that foster ESG sustainability. Joint Alliance for CSR reports on progress with respect to third-party factory audits of common suppliers carried out on behalf of all its members.

MTN manages its Group supplier base through a rigorous end-to-end supplier management framework, which includes the identifying vendors, onboarding, due diligence and performance management. Owing to the varied geographies and regulatory environments, each of our markets have a procurement and supply chain team that manages local purchasing and supply chains in line with the Group's procurement and local content policies.



Embedding sustainability across our supply chain

With ESG as the core of our GSSC business strategy, we are now working with our suppliers to reduce emissions across Scope 1 to 3. During 2023, we led the Scope 3 workstream of Project Zero to secure commitments from our suppliers.

Additionally, we are introducing elements of a circular economy into our operations where we are focused on reusing and extending the lifetime of our assets and supplies with refurbishment and repairs, instead of producing and buying new. We are in the process of introducing KPIs for our local operations for reuse and recycling.

Developing a resilient supplier base

During 2023, we offered training sessions for suppliers covering business ethics, the MTN Supplier Code of Conduct, and governance of the sourcing process. These informative sessions were well attended by numerous suppliers and participants.

Additionally, MTN hosted Connect to Create, our annual supplier conference, which gathered key strategic vendors in 2023. This event was not only an opportunity to recognise the top-performing suppliers in their respective fields, but also a platform to align our suppliers with our ***Ambition 2025*** objectives, ensuring their sustained commitment to sustainability principles. We are dedicated to promoting ESG awareness and capacity building among our suppliers, educating them on our sustainability policies and mechanisms that support responsible business practices.

Delivering social value through procurement

Our procurement practices prioritise local sourcing, in line with MTN's local content policy. By integrating social value into procurement decisions, we are supporting local employment and economic growth. To this end, we focus on capacity building to empower local suppliers, particularly SMEs, to participate in the telecoms supply chain.

Optimising sourcing decisions by digitising our supply chain

We are using data analytics and automation to enhance GSSC throughput time, cut down on manual, time-consuming activities and drive greater efficiency. We have developed our own in-house tools that support our sourcing function to adopt data-driven decision-making platforms and supply chain risk management frameworks using advanced technologies such as machine learning and AI.

Partnering for an ethical supply chain continued

MM 10

During 2023, we enhanced groundbreaking initiatives in our Procurement, Supply Chain and Procurement Excellence domains and introduced Agile operating model for Procurement. We also used advance technologies such as machine learning and AI to enable data-driven decision making.

Verifying our supplier's ESG performance

MTN is a proud member of JAC, an association of telecom operators dedicated to ensuring sustainability in the ICT industry's multinational supplier manufacturing centres. The table below summarises the overall KPIs for the period.

Procurement and supply awards 2023

The prestigious Chartered Institute of Procurement and Supply (CIPS) Awards ceremony recognised MTN GSSC as a standout winner, receiving five prestigious awards, including the coveted Procurement Team of the Year – Large Organisation.

The awards won by MTN GSSC include Best Approach to Risk Mitigation and Best Initiative to Deliver Social Value Through Procurement, highlighting our commitment to excellence and our ability to create tangible value for society.

MTN also won procurement awards from Hackett and Procurement Leaders in 2023.

JAC impact statistics: KPI audits in the period 1 January 2023 to 31 December 2023

	Total
Total number of audits and surveys carried out: including:	**150**
a) JAC audits	123
b) VAP audits	14
c) Mobile workers' surveys (MWS)	13
Total number of workers in facilities where MWS were carried out	10 342
Number of different countries in which audits were carried out	**22**

Our supply chain strategy is built on three key pillars

- Procurement transformation through ESG integration.
- Data-driven decision making, brining advanced analytics and agility into procurement.
- Driving supply chain resilience.

Doing more in 2024

We remain committed to maintaining high ethical standards and promoting sustainable practices throughout our supply chain while leading initiatives to meet MTN's Net Zero target.

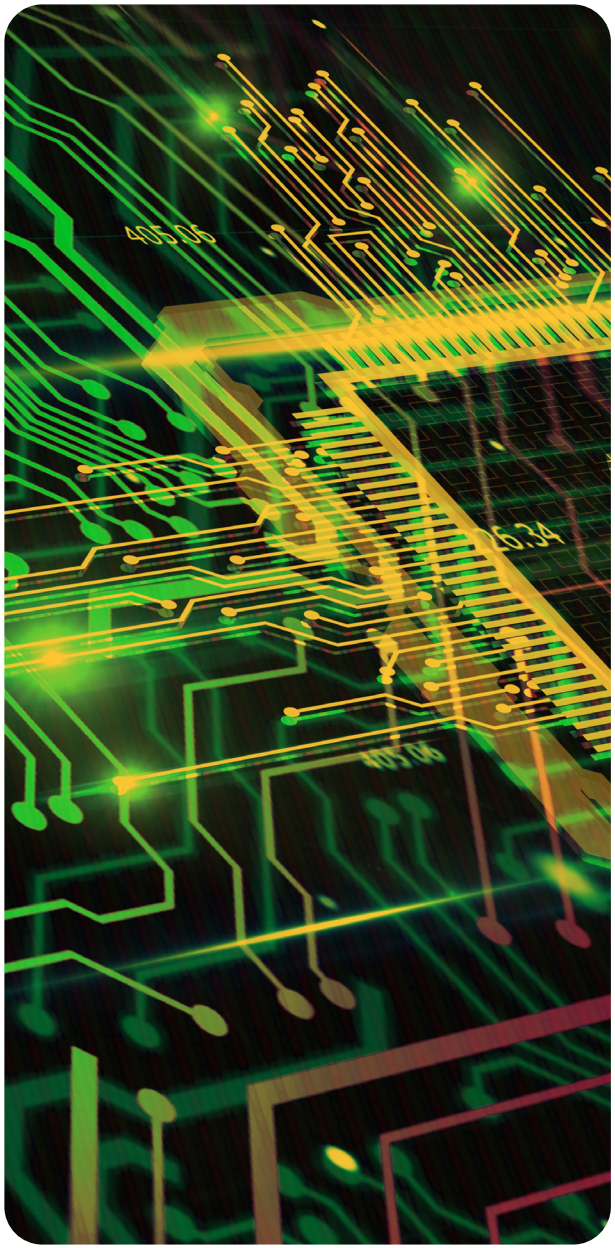
Uncertainty is a part of business-as-usual and we intend to continue harnessing the power of data to make smarter decisions.

