



MTN Group Limited
Annual Sustainability Report
*for the year ended
31 December 2013*



everywhere you go

About the MTN Group

The MTN Group is a leading emerging markets operator, connecting subscribers in 22 countries in Africa and the Middle East. Our offerings include voice, data and internet services, cloud services, machine-to-machine monitoring technology, mobile money, as well as numerous other mobile services (including mHealth, mEducation and mInsurance).

MTN is listed on the JSE Limited in South Africa under the share code "MTN". At 31 December 2013, MTN had 207,3 million subscribers across its operations in Afghanistan, Benin, Botswana, Cameroon, Cyprus, Ghana, Guinea Bissau, Guinea Republic, Iran, Ivory Coast, Liberia, Nigeria, Republic of Congo (Congo Brazzaville), Rwanda, South Africa, Sudan, South Sudan, Swaziland, Syria, Uganda, Yemen and Zambia.

Vision

To lead the delivery of a **bold, new Digital World** to our customers.

Mission

To make our customers' lives a whole lot **brighter**.

The Global Mobile Economy

↑ **6,8 billion**
mobile cellular subscriptions in 2013

↑ **5,6%**
internet penetration in Africa

↑ **1 577 petabytes**
of monthly mobile broadband traffic

↑ **3,8 billion**
global mobile subscriptions from
emerging markets

↑ **US\$10 billion**
international mobile remittances in 2013

↑ **1,2 billion**
M2M connected devices by 2017

Sources: Juniper Research, 2013 to 2018: *The Mobile Economy 2013*,
by the GMSA.



www.mtn.com



Case study on www.mtn.com/sustainability

Reports



Governance report



Annual financial
statements



Integrated report



Remuneration report



UN Global Compact



UN Global
Reporting Initiative



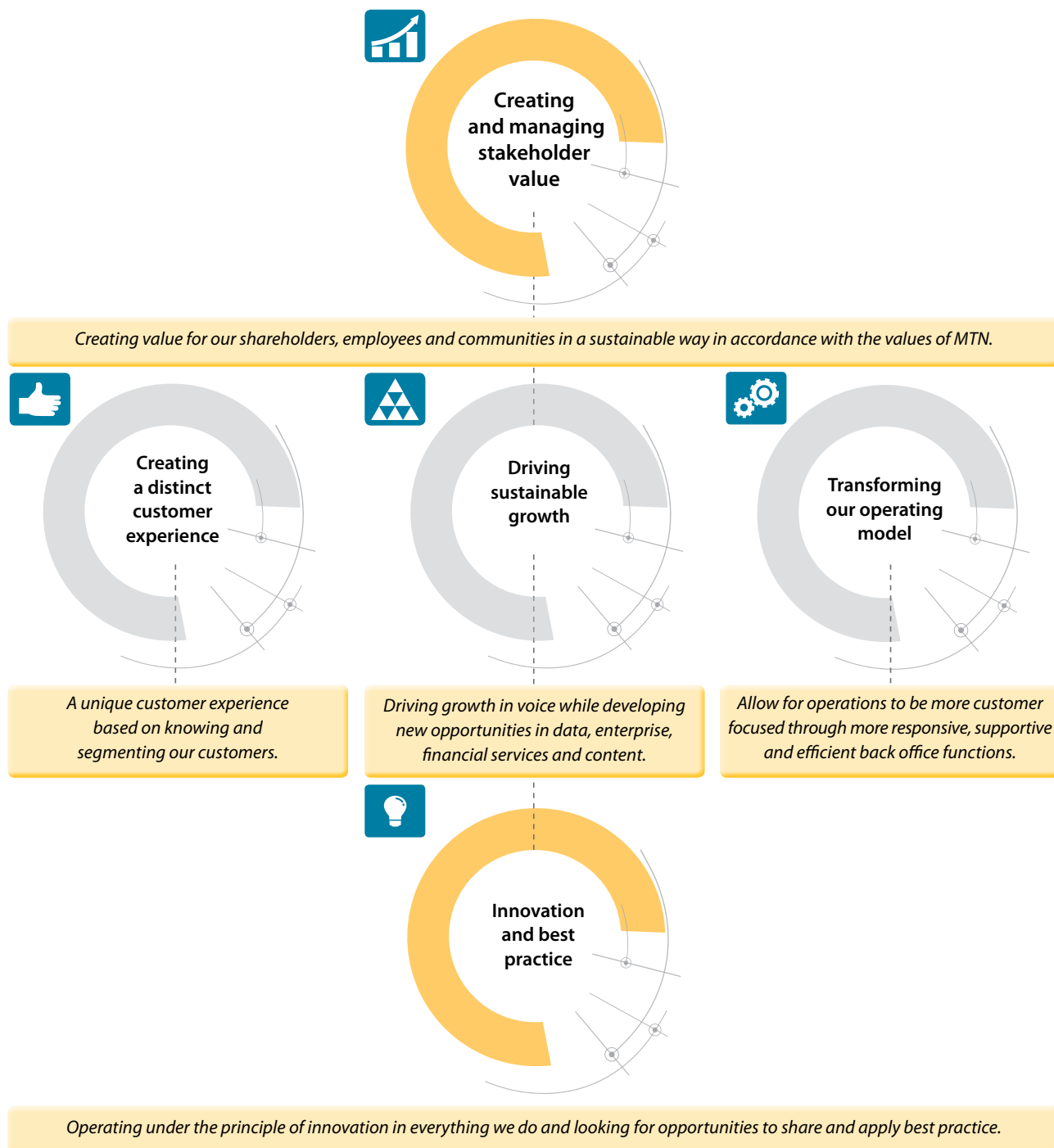
www.cdproject.net



MTN Group
Position Papers

Our strategy

MTN's strategy is built around five strategic themes, as depicted here. *Creating and managing stakeholder value* and *innovation and best practice sharing* are the overarching themes, which also describe our approach to our work, people and other stakeholders. Tangible priorities under *driving sustainable growth*, *transforming our operating model* and *creating a distinct customer experience* define how we at MTN strive to gain a sustainable competitive advantage and superior shareholder returns.



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01

MTN Group president and CEO on sustainability

MTN's Group president and CEO on sustainability



Sifiso Dabengwa
Group president and CEO

What were MTN's sustainability highlights in 2013?

2013 was somewhat challenging for MTN as we worked on new and innovative ways to increase revenue and reduce costs while operating under generally difficult conditions. However, I was pleased to see how our people worked together to meet the challenges we faced in each of our operations.

Regulatory changes and increasing competition prompted a review of our operating model to enable the business to survive tougher operating environments, and this work continues. We are, however, already seeing early benefits of our investment in our new vision and strategy, introduced in 2012.

Managing networks and providing reliable communication services under conditions of broad social upheaval remained an area of concern, in some markets in particular.

We know that ICT products and services help break down social and economic barriers.

But I was pleased that our business continuity and crisis management solutions helped us mitigate some of the more difficult network, employee safety and operational challenges we faced.

Rising energy costs also continued to pose some risk to MTN. However, in 2013 we saw real operating cost reductions and avoided or reduced greenhouse gas impacts from certain of our investments in energy efficiency and alternative energy solutions.