Read more:

Our position statement on responsible supply chain
https://www.mtn.com/wp-content/uploads/2024/04/MTN-Position-on-Responsible-Supply-Chain.pdf

Supplier code of conduct
https://group.mtn.com/wp-content/uploads/2023/02/Supplier-Code-of-Conduct.pdf

Position statement on enterprise development
https://www.mtn.com/wp-content/uploads/2023/03/MTN-Position-on-Enterprise-Development.pdf



Economic value-added: Doing for growth

As a significant player in the telecommunications sector, MTN recognises our pivotal role in fostering economic growth, not just as a corporate entity, but as a catalyst for positive change in the nations within which we operate. Investing in a robust network and IT infrastructure is not merely a strategic move for business expansion but a commitment to providing reliable and inclusive digital connectivity that serves as a backbone for economic development.

We recognise that our success is intertwined with the success of local businesses. By offering ICT services that enhance operational efficiency, training to upskill local entrepreneurs and engaging in responsible procurement practices, we are actively contributing to the growth of local enterprises, driving job creation and fostering economic resilience in our markets. Furthermore, our commitment to responsible tax payments and localisation initiatives adds a tangible layer of economic value to the regions we operate in.

Supporting local businesses, fostering innovation and ensuring the benefits of our operations are reinvested in the communities we serve are strategic imperatives that fortify our position as a valuable partner to governments, nations, enterprises and customers.



We are doing for growth by

Enabling local economies
- Contributing to economies through tax.
- Investing in network and IT.
- infrastructure to unlock growth.
- Innovation to benefit local governments (e-gov).

Empowering local enterprises
- Enterprise and supplier development.
- Enabling local supply chains.
- Developing IoT solutions and API marketplace for developers.

Unlocking local ownership
- Driving localisation.
- Contributing towards job creation.

Enabling local economies

Investing in network and IT infrastructure to unlock growth

MM 3

Investments in Africa's network and IT infrastructure are crucial for economic growth, digital inclusion, technological advancements, meeting demand and contributing to sustainable development goals, playing a pivotal role in the continent's digital transformation. Connected people and communities are inherently empowered.

To meet the escalating demand for connectivity worldwide, the telecommunications industry faces the challenges of costly and resource-intensive physical infrastructure development. Thus, we have embraced infrastructure sharing to cut costs, optimise connectivity and create shared value, leading to improved quality and lower costs through scalability.



Extending network as a service

Bayobab, formerly known as MTN GlobalConnect, plays a pivotal role in advancing digital connectivity in Africa. Operating as a subsidiary of the MTN Group, Bayobab focuses on providing international connectivity and telecommunications services, extending its reach to 54 African countries with 235 landing stations.

By advancing network infrastructure and international connectivity, Bayobab contributes to Africa's digital evolution, opening doors to economic prosperity, innovation and a more connected future.

Read more
Bayobab's fibre network and communication platforms
https://bayobab.africa/

Partnerships for African connectivity

2Africa cable project

The 2Africa submarine cable will deliver much-needed internet capacity and reliability across large parts of Africa, supporting businesses and consumers across the continent. The project addresses the growing demand for digital services, underpinning the expansion of 4G, 5G and fixed broadband access. This is of particular significance for a continent that has historically been behind the global average in internet penetration.

2Africa cable landings in Ghana in 2023 and Nigeria in 2024 mark a leap forward in enhancing international connectivity for these West African nations. These strategic landings empower local service providers by providing access to world-class capacity, ensuring fair and equitable connectivity.

Economic impact

Studies show that new cable landings, such as those facilitated by Bayobab, have a positive economic impact. Decreased broadband prices and increased penetration rates lead to economic growth, job creation and business expansion, benefiting individuals and communities.

GDP growth

The 2Africa cable is projected to improve Africa's GDP by up to 0.58%, equivalent to about US$36.9 billion at PPP within the first two to three years of operations. This growth is expected to result from improved internet accessibility, business expansion and enhanced efficiency.

Enabling local economies continued

Project East2West
In collaboration with Africa50, Bayobab aims to bridge connectivity gaps through Project East2West, a terrestrial fibre-optic cable network connecting the eastern and western shores of Africa. This partnership recognises the vital role of pan-African collaboration in constructing telecommunication highways, essential to meeting the surging demand and need for affordable connectivity solutions in Africa.

The project aims to connect 10 African countries, bridging connectivity gaps, improving broadband access and supporting socioeconomic development. This transformational project is key to creating a future where the youth are given opportunities to learn, share, create and play an active role in building resilient societies through innovation and new technologies. Additionally, Project East2West contributes directly to delivering on the African Continental Free Trade Area (AfCFTA) vision.