We increased our engagement with civil society organisations and other stakeholders interested in ensuring we conduct ourselves responsibly, and listened to their views and expectations, some of which have influenced our efforts and business activities.

At MTN, we believe that ethical business attracts ethical employees, and it is in this context that we embarked on a drive to revitalise and reinforce the importance of business ethics, including anti-bribery and corruption. We have also implemented an overall programme of ethics risk review and ethics training.

MTN's Group president and CEO on sustainability continued

Briefly share with us MTN's vision and strategy.

Our new vision, introduced in 2012, is 'to lead the delivery of a bold, new Digital World to our customers'. This is informed by the evolution of new information and communication channels that use digital platforms. We want to expand our presence in the digital space to ensure that our customers access a variety of content and information. This will help us deliver on our mission, which is to make our customers' lives a whole lot brighter through the implementation of our strategy.

How does sustainability fit into the Group's new vision?

Sustainability is the cornerstone of any successful business in the world today. One of our five strategic themes is to create and manage stakeholder value, and this is the one that most influences the way we do business sustainably. Our stakeholders – customers, employees, civil society, regulators, and investors and shareholders, among others – demand that we account for the business' responsible and sustainable performance.

The other strategic theme that links directly to sustainability is that of driving sustainable growth, which identifies products and services that can be introduced to our markets to meet the needs of our customers. There is much opportunity, through many of the products we offer, to meet the specific societal, socio-economic or environmental needs of our customers, and we are proud of our role in helping close the digital divide.

In our new digital world, cloud and machine-to-machine services, MTN Mobile Money, mHealth, mInsurance, mEducation and even our ventures into the Big Data space complement the sustainability of the business as the demand for these services grows.

There is a greater awareness across our business of the kinds of sustainability considerations that can pose new sources of risk or opportunity to the company. Each year we report that integrating sustainable business requirements remains an ongoing journey for us. However, more than ever, various core business functions across MTN are undertaking the necessary actions within their business planning and operations more regularly. I am pleased to see how this is contributing to the realisation of some of the themes upon which our strategic vision is built.

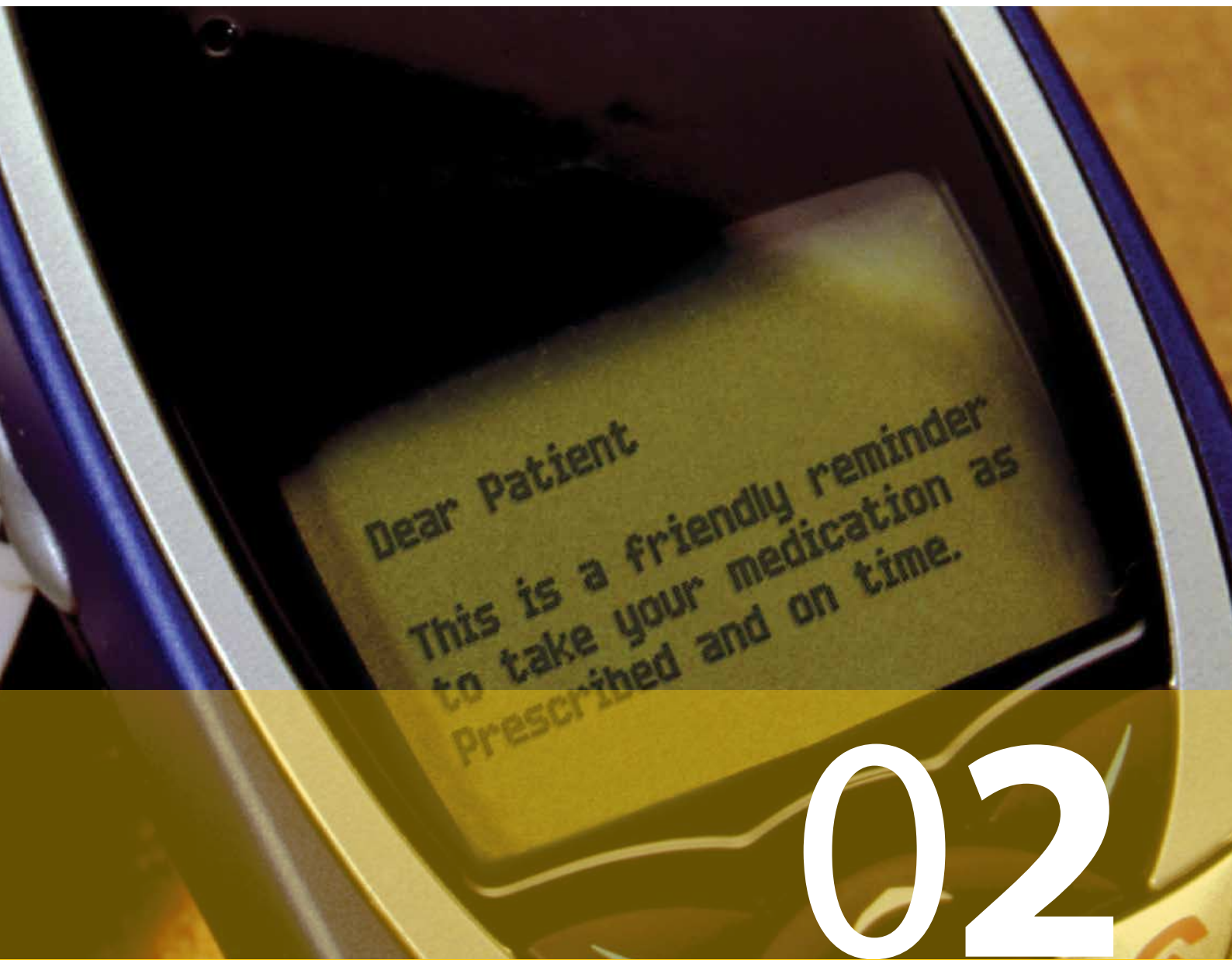
What are MTN's sustainability focus areas for 2014?

The rollout of the ethics management programme and related policies and procedures will continue to receive much attention. We will continue to develop innovative products and services to make a positive societal or environmental difference, while embedding our position in the global digital space.

Our sustainability awareness programme will be rolled out to more areas of the business, which should enhance understanding and further the integration of sustainability initiatives and programmes Group-wide.



MTN's 2013 Group Strategic Analysis and Outlook
www.mtn.com

A close-up photograph of a mobile phone screen. The screen is tilted and shows a text message that reads: "Dear Patient", "This is a friendly reminder", "to take your medication as", "prescribed and on time." The phone has a blue and silver casing. The background is a warm, yellowish-brown color.

Dear Patient
This is a friendly reminder
to take your medication as
prescribed and on time.

02

Sustainable economic value

Sustainable economic value continued

Our efforts to positively contribute to people's lives are clear in the products and services we provide. This is how we create sustainable economic value for both our business and stakeholders.

We are able to help bridge the digital divide and enable communications, socio-economic inclusivity and even – to a smaller extent – address broad social and environmental issues across our markets, while creating new revenue streams for our business. Recent developments globally, and specifically in our markets, have significantly shifted our approach from the old “business as usual” solution. We are, as a result, grabbing the opportunity to develop innovative products and solutions and foster partnerships to accelerate the digital revolution in our markets. Some of these partnerships extend to local innovators who develop applications including games, entertainment, and other solutions for individuals, businesses and communities. Another area we are exploring is Big Data. This will complement our advanced analytics capabilities to better understand our customers and formulate attractive value propositions to meet their needs.