Shaping digital transformation across African nations

The expansion of cable landings transforms regions into digital hubs, creating a ripple effect that positively impacts education, healthcare, trade and governance across the African continent.

Global connectivity
The communication infrastructure provided by Bayobab facilitates international trade, collaboration and the exchange of ideas between nations. This connectivity reduces barriers to entry for emerging economies, promoting economic growth and integration into the global marketplace.

Improved access to information
Robust communication networks empower individuals with access to vital information and knowledge resources. This accessibility enables informed decision making, provides opportunities for education and healthcare services and opens doors to employment opportunities.

Efficient business operations
Modern businesses heavily rely on seamless communication channels for their day-to-day operations. Bayobab's infrastructure ensures efficient supply chains, customer support and internal communication, thereby enhancing productivity and preventing financial losses.

During 2023, Bayobab achieved an MEF 3.0 Carrier Ethernet Services Certification, ensuring adherence to the highest industry standards in digital connectivity solutions.



Enabling local economies continued

Digitising government and social services

MTN is actively collaborating with governments, state-owned entities and municipalities to drive the digitisation of social services across Africa. The overarching objective is to stimulate demand for digital inclusion, aligning with MTN's sustainability strategy and contributing to the African Union Agenda 2063 for digital economies. Tech adoption is observed as an investment in keeping countries competitive in an ever-changing global economy.

In 2023, we continued to focus on enhancing the execution of our flagship national collection and disbursement services in Rwanda. The initiative facilitates the integration of various services delivered by local governments and ministries, including tax collections, public health and education fee payments, salary disbursements and support for vulnerable populations, through our MoMo platform.



E-gov services in Rwanda

Collection services	Impact	Disbursement services	Impact
General government services In partnership with Irembo, which oversees digitising all government services, citizens can access and pay for the different services with MoMo on both USSD and web. Key services are in different categories like land, family, identification, police, health, transport and others.	**Irembo government payments:** • Volume: 3.8m • Value: US$30m • Users: 565 000	**Local government (LODA)** LODA oversees local governance and supports vulnerable people in the lower economic category through bulk payments directly to them via their community Savings and Credit Cooperative Organisations (SACCO) into the MoMo wallets.	• Volume: 1.3m • Value: US$14.3m • Users: 168 000
Tax collections Rwanda Revenue Authority collects a wide range of services and uses only digital payment channels. MoMo is the highest contributor.	**Government taxes** • Volume: 2.7m • Value: US$25m • Users: 250 000 **RURA licence fee collection taxes:** • Volume: 50 000 • Value: US$1.2m • Users: 18 000 Utilities (water and electricity) taxes: • Volume: 16.6m • Value: US$43m • Users: 1.8m	**Education** University student bursaries are paid in via MoMo through a bulk payment integrated platform managed by the government through BRD.	Education and student bursaries: • Volume: 104 000 • Value: US$7m
Ministry of Health and Education All public health centres and schools are required to collect their fees through digital channels and all are using MoMoPay and online payment collections.	**Health** RF4 144 525 308 **Education** RF5 974 282 856	**Salary disbursements** The government pays the salaries of teachers directly to their MoMo wallets through Umwalimu SACCO government.	RF22 436 742 834
		Other government institutions Ministry in charge of emergency management for refugees, the electoral commission, the Ministry of Defence and others.	Ministry of Defence: • Volume: 337 000 • Value: US$12.5m • Users: 160 000 National electoral commission: • Volume: 165 000 • Value: US$1.1m • Users: 64 000

Enabling local economies continued



The success in Rwanda serves as a blueprint for other countries where MTN is currently in the proof-of-concept stage, such as Benin and Côte d'Ivoire. Challenges related to integrating the MoMo platform with less mature national systems require close collaboration with governments to ensure sustainable execution.

Outside of Rwanda, MoMo platform innovations that benefit local governments include:

- An e-Gov API integration allows eSwatini to pay for goods and services from various departments. A MoMo bulk disbursement solution has also been proposed to distribute government payouts and grants.
- Enablement of tax collection in Uganda has seen local government institutions record improved figures in revenue collections.
- We also have a relationship with the United Nations Capital Development Fund (UNCDF) which includes device lending, registering Group SACCOs for collections and bulk payments to the population they impact.

As delivering government service through mobile devices accelerates, we are building traction for other sectors to digitise. More e-services are being identified across rural sectors, such as forestry and agriculture.

Partnering with governments for digital upliftment

MM 4

MTN is actively fostering collaborative efforts with the public and private sectors to amplify the impact of mobile technologies in driving Africa's progress. The CEOs of six major mobile network operators recently convened at MWC Kigali to explore opportunities for deeper partnerships that enhance economic growth and digital inclusion through mobile infrastructure development.

The CEOs emphasised the need for political support and strategic partnerships to realise a fully connected, dynamic Africa. Despite substantial investments, challenges remain, with over 680 million people living in areas covered by mobile broadband but not subscribing to the services. Political support across the continent is essential to register meaningful progress. This includes facilitating the right market structures and conditions to avoid unnecessary fragmentation and policies that support the investment environment needed for success.

In their commitment to collaborative transformation, the CEOs are focused on four priority areas for partnerships with governments.

Inclusive connectivity

Advocating fiscal and policy reforms to improve affordability and incentivise investments by addressing taxes and fees, which currently account for 30% of industry revenues.

Closing the investment gap

Addressing the US$100 billion gap for universal connectivity by implementing financing models recommended by the UN Broadband Commission and gaining regulatory support for new digital infrastructure financing.

Environmental impact

Recognising the importance of climate action, with industry leaders committing to achieving Net Zero carbon emissions by 2040 and emphasising the need for climate-friendly policies.