PERFORMANCE IN BRIEF

- Over 1 million affordable devices distributed in 12 countries
- Launched cloud computing solutions in eight markets
- 15,1 million MTN Mobile Money subscriptions in 14 markets

Enterprise services and ICT

Our commitment to creating an enhanced user experience for our customers has led us to explore several opportunities in the new digital space.

Cloud Computing

Offering cloud computing solutions is an important part of our strategy. MTN Cloud services are aimed at satisfying the growing appetite of businesses for ICT solutions that are relevant, customised and affordable, and that centralise access to services to ease the administrative burden on businesses.

By 2017, the Middle East and Africa are expected to have the highest cloud traffic growth at 57%.

(Cisco Global Cloud Index)

To date, MTN has launched cloud computing services in eight markets (Zambia, Ghana, Nigeria, Uganda, Cameroon, South Africa, Ivory Coast and Cyprus), with a particular focus on small to medium enterprises (SMEs). These include business automation tools and services such as cost-effective email, Backup as a Service (BaaS), Desktop as a Service (DaaS), cloud-based ERP systems such as human resource management, customer relationship management, sales force automation and accounting systems, as well as McAfee security. These services have been well received by our customers, especially in the micro-finance, health and SME sectors. We are also developing MTN Cloud solutions for major corporates and multinationals.

M2M

Machine-to-machine (M2M) technologies allow systems to communicate with other devices of the same type. M2M technologies use on-property sensors to detect events which may impact business operations. These sensors or meters capture a range of events and incidents such as temperatures, inventory levels, infrastructure performance, and more. This information is relayed through wireless, wired or hybrid networks to applications that translate captured events into meaningful business information, e.g. the need to increase inventory levels.

"We are now living in a world where every device, machine or appliance can be wirelessly connected to the internet." GSMA 2014

GSMA predicts 250 million M2M connections in 2014.

MTN is continuously developing its M2M offering, and recently implemented its first smart metering for utility service for the City of Johannesburg.



MTN's Smart Utility Metering case study
www.mtn.com/sustainability/pages/case.studies.aspx

This solution complements MTN's existing enterprise and smart solutions, which include fleet and fuel monitoring, remote alarm monitoring, and air quality and water monitoring.

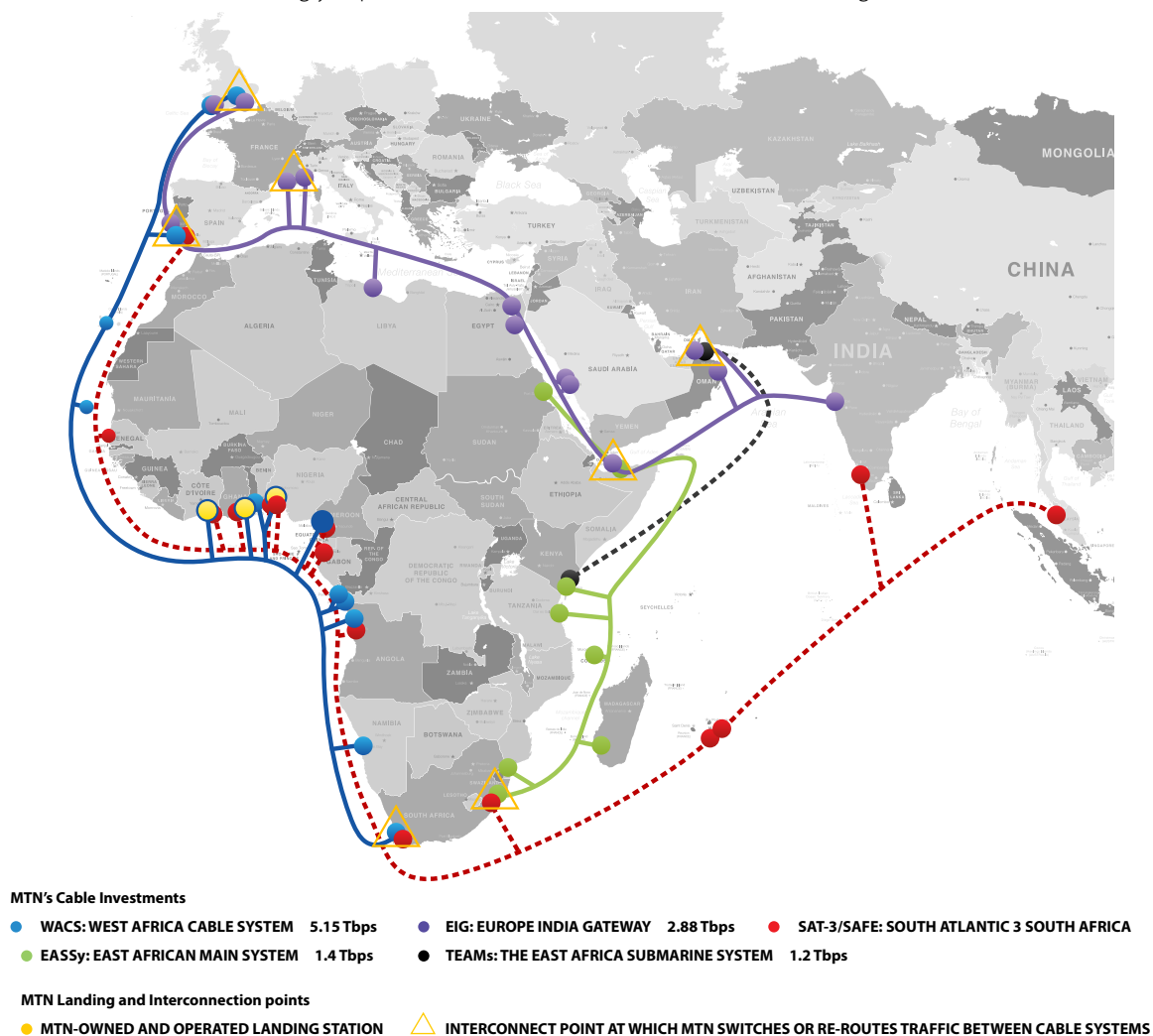
Digital inclusion

Disparities in accessing ICT resources leads to gaps in access to economies, education, health and other social services among people, businesses, geographical areas and countries. As a result, digital inclusion is considered a basic human right by many. Closing the digital divide focuses on ensuring that the disparity in accessing these resources is addressed through the widespread availability of handsets, internet connectivity, telecommunication infrastructure and supporting services.

MTN responds to this challenge in two ways. Firstly, we ensure that many of our products and services are as affordable and widely accessible as possible. In some cases, we work to make sure that these products and services also address an immediate social or environmental need faced by customers in certain areas. The second way in which we work to widen digital inclusion is through our extensive investment in network infrastructure and connectivity.

● MTN Y'ELLO FIBRE RING: ENABLING OUR NEW DIGITAL WORLD ●

Since 2008 MTN has invested over US\$230 million in fibre optic cables infrastructure around Africa, Middle East, southern Europe and parts of Asia. With the submarine cable infrastructure implementation largely complete, the Group is now concentrating on extending these high-capacity cables in-land within many of the countries in which MTN operates. Our investment puts us in good stead to provide groundbreaking communication and technological services to meet the increasingly sophisticated demands of the customers in the digital era.



Digital inclusion continued

MTN Mobile Money

In 2013, the number of subscribers using MTN Mobile Money rose by more than 60% to 15,1 million. This service is now available in 14 countries, and remains a key component of our revenue-generation efforts. As an enabler of financial transactions, MTN Mobile Money continues to fulfil a key economic role in emerging markets, where the percentage of unbanked people remains high. It is also evolving rapidly, and is responding to customer demands for broader offerings that include payments for a wide range of goods and services, rather than just local money transfers and international remittances. In 2013, MTN introduced, among others, ATM transactions using mobiles and utility payments.

In Uganda, more than half of MTN's customers use MTN Mobile Money, generating more than 28 million transactions every month. Our new cash-out service enables phones to act as electronic Crane Bank ATM cards. In Swaziland, MTN and Standard Bank's customers can fulfil a range of financial transactions including airtime purchases, school fee payments, television and utility subscription payments. In Rwanda, mWallet financial services are available as part of MTN's wider partnership to offer mCommerce in 14 MTN Mobile Money markets over time. In Zambia, MTN's customers can now settle their utility bills using MTN Mobile Money. In South Africa, MTN subscribers continue to use their cellphones in-store for the purchase of prepaid electricity vouchers, airtime, grocery payments and cash withdrawals.

MTN Cameroon's own employees use MTN Mobile Money for their personal financial transacting requirements too. The partial salary payment service allows our employees to handle their day-to-day payments for services including electricity and television fee payments as well as money transfers. This service is also currently being piloted for a possible bulk payment of employees' salaries remotely.

mHealth

We partnered with South Africa's Metropolitan Health to offer Hello Doctor. This product offers mobile health solutions including access to medical advice and to registered local doctors (general practitioners) via a free mobile application. Customers can receive information before visiting a doctor, and medical content is updated daily. Content includes healthcare advice, answers to health-related questions in live group chat forums, confidential one-on-one text-a-doctor question-and-answer services, and a 60-minute doctor call-back service.

The Hello Doctor service was launched in 2013, and will be rolled out in South Africa, Swaziland, Zambia, Ghana, Uganda, Cameroon and Rwanda. Local doctor networks will provide advisory and guidance services in local languages. Where possible, it will also be integrated with existing healthcare services that MTN already offers such as the "midwife" programme in Ghana. A USSD service will also be launched as part of this solution. Paid-for services, including Digital Doctor and House Call, will also be available. These services will provide subscribers with instant confidential access to over 100 registered doctors in South Africa who will give medical guidance and advice.

In Afghanistan, MTN's Tele-Doctor is helping to transform the local medical industry by eliminating any doctor-patient barriers that might exist because of language, lack of education, lack of mobility, etc. Doctors are available telephonically to MTN's subscribers, and this includes women doctors for female callers. The service is available in both national languages.

mLawyer

Like MTN Tele-Doctor, this service is available to MTN's customers in Afghanistan. Free consultation and online access to professional, certified lawyers, including women lawyers for female customers, ensures MTN's customers can save time and money.

Insurance

MTN Y'ello Cover is a micro-insurance product aimed at driving financial inclusion in the low income and unbanked sectors of Nigeria's population. It offers cover for death, permanent disability and accidental medical costs. It was launched in October 2013, and has registered over half a million subscribers. Since then, two claims have been lodged and paid out. We plan to enhance this offering to provide group life insurance for businesses who wish to pay for this on behalf of their low income staff who may not be covered in mandatory business group life policies.

Other solutions enabling digital inclusivity

We are actively working towards enabling connectivity by offering affordable and low-cost smart handsets in 12 of our markets. For example, in Cameroon, customers can now purchase a TECNO F7 smartphone with one month of free high-speed internet access. In South Africa, we

recently introduced the Steppa high performance 3G smartphone, which is the lowest-cost product in its class in the market.

In Iran, MTN offers a University Notification Service, which allows students to receive their grades and schedule of classes on their cellphones and enables more effective planning and time-saving.

These recently introduced solutions complement MTN's existing products and services which help close the digital divide e.g. Google Trader and Weather for SMEs, farmers, health workers and fishermen. In addition, MTN Village Phone, MTN-UN World Food Programme transfer, Refugees United, and solar-charged handsets enable digital inclusivity.



Digital inclusion case studies are available at
www.mtn.com/sustainability/pages/case.studies.aspx





03

Eco-responsibility

Eco-responsibility

We operate in some of the most environmentally-vulnerable parts of the world, in some areas with the fewest economic resources to cope with the effects of climate change. By ensuring we take our environmental responsibilities seriously, we hope to mitigate our impact on our customers' environments.

MTN's most material areas of environmental impact relate to our use of energy for operations, and the associated greenhouse gas impact, and the use of electronic and electrical goods by both ourselves and our customers, with an inevitable end-of-life waste management consideration.

Here, we report on our efforts to reduce our direct environmental impact. More information on MTN's Cloud Computing and M2M services, which also help customers to reduce their environmental impact, is in the Sustainable Economic Value section of this report.

PERFORMANCE IN BRIEF

- 54 587 tonnes of GHG emissions reduced
- 46 736 712 kWh electricity saved
- R4,6 million invested in the e-waste pilot project in MTN South Africa over the past three years



- Networks and environment
 - Mobile and health
- www.mtn.com/sustainability/pages/case.studies.aspx

Energy management

In 2013, we monitored and reported our use of energy, and the associated greenhouse gas (GHG) impact, in 20 of the countries in which we operate. This report is a summary of our carbon emissions management results and activities for 2013.



MTN Group
Carbon disclosure project reports

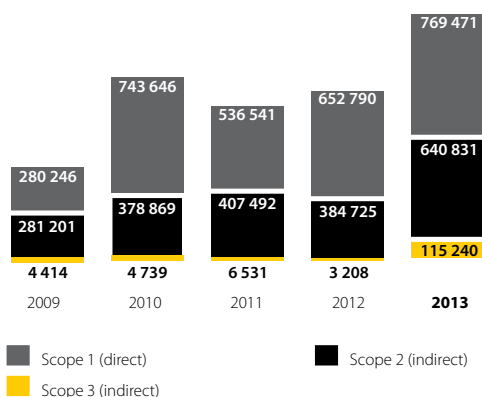
Carbon disclosure project summary

In 2013, our carbon footprint was 1 525 542 tonnes, up 47% from 2012. In our 2012 report, we stated that we expected an increase of up to 38% in reported Scope 1 and 2 emissions in 2013. The increase in our carbon footprint was largely due to the inclusion of data from an additional 11 operations and from new services offered by MTN Enterprise Services.

To ensure greater confidence in reported energy use and GHG emissions, we also audited MTN Nigeria, the largest user of energy in the Group. Audited results are presented in the Sustainability Value Add Statements and Assurance statement in this report.

We will now use the 2013 reported emissions as the Group's relative baseline upon which we will report changes in energy efficiency and GHG emissions in future.