Mobile industry commitment

The industry commits to contributing US$75 billion, anticipating a US$210 billion boost to sub-Saharan Africa's GDP by 2030, resulting in an additional 200 million mobile subscribers.

Enabling local economies continued

Supporting GSMA studies for digital economic growth

The GSMA, in collaboration with mobile operators like MTN and others, is conducting studies in sub-Saharan Africa to illustrate the pivotal role of mobile technologies in propelling digitalisation and positioning the sector as a development ally for regional governments. These studies aim to demonstrate how policy reforms can unleash the potential of digital transformation in alignment with the African Union Agenda 2063.

The study objectives include showcasing how digital technologies, embraced across economic sectors and public services, can foster inclusive transformation. This involves enhancing productivity, facilitating access to global markets, bolstering education and healthcare, and streamlining economic and public service transactions. The studies will quantify the economic impact, such as improved productivity, job creation and formalisation of the economy, leading to heightened standards of living and economic growth.



Digital pathways to economic transformation

By providing evidence of digitalisation's positive impact on socioeconomic growth and government revenue, these studies will highlight new avenues for shared prosperity.

Policy reform and private sector investment	Digitisation of economic sectors	Impact pathways	Outcomes	Impact
• Telecoms sector development • Digital government and ID • Digitalisation across the economy	• Agriculture • Manufacturing • Government • Extractives and construction • Transport • Trade and e-commerce • ICT industry	• Unleashing value from agriculture • Human capital development • Technological spillovers and innovation • Improved resources efficiency • Reduction of transaction costs and access to markets • Access to global value chains in manufacturing • New trade-in services • Improved public service delivery and decrease in corruption	• Improved access to goods and services • Development of industry and ICT • Productivity increase throughout the economy • Business growth, formalisation and job creation	• Economic transformation and diversification • Improved living standards • Increased economic growth and tax revenue

Enabling local economies continued

Supporting Ghana's digital agenda

In celebration of its 25th anniversary in Ghana, MTN has committed funds to the country's ICT plans, breaking ground for the construction of the Ghana ICT Hub. This initiative aligns with MTN's ***Ambitions 2025*** strategy and its dedication to supporting the Digital Ghana Agenda.

The Ghana ICT Hub, a pioneering venture in the West African sub-region, aims to train over 200 000 individuals in ICT skills and generate 100 000 jobs within the first three years. Positioned as a centre for innovation, it will foster creativity, provide technical support for startups, enhance digital literacy, particularly among young girls, promote women's involvement in ICT, encourage research and development, and promote widespread ICT adoption.

Equipped with state-of-the-art technology labs, the Hub will offer practical training in Industry 4.0 technologies like AI, machine learning, cloud computing, robotics, IoT and cybersecurity. The goal is to build an ICT ecosystem in health, agriculture and education through on-site and remote training.

The facility will also host over 100 tech startups and companies, catalysing Ghana's digitalisation agenda. This comprehensive initiative, part of the broader Ghana Innovation Hub project, includes the Accra Innovation City and the Ghana Education Platform.

The Ghana ICT Hub will significantly contribute to boosting the country's ICT and digital ecosystem by providing infrastructure and resources for ICT skills training. MTN is proud to collaborate with the Ghanaian government to drive the necessary paradigm shift for the country's progress in line with the 2030 Agenda and the SDGs.

Contributing to economies through tax

MTN contributes significantly to the economies of the countries in which it operates through direct and indirect tax revenues. These tax payments contribute to government revenues, enabling investment in infrastructure development, healthcare, education and public services.

Our commitment to paying our fair share of taxes supports positive relationships with governments and communities, promoting stability and predictability in the business environment. This not only attracts foreign investment, but also creates new job opportunities, further stimulating economic growth across the continent.

We adhere to rigorous tax policies to ensure compliance, protect our reputation and contribute fairly to the economic growth of our host nations. MTN has a transparent tax strategy that is communicated effectively, including governance of business activities to comply with local and global requirements.

Strengthening our tax management

Governance of tax activities was fortified during 2023 as Opcos adopted and localised our updated Group tax policy. The Group also employed additional tax resources in several Opcos and at the Group level to strengthen tax management.

Owing to complex tax legislation, regulatory requirements and increased focus from revenue authorities on protecting their tax revenues, MTN has developed a systematic approach to manage tax obligations and mitigate tax risk. This involves managing and monitoring tax obligations and risks across various personnel, business functions, systems and processes within the Group. The primary risks associated with MTN's tax practices include speculative assessments, reputational risks and compliance risks.

These are effectively managed and mitigated through transparent reporting of our tax affairs and contributions in our Tax Transparency Report.

Corporate tax

R13.5bn

(2022: R13.1bn – 25%)

Tax reform and harmonisation

In October 2023, the CEOs of six African mobile network operators including MTN, convened at MWC Kigali to discuss partnerships with African governments for digital inclusion and mobile infrastructure development. They emphasised the need for fiscal and policy reforms in the mobile industry, aiming to improve affordability for consumers and incentivise operator investments. Taxes and fees, constituting 30% of industry revenues, were identified as areas for reform.

The CEOs committed to tax rationalisation through targeted fiscal policy reforms that support economic growth, digital development and align with national targets. The industry pledged partnerships, forming a social compact for creating shared value, with a focus on tax-related reforms to deepen digital and financial inclusion.