Carbon footprint by scope (tonnes CO₂e)



- Risks: Rising energy prices, supply unreliability/instability; precipitation/flooding risk to key infrastructure.
- Opportunities: Cloud computing and M2M for dematerialisation; energy cost and GHG reduction via efficiency and alternative power investments.

Following the sale of MTN's towers in Cameroon, Ivory Coast, Ghana and Rwanda, some of our reported Scope 1 and Scope 2 emissions have now been moved to Scope 3 reports, as MTN is neither the majority shareholder nor maintains operational control of these assets. This has had a material impact on Scope 3 reported emissions for 2013.

Following the recent sale of our network tower sites in Zambia, we expect a slight increase in Scope 3 emissions in our next report, once ownership and operational maintenance is assumed by the buyer of these sites.

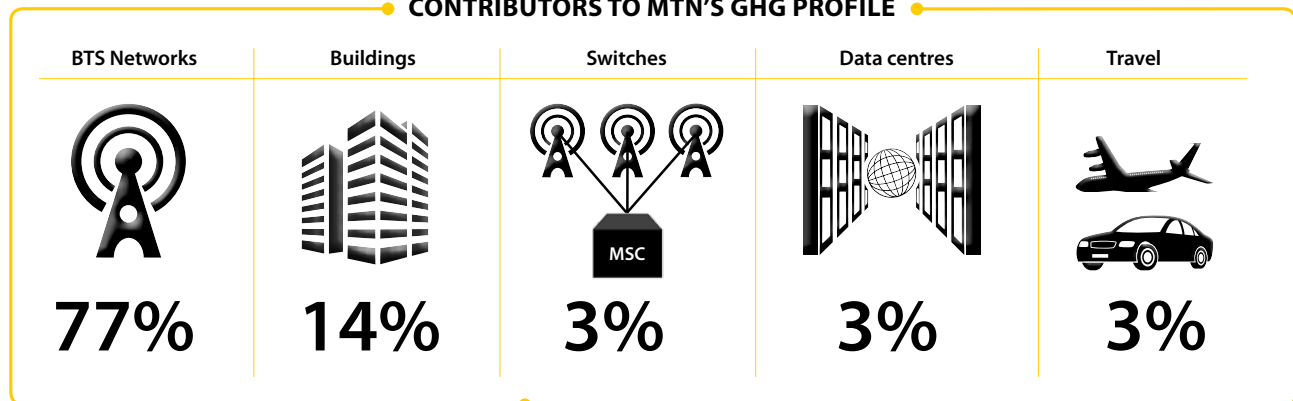
As part of this reporting process, we have held informal discussions with the tower management companies about the opportunities to ensure that they manage energy use to allow for greater efficiency.

A description of exclusions is noted in the Scope, Boundaries and Integration section of this report. Exclusions do not materially impact the Group's 2013 reported energy costs, consumption and emissions.

MTN's greenhouse gas emissions remain predominantly influenced by network operations (especially energy use for radio equipment and cooling). This is followed by general office and other facilities, including data centres and switches. Emissions from air travel and vehicle energy use, while reported, remain immaterial to the overall greenhouse gas profile of the Company, but have been included in our reporting.

Working towards energy efficiency

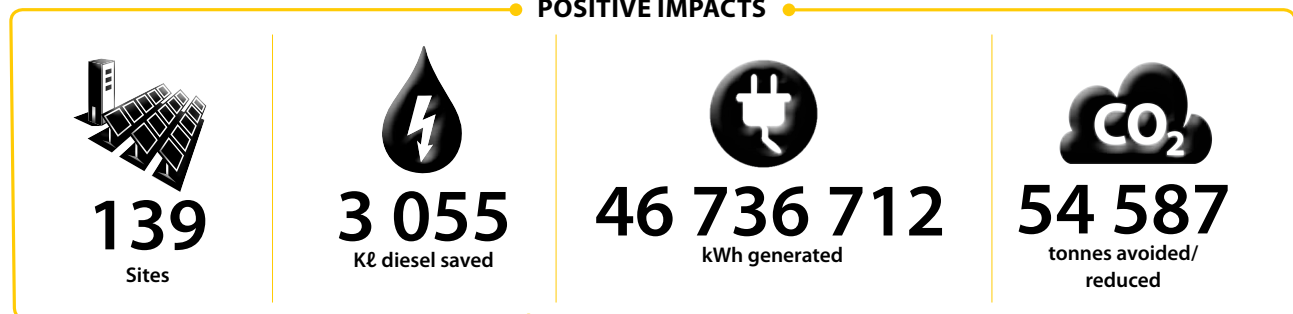
CONTRIBUTORS TO MTN'S GHG PROFILE



OUR SOLUTIONS



POSITIVE IMPACTS



E-waste

For the past three years, MTN South Africa and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) have partnered to jointly develop a solution to the management of some of Africa's electronic and electrical waste (e-waste). The partnership, which focused on South Africa, came to an end in December 2013. We are pleased to report the achievement of our objectives.

Through increased public awareness of the problems caused by e-waste, the partnership aimed to broaden the range of potential e-waste solutions. It also aimed to enhance the economic viability and environmental and legislative compliance of downstream e-waste handlers and recyclers. In South Africa, the e-waste handling and recycling landscape is highly fragmented and largely unprofitable. Handlers face great difficulties in easily accessing the large volumes of e-waste currently in store in domestic and commercial locations. MTN South Africa is working towards improving this access as well as the flow of e-waste to small and medium e-waste handlers in the country. The partnership worked to improve the understanding of and compliance with national environmental legislation and ISO14001 requirements by smaller businesses.

In 2013, we handed over approximately half a ton of e-waste to three handlers in Johannesburg, two of which are SMEs. In order to improve e-waste management in multiple urban areas, we recently contracted another SME (based in Cape Town). With increasing levels of e-waste generated by MTN and by our customers, along with more handlers available to help us manage this, we anticipate handing over greater volumes of e-waste in the years ahead.

Our primary motivation for increasing the handover of e-waste to small downstream handlers and recyclers is to ensure they have a guaranteed or secure flow of e-waste. In this way, they can improve their financial sustainability and increase their ability to employ more people. In addition, we hope that endorsement through a contract with MTN, being a large corporation, will put the smaller e-waste companies in a better position to obtain similar contracts from other corporations, thus contributing to their future sustainability.

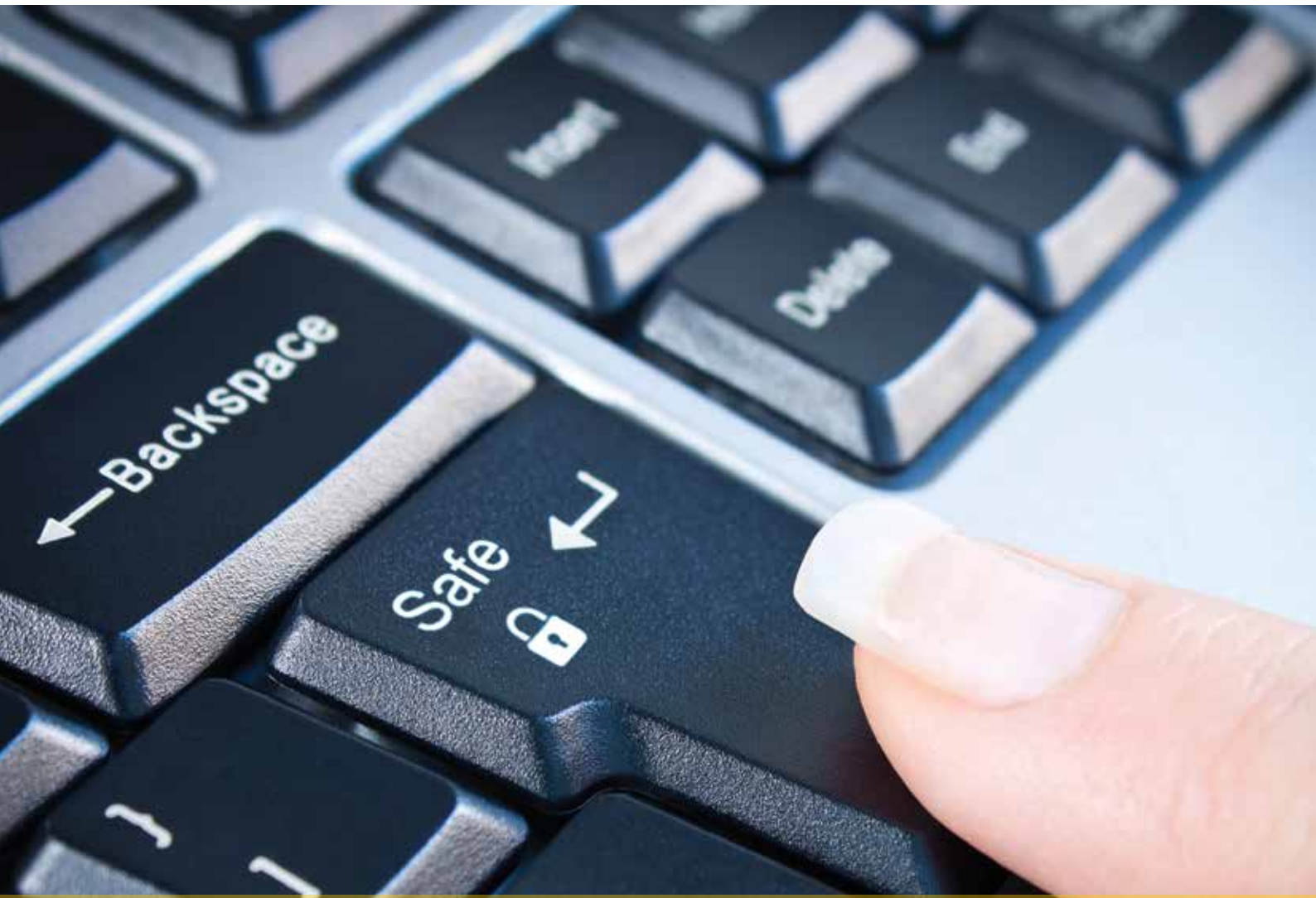
FAST FACTS:

- Over 1 000 journalists across Africa (in Cape Town, South Africa), visitors to UN COP 17 (Durban), held in South Africa in 2011, and European Union Day (Pretoria) informed about e-waste
- 8 MTN high-volume repair centres set up for e-waste collection
- 49 e-waste management organisations across the supply chain spectrum participating in stakeholder engagement, networking and information-sharing sessions in two urban centres in South Africa



We have developed information guidebooks for best practice, environment management compliance and responsible collection. These guidebooks will also be freely available on our website, and can be used by all businesses and the general public interested in the effective, legal and environmentally responsible handling of e-waste.

We have learnt many lessons about the complicated e-waste management landscape. We will assess whether we can introduce similar initiatives in our other markets, taking into account our many other initiatives across our footprint. While the partnership with GIZ has now ended, we will continue to improve collection and handover of e-waste to our handlers, and ensure we support the growth of their businesses in an environmentally responsible way.



04

Sustainable societies

Sustainable societies continued

As the international business environment evolves rapidly with ever-increasing expectations of responsible corporate behaviour, we continue to work towards delivering value to our stakeholders in a sustainable and ethical way.

PERFORMANCE IN BRIEF

- 37 ethics champions in operations and 10 board members were trained on ethics and governance, 11 ethics task team members undertook ethics officer training presented by the Ethics Institute of South Africa
- Completed Group Human Rights policy, and updated Anti-Bribery and Corruption, and Gifts policies
- 86% of operations have implemented the fraud management framework



www.mtn.com/sustainability

- Social and Ethics Statement
- Human Rights
- Anti-Bribery, Corruption and Gifts

Anti-corruption

During 2013, the MTN Group board formally approved the MTN Group Anti-Bribery and Corruption Policy. The policy is aligned to South African and global anti-corruption legislation (for example the US Foreign Corrupt Practices Act and the UK Bribery Act). We have reiterated our position of zero tolerance of bribery, corruption and fraud. Mechanisms to support operational management in this regard include the availability of a Tip-Offs Anonymous whistle-blower line for employees and public use. The management of bribery and corruption risks is incorporated into the overall fraud risk management strategy and is actively monitored by MTN operations. Please refer to the Sustainability Statement for audited statistics on these mechanisms.

In 2013, we received 687 calls to Tip-offs Anonymous. We also ensured that 86% operations implemented the fraud management framework.

In 2013, the Group board also formally approved a revised MTN Group Gifts Policy, essentially based on a zero gift acceptance policy, while accommodating the giving of gifts in limited circumstances within the appropriate governance framework. This is ensured by incorporating appropriate safeguards required for interactions with

public officials. We do not accept gifts from vendors, suppliers, customers, potential employees, potential vendors or suppliers, or any other individual or organisation, under any circumstances. This "no-gift" policy will help address potential conflicts of interest, and ensure employees examine the ethics of accepting gifts.

Both policies have been extensively communicated by the Group president and CEO to all employees. MTN's suppliers have also been informed about our 'no-gift' position.

Within the Group's ethics task team, all issues, developments, and solutions are discussed with the Group executive committee and social and ethics committee on a regular basis, and anti-bribery and corruption is an ongoing matter of both committees' deliberations.

We have recently also commenced an extensive review of the Group's Conflict of Interest Policy, and we plan to present any updates required to this policy to the various Group governance bodies in due course.

We are currently developing anti-bribery and corruption training for employees in areas of high bribery and corruption risks, and this will be rolled out during 2014.

Human rights and ICT

ICT companies are facing increasing levels of scrutiny of their investments in countries where the protection of human rights may be weak, and where their technologies and infrastructure may be manipulated to enable abuse of human rights. This poses the challenge to all network operators to take a close look at the broader socio-political implications of their offering which, while enabling positive societal benefit, may inadvertently also create risk to both the operators and the users of their communication services.

MTN's diverse geographical, political, regulatory, socio-economic and cultural contexts add a significant degree of complexity to the provision of communication services. Satisfying the often diametrically-opposed demands of a range of stakeholders interested in this aspect of our business remains a challenge.

Under these conditions, and given some of the challenges in our markets, human rights in the provision of ICT services remains a top priority for MTN.