MM 2

Read more
MTN's tax practices and performance
in our 2023 TAX

Doing more in 2024

- During the year ahead, plans for further enhancing tax management include automation, the use of data analytics tools, proactive engagement with revenue authorities and an enhanced focus on tax risk management.
- To further bolster national economies, we intend to expand our fibre networks and improve connectivity infrastructure to create a digital foundation that facilitates diverse public-private partnerships.
- As delivering government service through mobile devices accelerates, we are building traction for other sectors to digitise. More e-services are being identified across rural sectors, such as forestry and agriculture.

Empowering local enterprises

MM 6

Enterprises of all sizes increasingly adopt technologies such as 5G, cloud, edge, security, AI and IoT to advance their digital transformation, a trend accelerated by COVID-19. Beyond the shock of the pandemic, many businesses are facing new external pressures, such as disruption to supply chains, rising energy costs and new work patterns. Digital technologies are helping address such challenges.

By combining transformative ICT solutions enabled by connectivity, businesses across the continent can be empowered to grow. These solutions provide substantial customer benefits, such as increased productivity, reduced costs, innovative new products and services and new lines of business.



Developing African enterprises and suppliers

The digital transformation sweeping across the globe has brought to the forefront the need for small and medium enterprises (SME) to adapt to a digital-first strategy. Recognising this, MTN is dedicated to providing the necessary services and solutions to support SMEs in this digital shift, and we are actively working to improve their digital readiness by offering customised platforms, solutions, products, training, support, advice and best practice information.

Central to our approach is a comprehensive Fintech strategy, which involves creating tailor-made value propositions and solutions for SMEs built on financial services, connectivity and ICT solutions.

To ensure the effectiveness and speed of our efforts, we collaborate with both internal and external partners. Through partnerships with industry leaders like Microsoft, Avanade and Accenture, we can provide cutting-edge platforms, products and services to SMEs, regionally and also across the African continent.

MTN's commitment to empowering SMEs across Africa remains a cornerstone of our strategy.

SME Day for African businesses

Our flagship SME Day, held in May 2023, gathered over 150 in-person attendees and over 2 500 virtual participants. SME Day provided a platform for SMEs to connect, learn and showcase their products and services, enhancing visibility and expanding networks. It featured a JumpStarter funding competition, and insightful keynote speeches from influential industry figures.

SME development initiatives

MTN launched and executed several SME-focused initiatives across various markets:

- **South Africa:** MTN SA introduced the MTN SME Hub, an online daily news portal delivering strategic business content to empower SMEs.
- **Ghana:** A dedicated SME month was launched in July 2023 and the month featured activities nationwide, showcasing how SMEs can participate in MTN's Supplier Development programme.
- **Cameroon:** MTN Cameroon conducted quarterly SME business breakfast sessions, collaborating with SMEs to address their business challenges and offer solutions.
- **Nigeria:** A collaborative SME Accelerator programme, partnering with ayoba and the Adanian Labs, aimed to provide intensive business development support to deserving SMEs.

Digital readiness toolkit

MTN continued to help small businesses enhance their digital readiness in 2023. One notable initiative was the rollout of the SME in a Box bundle, offering mobile data, fixed data and O365, enabling SMEs to embark on their digital journey. Moreover, plans were set in motion for an SME-focused mobile advertising digital platform, allowing SMEs to run focused marketing campaigns akin to larger corporations.

Collaborating for positive impact

During 2023, we identified various opportunities to collaborate with associations in sectors such as farming and pharmaceuticals:

- **Ghana:** Launched the SME Plus prepaid bundle targeting farming, services and teacher associations.
- **Rwanda:** Introduced a hybrid mobile voice, data and SME proposition to tap into the untapped SME market.
- **Uganda:** MTN Uganda launched Webphone with Webex solution, allowing SMEs to make internet calls, schedule or join online meetings, and call business associates at affordable local rates.

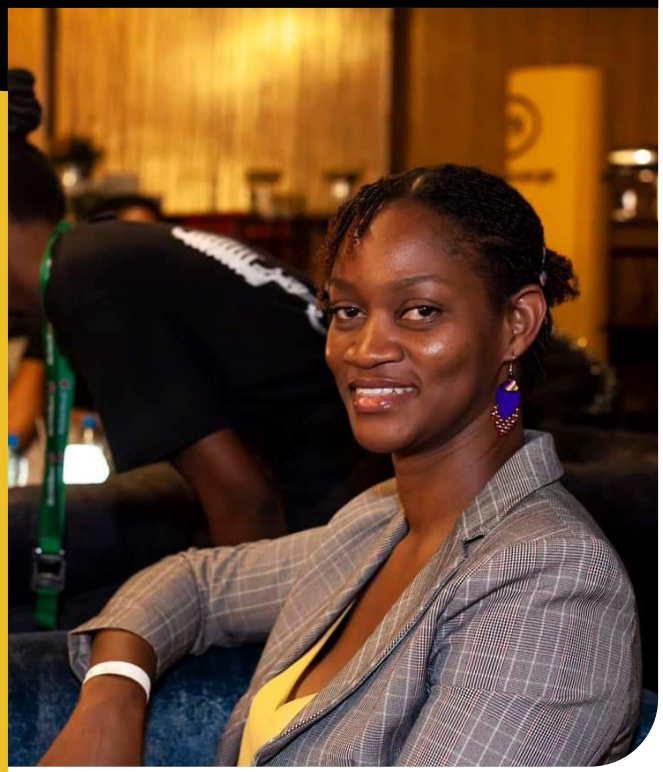
Fusion Partner programme

Through the Fusion Partner programme, we have enabled SME partners to access a range of capabilities, leveraging technology and local knowledge. This has allowed them to resell MTN products, extend their reach to customers and bolster their brand awareness through digital marketing. The programme has also created opportunities for local and global partners to be part of the MTN business solutions offering.