During 2013, the Group executive committee and the Group social and ethics committee formally approved the MTN Group Human Rights Policy. In the absence of a well-defined and robust global legal framework, the Group has adopted the articles of the United Nations' Universal Declaration of Human Rights. We are also guided by the United Nations' Protect, Respect and Remedy Framework, the GSMA and ITU, and Access Now's Telco Action Plan in our service provision, wherever appropriate.

The MTN Group Human Rights Policy sets out the principles of freedom of expression, privacy and security that inform our human rights position.

The policy is now used as a reference point for all matters generally considered the ambit of ICT and human rights issues within the business, and is further supported by and helps to ensure checks and balances in the Group's Information Security Policy and Group Provision of Communication-Related Information Policy, both of which were also developed or updated in 2013.

- We believe in the rights of all people to freely communicate and share information, and to enjoy the right to privacy and security in their use of digital, telephonic and internet-based communications.
- While acting in accordance with prevailing laws and licence conditions, we will use our best endeavours and scope of influence to protect, respect and ensure these rights of all customers using our ICT solutions where laws and licence conditions may not appropriately recognise the rights of our customers.
- We will take reasonable steps to maintain data transmission and storage confidentiality and security.
- We will only gather customer data for legitimate commercial businesses and as permitted by licensing and legal obligations.

We actively engage with civil society organisations, business associations, investors and media keen to know how we are addressing these human rights, and some of their points of view help shape our human rights policy and business process improvements.

Within the Group's ethics task team, all issues, developments, and solutions are discussed with the Group executive committee and the social and ethics committee on a regular basis and human rights is an ongoing matter of these committee deliberations. We have also formed a human rights workgroup, a project-based function to develop more detailed solutions required to drive implementation of this policy, including matters of governance, management and reporting. A detailed human rights toolkit will be used to guide our country and head office operations further.

Employee health and safety

The safety of employees and contractors is of fundamental importance to us, and we do not hesitate to offer all possible services to manage this. Across our operations, operational health and safety officers or committees are tasked with managing this matter.

It is with regret that we report that we lost five MTN employees during the year due to work-related incidents. This is up from two work-related fatalities in 2012. Causes of fatalities included three vehicle accidents, one network site injury, and one death during a mortar attack.

Certain categories of employees and contractors working in technical and maintenance areas are at greater safety risk than the rest of our employees, and additional

precautions to ensure their safety include the use of designated safety equipment on sites, and compliance assessments and training as set out in our BTS implementation toolkit.

Our primary concern is to keep our employees safe anywhere, anytime. Through our 'MTN Safe' programme in partnership with International SOS, healthcare, medical and security services are available to all employees and their dependants, including for their travel for work or personal purposes. Our crisis management plan also enables emergency management support to all employees in any country where broader political or social developments pose an immediate threat to their safety.



05

Annual sustainability statements

Sustainability value add statement for 2013

We use local and global standards, protocols and guidelines to report how we are addressing our sustainable and responsible business performance.

The following are the key sustainability standards we have referenced:

- King Code of Governance (King III)
- JSE Social Responsibility Index (JSE SRI) (MTN Group has maintained its listing in this index for 2013)
- United Nations Global Reporting Initiative (GRI) G3
- Carbon Disclosure Project
- United Nations Global Compact
- International Labour Organisation
- UN Protect, Respect and Remedy Framework for Business and Human Rights (Ruggie Principles)

The Group's Sustainability Model has historically been based on the forum for the Future's Five Capitals' Model. In light of updates to the model by the International Integrated Reporting Council (IIRC), we have updated the Group's Sustainability Model accordingly, to account for the Six Capitals' Model.

The Group's business objectives, key performance indicators, and targets are set out in the MTN Group Integrated Report for the year ended 31 December 2013, under the Group strategic analysis and outlook section.

The table below indicates MTN's sustainability-related business performance in terms of some of the local and global standards, protocols and guidelines we reference. It complements and extends the MTN Group Value Added Statement reported in the MTN Group Limited Integrated Report for the year ended 31 December 2013.

We set out our performance in terms of material indicators that provide a clear, comprehensive and useful measure of our progress quantitatively. The indicators below have been refined, which enables us to review our performance and inform current and future business planning.

We are working towards a five-year rolling reporting cycle, and aim to increase or amend the scope of quantitative KPIs that are reported and assured each year, to reflect our performance against material sustainable business issues. In some instances, we assured KPIs for MTN's largest operations only. These are specially noted.

Our sustainable business performance is reviewed by the JSE SRI annually, and we pleased to have maintained our listing for 2013.

Sustainability value add statement for 2013 continued

Indicator	Notes	Unit	2013	2012	2011	2010
EMPLOYEES						
Total employees		Number	25 424	26 705	24 252	26 055
Employee turnover		%	7	2,6	7,1	9,6
Employees retrenched		Number	315	570	N/A	N/A
Gender diversity (females to total employees)		%	36	25	32	34
Females at senior management level and above		%	1,3	0,85	Not available	Not available
Expatriate staff		%	1,1	Not available	Not available	Not available
Employee learning and development		R million	293	383	265	249
Training hours per employee		Hours	31,9	32,7	16	30,8
Employee culture survey results	1	%	68*	68,87	69	68
Employees receiving performance review		%	100	100	100	100
EMPLOYEE HEALTH AND SAFETY						
Number of workplace-related deaths	2	Number	5	2	Not available	Not available
Number of workplace-related serious injuries		Number	41	36	Not available	Not available
Operations with health and safety committee and dedicated monitoring representative		%	59	45	Not available	Not available
Operations with health and safety monitoring representative only		%	72	59	Not available	Not available
GOVERNANCE						
Operations that have implemented fraud management framework		%	86*	81	Not available	Not available
Number of calls to tip-offs anonymous whistleblower line		Number	687*	886	Not available	Not available
ENVIRONMENT AND CLIMATE						
CO₂e emissions from energy use (including MTN Nigeria)		Tonnes t/CO ₂ e	1 525 542	1 040 722	950 564	1 126 894
• Scope 1 – direct emissions		t/CO ₂ e	769 471	652 790	536 541	743 646
• Scope 2 – indirect emissions		t/CO ₂ e	640 831	384 725	407 492	378 869
• Scope 3 – indirect emissions		t/CO ₂ e	115 240	3 208	6 531	4 379
Energy spend (Nigeria)	3	R million	1 980*	–	–	–
Energy use (electricity) (Nigeria)	3	kWh	106 502 142*	–	–	–
Energy use (diesel) (Nigeria)	3	kℓ	166 116*	–	–	–
Scope 1 – direct emissions (Nigeria)	3	t/CO ₂ e	492 271*	–	–	–
Scope 2 – indirect emissions (Nigeria)	3	t/CO ₂ e	46 115*	–	–	–
CO ₂ e intensity (tonnes) per subscriber		t/CO ₂ e	0,75	0,55	0,58	0,79
Energy savings (diesel saved)		kℓ	3 055	Not available	Not available	Not available
Energy savings (electricity saved)		kWh	46 736 712	Not available	Not available	Not available
GHG reductions		Tonnes CO ₂ e	54 587	Not available	Not available	Not available
E-waste pilot project		R'000	4 660	1 894	868	
• MTN Group/South Africa		R'000	1 306	1 037	301	Not applicable
• PPP: GIZ		R'000	592	514	543	Not applicable
• PPP: Technology Station		R'000	Not applicable	Not applicable	146	Not applicable