Empowering local enterprises continued

CASE STUDY

Partnerships for progress



MTN and We-Fi Zambia empower women-led SMEs to achieve their full potential

MTN Zambia, in collaboration with the Zambia Women Entrepreneurs and Finance Initiative (We-Fi) programme, is supporting a transformative initiative to empower women entrepreneurs. This strategic partnership focuses on providing women-led SMEs with a comprehensive support system encompassing digital solutions, funding opportunities and capacity building. By leveraging MTN's dedicated SME-focused products and services, the programme addresses the existing gaps in finance and technology access for women entrepreneurs.

Tailored for formal women-led/owned SMEs with over five employees, the programme aims to propel these enterprises towards achieving their desired performance goals and objectives. While it is open to women entrepreneurs nationwide, it operates on a competitive basis, focusing specifically on growth-oriented women entrepreneurs.

The Nature Aid Foundation, an emerging non-profit organisation that provides human resource solutions in agribusiness, was one of the beneficiaries selected to participate in the We-Fi programme.

"Our organisation was empowered by access to funding through face-to-face sessions facilitated with major financial institutions that offer tailored financing to women-owned small and medium businesses in Zambia. Additionally, we have seen the impact that technology can have on businesses, particularly SMEs, by bridging the gap in access to finance and technology. We were exposed to opportunities to build capacity, expand our networks and seek out linkages with players in the domestic market. MTN Zambia and We-Fi opened doors for the Nature Aid Foundation through financial access and management training, which we were able to invest in our business, giving us a real and fair chance at success!"

Through this initiative, MTN Zambia is actively contributing to the advancement and empowerment of women-led SMEs, fostering a conducive environment for their sustained growth and success.

Empowering local enterprises continued



Building local supply chain capacity

MTN's Group Local Content Policy, approved in 2022, reflects the MTN Group's aspirations in shaping the local character in our jurisdictions. We contribute meaningfully to the growth of our host nations by ensuring regional or pan-African procurement, recruitment, skills development, community development, small to medium enterprise supplier development and ownership transactions reflect a local, regional or pan-African profile to the fullest extent possible.

Our local content strategy is founded on skills development practices that empower local employees and community youth with critical and future skills, supply chain practices that drive procurement from local suppliers, recruitment practices that prioritise local citizens and capability development opportunities to build and strengthen local SMEs.

Over and above our local content strategy, MTN ensures compliance with all national policies, laws and regulations that drive local content, empowerment or economic development.

Facilitating growth through B-BBEE

In our continuous commitment to empower local enterprises, MTN South Africa has retained a Level 1 B-BBEE contributor status for four consecutive years while MTN Group attained the same level for three successive years and achieved recognised black ownership of 86% which is greater than 51%. This is considered the gold standard and provides a significant competitive advantage over our peers, particularly in bidding for public sector business.

We are proud of the strides we have made in diversifying our value and supply chain by affording more opportunities to black SMMEs, resulting in the increase in spend (independently verified in terms of the Codes of Good Practice) with targeted suppliers, as follows:

- >51% black-owned vendors (from R3.5 billion in 2016 to R9.3 billion in 2023).
- 30% black women-owned vendors (from R9.2 billion in 2016 to R18.5 billion in 2023).
- Exempted micro-enterprises (from R326 million in 2016 to R1.1 million in 2023).
- Qualifying small enterprises growing (from R1.2 billion in 2016 to R2.7 billion in 2023).
- Designated groups (from R0 in 2016 to R1.4 million in 2023).

Accelerating transformation through the Xlerator programme

MTN South Africa launched the enterprise and supplier development (ESD) programme named Xlerator on 8th September 2023, which is intended to significantly transform MTN SA's supply chain by creating a platform for the growth of black-owned suppliers into businesses with capabilities and scale through their direct participation in MTN SA's value chain.

The primary objective of Xlerator is to meet MTN Group's **Ambition 2025** aspiration of creating Shared Value with ESG at the core by driving sustainable local economic development while minimising supply chain risks; and ensuring that we meet our compliance obligations and B-BBEE strategic objectives. The ESD Xlerator programme further aims to advance previously disadvantaged SMMEs through opportunity creation and creating an ecosystem of finance partners who will be accessible to our ESD beneficiaries.

Thus far, we have created an ecosystem of finance partners that have pledged more than R2.6 billion in financial support for our SMMEs. These partners include Standard Bank, Nedbank, ABSA, Bridgement, Mamor Capital, Payabill, African Bank, Spartan Finance, Sibonisiwe Holdings, Infra Impact, Altvest Capital and Tysys Capital Group.

The Xlerator programme sets ambitious three-year goals that will see the Group transfer 30% of total measured procurement spend to black-owned suppliers and double the number of active SMMEs to over 250 from a base of 130.

Transforming enterprise development beneficiaries into suppliers

A hallmark of our transformation initiatives is the support provided to SMMEs, three of which stand out in the 2023 financial year:

- Swiftstare Technology, which, through skills development, witnessed a remarkable 250% increase in revenue within three months and established an online education platform.
- Saturated, provided business management support, created jobs and significantly increased revenue.
- KasieLabs, supported by women in digital mentorship, experienced business growth driven by network enhancements.

Two of these businesses are black women-owned and one is youth-owned.

MM 6
MM 7

Empowering local enterprises continued

Developing young entrepreneurs

MTN offers a range of youth development initiatives aimed at equipping young entrepreneurs with tech-enabled skills to keep their small businesses relevant and competitive.

MM 7

E-Track ayoba and Solution Space

Together with Solution Space, an ecosystem for high-impact early startups at the University of Cape Town, we welcomed 15 businesses to the e-Track programme. The programme aims to accelerate the development of validated venture ideas and culminates in a pitch day, where ventures pitch to a room full of potential investors, venture capitalists and capacity builders.

Ventures selected in 2023 include a childcare platform, recruitment service, IoT-based wastewater solution, ed-tech startup, mobile marketplace, mobile game development studio, deliveries platform, recirculation aquaculture system fish farm, disability tech platform, and an AI and blockchain company.

During 2023, phase one comprised:
- **1 cohort.**
- **63 participants for phase 1 (Venture Launch course).**
- **Representing four African countries (Nigeria, Malawi, Ghana, and South Africa).**
- **40 participants from 15 ventures.**

Philippi Developer programme

The ayoba Developer programme aims to empower motivated young minds with a raw talent for web and software development, allowing them to take their skills to the next level.

In July 2023, an addition of 16 young, talented individuals from Philippi (Cape Town) and surrounding areas graduated as full-stack developers.

In August, an additional cohort started, with 15 participants. These students learn skills spanning modern web and application development and design, UI/UX, API and cloud services. At the end of the programme, student will have gained the essential skills needed to design, develop and host a progressive web application.

During 2023, phase one comprised:
- **2 cohorts.**
- **21 participants.**

Nigeria SME Accelerator

We have partnered with Adanian Labs to run the ayoba SME Accelerator in Nigeria. The programme aims to digitise, empower and accelerate the growth of small businesses in Nigeria. This initiative supports Nigerian SMEs' role in driving economic development and job creation at a crucial time.

The SME Accelerator addresses challenges like limited capital, technology, market access and mentorship faced by small businesses. The programme is specifically designed to foster innovation, enhance competitiveness, drive growth and create sustainable employment opportunities. We aim to digitise and launch 30+ services to go live in our micro-apps/ services vertical through this programme.

During 2023, phase one comprised:
- **1 cohort.**
- **682 applications.**
- **30 SMEs selected across different states in Nigeria.**

Ayoba Gaming Hackathon

In 2023, we hosted our first-ever Gaming Hackathon to co-create engaging games tailored for an African audience.

Held from 19 – 21 May with convening spaces in Johannesburg and Cape Town and hundreds of participants joining virtually, the event was a great success. At the end of the weekend, the top three teams were announced, and we are proud to have all their games live on ayoba.

347 participants
- **Cape Town: 61.**
- **Johannesburg: 104.**
- **Virtual: 182.**

Accelerating fintech innovation through developer hackathons

MTN's 2023 Open Application Programming Interface (API) Hackathon, the third in its series, seeks to harness the creative potential of Africa's developers by challenging them to design and develop mobile applications utilising MTN Mobile Money APIs. This year, the focus was on incorporating features and functionalities that could drive financial inclusion and literacy in each registered market.

- **Each participating country selected the top 12 applicants to advance to the prototyping phase.**
- **Preselected developers were then tasked with developing a working prototype of their solution and presenting a live demo to adjudicators.**
- **The finalists stood a chance to win a share of US$10 000 in prize money in their respective countries.**

Ecosystem events

In 2023, ayoba started hosting monthly networking events for entrepreneurs in Cape Town and Johannesburg. Topics covered ranged from AI, revenue operations and fundraising. These events have become a valued resource for learning, networking and partnership formation among entrepreneurs. With hundreds of attendees and growing, the impact of these events is undeniable.

- **18 events.**
- **1 120 entrepreneurs impacted.**

Empowering local enterprises continued

CASE STUDY

Partnerships for progress



Nkululeko Nkosi
Co-founder and COO Saturated

Opening doors for SMEs through MTN's Xlerator programme

Nkululeko Nkosi, co-founder of Saturated, envisions a world where businesses seamlessly embrace innovation and transformation.

Launched in January 2020, Saturated specialises in web and app development, software solutions and digital consultancy for cloud computing. The onset of COVID-19 highlighted the imperative for small businesses to pivot online, motivating Nkululeko to enter Saturated into MTN's Xlerator programme, a year-long initiative supporting business growth and development.

Through Xlerator, Nkululeko developed a holistic approach to business enhancement and gained the resources needed to flourish.

"The programme assisted us in improving the business elements that we were not aware and offered us insight into running a successful digital business. MTN provided resources to support us in every facet of our business, from legal, HR and accounting skills."

Doing more in 2024

- In the coming year, we will elevate SME growth by introducing thought leadership programmes and developing a continental event dedicated to celebrating and supporting SMEs.
- We intend to connect SME players with cleaner energy and climate resilience tools.
- To advance transformation and foster economic growth in South Africa, we intend to double our procurement spend on black-owned suppliers, and exempted micro-enterprises, qualifying small enterprises and black women-owned entities. Furthermore, we aim to increase our annual spending by R4 billion with preferred suppliers.

Enabling local capacity building

MTN's Local Content Policy reflects our commitment to shaping the local character in our jurisdictions. Focusing on inclusive economic growth and development, the policy serves as a guiding framework to actualise our commitment to local empowerment, economic development and sustainable growth across its diverse markets.

Our Local Content Policy aims to:
- Build local capacity through skills development.
- Enable local supply chains and procurement.
- Foster SME growth and development.
- Facilitate broad-based local ownership.
- Drive economic growth and development in the operating countries.



Contributing to national job creation

MM 4

Recognising the pivotal role of job creation in fostering economic growth, we prioritise local employment within our markets. Local employee representation within our Opcos is directly in our control and our supplier contracts influence our partners to prioritise local jobs.

Our approach to creating local employment opportunities

Employee representation and skills development
- Prioritising the employment of local citizens.
- Empowering employees with critical and future skills.
- Ensuring skills transfer and succession planning.
- Promoting the pan-African objective in employment opportunities.

Local procurement and preferential procurement
- Enabling local supply chains through procurement from local suppliers.
- Setting aside a portion of spend for local suppliers.
- Unbundling larger contracts for local supplier participation.
- Driving local participation by foreign suppliers.

SME and supplier development
- Driving contribution towards SME development.
- Providing access to markets, financing, and non-financial support for SMEs.
- Setting aside procurement contracts for SMEs.

Direct employment

MTN continues to prioritise the employment of local citizens (naturalised in the respective country) and living up to the pan-African objective by providing opportunities for African citizens while adhering to applicable national labour laws and regulations. The Group employs qualified local citizens at all levels of its organisation.

We are driving the inclusion of women, youth and PWD through direct employment.

Indirect employment

We recognise that our direct employment contribution is only a tiny percentage of the population size of our operating markets. Therefore, we make a concerted effort to promote indirect jobs through our capital projects, merchant and agent model in respect of our fintech business.

Our sustainability strategy places a significant focus on inclusion across various pillars of our strategy. The same principles apply when approaching job creation at local markets. We took steps to address the specific barriers that prevent vulnerable groups such as women, people with disabilities and young people from entering the job market.

94%
of our workforce in 2023 was made of local citizens

700 000
Indirect jobs created by MTN across operating countries

Enabling local capacity building continued

Local equity participation

Our strategy includes promoting suitable local equity ownership across all our markets, encompassing broad-based participation. This involves collaboration with local retirement and investment funds, ensuring multiple beneficiaries and contributors. Our challenges in this area include the availability of capital with locals, and making sure the shareholding interests are genuinely local.

Additionally, we advocate for local employee ownership, tailoring our approach to each operating country's unique market conditions and regulatory imperatives.

Impact summary

Total number of local shareholders

>200 000

Group-wide average of shareholding held by local investors

18% to 25%



Administration

MTN GROUP LIMITED

Incorporated in the Republic of South Africa

Company registration number:
1994/009584/06
ISIN: ZAE000042164
Share code: MTN

Board of directors

MH Jonas^
KDK Mokhele^
RT Mupita[1]
TBL Molefe[1]
NP Gosa^
S Kheradpir[2]^
SN Mabaso-Koyana^
SP Miller[3]^
CWN Molope^
N Newton-King^
T Pennington[4]^
NL Sowazi^
SLA Sanusi[5]^
VM Rague[6]^

[1] *Executive*
[2] *American*
[3] *Belgian*
[4] *British*
[5] *Nigerian*
[6] *Kenyan*

^ Independent non-executive director
 # Non-executive director

Group Company Secretary

PT Sishuba-Bonoyi
Private Bag X9955, Cresta, 2118

Registered office

216 – 14th Avenue
Fairland
Gauteng, 2195

American depository receipt (ADR) programme

Cusip No. 62474M108
ADR to ordinary share 1:1

Depository:

The Bank of New York Mellon
101 Barclay Street, New York NY, 10286, USA

MTN Group sharecare line

Toll free: 0800 202 360 or +27 11 870 8206
if phoning from outside South Africa

Transfer secretaries

Computershare Investor Services
Proprietary Limited
Registration number 2004/003647/070
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
PO Box 61051, Marshalltown, 2107

Auditor

Ernst & Young Inc.
102 Rivonia Road, Sandton, Johannesburg,
South Africa, 2146

Lead sponsor

Tamela Holdings Proprietary Limited
Ground Floor, Golden Oak House,
35 Ballyclare Drive, Bryanston, 2021

Joint sponsor

J.P. Morgan Equities (SA) Proprietary Limited
1 Fricker Road, cnr Hurlingham Road,
Illovo, 2196

Attorneys

Webber Wentzel
90 Rivonia Road, Sandton, 2196
PO Box 61771, Marshalltown, 2107

Contact details

Telephone: International +27 11 912 3000
Facsimile: National 011 912 4093
International +27 11 912 4093
E-mail: sustainability@mtn.com
Website: http://www.mtn.com
Date of release: 26 April 2024

Forward-looking information

Opinions and forward-looking statements expressed in this report represent those of the company at the time. Undue reliance should not be placed on such statements and opinions because by nature, they are subjective to known and unknown risk and uncertainties and can be affected by other factors that could cause actual results and company plans and objectives to differ materially from those expressed or implied in the forward-looking statements.

Neither the company nor any of its respective affiliates, advisers or representatives shall have any liability whatsoever (based on negligence or otherwise) for any loss howsoever arising from any use of this report or its contents or otherwise arising in connection with this presentation and do not undertake to publicly update or revise any of its opinions or forward-looking statements whether to reflect new information or future events or circumstances otherwise.

Mapping our SDG impact

In 2023, MTN Group implemented a SDG reprioritisation tool to determine the SDGs and SDG Ambition Benchmarks on which we could deliver the biggest impact, while creating business value. As part of our sustainability strategy, we have identified primary and secondary UNSDGs where we have the greatest contribution, aligning these with our four sustainability pillars. Guided by the best practice proposed in the SDG Compass and the SDG Impact Standards we have conducted a comprehensive analysis of impact along MTN's value chain to help identify which SDGs MTN is best positioned to make a difference on. As we further engage with business and look to consciously embed SDGs in our organisation there could be slight adjustments to MTNs priority areas.





www.mtn.com

Tel: +27 11 912 3000
Innovation Centre
216 14th Avenue
Fairland, 2195
South Africa