Sustainability value add statement for 2013 continued

Indicator	Notes	Unit	2013	2012	2011	2010
ECONOMIC DEVELOPMENT AND SOCIAL INCLUSIVITY						
Corporate social investment (MTN Foundations)	4	R million	314*	235	128	155
Number of MTN employee volunteers		Number	11 562	12 007	12 784	12 981
Black economic empowerment scorecard (South Africa): 100 points	5	Score out of 100	75,58	85,4	86,9	77,1
• Ownership (20 base points and 3 bonus points)		Score out of 23	21,00	21	21,2	11,6
• Management and control		Score out of 10	11,00	8,9	8,4	8,4
• Employment equity		Score out of 10	5,02	12,2	11,8	11,4
• Skills development		Score out of 17	7,23	7,4	8,4	6,8
• Preferential procurement		Score out of 20	9,61	17	17,1	18,7
• Enterprise development		Score out of 11	9,72	14	15	15
• Socio-economic development		Score out of 12	12,00	5	5	5
INFRASTRUCTURE AVAILABILITY						
Call setup success rate – South Africa	6	%				
• 2G			98,88*	99,10	Not available	Not available
• 3G			99,17*	98,03		
Dropped call rate – South Africa	6	%				
• 2G			0,76*	0,82	Not available	Not available
• 3G			0,38*	1,68		
Network availability – South Africa	6	%				
• 2G			99,22*	98,86	Not available	Not available
• 3G			98,92*	96,11		
Call setup success rate – Nigeria	7	%				
• Infrastructure A			94,87*	–	–	–
• Infrastructure B			96,05*			
• Infrastructure C			96,83*			
Dropped call rate – Nigeria	7	%				
• Infrastructure A			1,89*	–	–	–
• Infrastructure B			0,98*			
• Infrastructure C			0,58*			
Network availability – Nigeria	7	%				
• Infrastructure A			93,99*	–	–	–
• Infrastructure B			94,77*			
• Infrastructure C			96,89*			

Sustainability value add statement for 2013 continued

Indicator	Notes	Unit	2013	2012	2011	2010
Call setup success rate – Ghana		%				
• 2G: Infrastructure A			96,13*	–	–	–
• 2G: Infrastructure B			97,61*			
• 3G: Infrastructure A			95,24*			
• 3G: Infrastructure B			97,90*			
Dropped call rate – Ghana		%				
• 2G: Infrastructure A			1,76*	–	–	–
• 2G: Infrastructure B			0,50*			
• 3G: Infrastructure A			1,52*			
• 3G: Infrastructure B			0,45*			
Network availability – Ghana		%				
• 2G: Infrastructure A			98,23*	–	–	–
• 2G: Infrastructure B			93,90*			
• 3G: Infrastructure A			98,57*			
• 3G: Infrastructure B			98,44*			

* Indicates key performance indicators which have been subject to assurance by PwC. Please see assurance statement on pages 45 to 47.

Notes: ¹ Using the Towers Watson Global Telecommunications norms, 15 dimensions comprising over 100 questions, are posed to all employees via an annual survey. This survey assesses the fit between MTN's goals and that of our employees, and vice versa. The score of 68% indicates an overall average "favourable" response (employee answers of "good" and "very good"). This means 32% of responses were on average unfavourable (employee answers of "poor" or "I don't know").

² Three employees passed away during a motor vehicle accident occurring during working hours. One employee suffered fatal injuries due to the falling of a network tower, and one due to a bomb/mortar attack.

³ We elected to externally assure MTN Nigeria's energy use and GHG emissions as this is the largest operation in the MTN Group. We do not anticipate auditing this KPI again in 2014, as we are satisfied with our business objectives.

⁴ The 2012 figure of R193 million reported last year was revised in this year's report (now R235 million) to take into account the following: MTN Ghana's results reflect the GHS currency, rather than GHC; MTN Nigeria's data is reported according to the IFRS rather than the Nigerian GAAP standards; MTN Sudan's operating spend has been removed to conform to the revised KPI definition; MTN Zambia's data now reflects the ZMW currency rather than ZMK; and the reported figure for all MTN Yello Care activities has been removed to conform with the revised KPI definition. Key reasons for differences between 2012 and 2013 Foundation data include the fact that the average exchange rates for the two periods influenced the ZAR figures by approximately 10% year-on-year; better financial performance by most MTN operations during 2013 when compared to the previous year, resulting in an increase in funds allocated to MTN Foundations; and the fact that certain CSI projects rolled over from 2012 to 2013, resulting in funds being disbursed in 2013.

⁵ From 2013, MTN South Africa's Black Economic Empowerment Scorecard is based on the ICT Sector Code, not the Department of Trade and Industry's BB-BEE Codes of Good Practice generic scorecard. As a result, the industry target scores have changed. Prior to 2013, target scores were as follows: ownership (20 points and 3 bonus), management and control (10 points), employment equity (15 points), skills development (15 points), preferential procurement (20 points), enterprise development (15 points), socio-economic development (5 points). The scorecard is verified by Empowerdex (Pty) Limited.

⁶ In 2013, these audited figures were based on the GSM and WCDMA standards for 2G and 3G respectively.

⁷ In January 2014, the Nigeria Communication Commission (NCC) reviewed quality of service key performance indicators (KPIs) for all mobile network operators nationally. This is in line with licence conditions set out by regulators. Network operators whose performance is lower than the licence conditions agreed with regulators can be fined. MTN Nigeria was one of three operations fined for poor quality of service for the reporting period of January 2014. This does not affect the KPIs reported above, as these pertain to the period January 2013 to December 2013.

UN GRI report for 2013 continued

We have used the UN GRI G3 guidelines and Telecommunications' Sector Supplement in preparation of this report for 2013. (We will be working towards reporting in terms of G4 in future.)



• Please also refer to the Group's UN Global Compact report available on www.mtn.com/sustainability

- IR: MTN Group Limited Integrated Report for the year ended 31 December 2013
- SR: MTN Group Sustainability Report for the year ended 31 December 2013

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
STRATEGY AND ANALYSIS		
1.1	CEO statement	<ul style="list-style-type: none"> • IR: Group president and CEO's report pages 50 – 53 • SR: Group president and CEO on sustainability pages 4 – 5
1.2	Impacts, risks and opportunities: on stakeholders and financial performance	<ul style="list-style-type: none"> • IR: Risk and opportunities page 18 • SR: Eco-responsibility page 14
ORGANISATIONAL PROFILE		
2.1	Name of reporting organisation	• MTN Group Limited
2.2	Products, services	<ul style="list-style-type: none"> • https://www.mtn.com/offering/Pages/Solutions.aspx • http://www.mtnbusiness.com/
2.3	Operating structure	• IR: pages 2 – 3
2.4	Location of headquarters	Phase 2 Building, Innovation Centre, 216 14th Avenue, Fairland, South Africa
2.5	Geographic scope/map of operations	• IR: pages 2 – 3
2.6	Nature of ownership and legal form	• www.mtn.com/mtngroup/about/pages/structure.aspx
2.7	Profile of customer base	• www.mtn.com/offering
2.8	Scale of operations	<ul style="list-style-type: none"> • IR: pages 2 – 3 • SR: Report period and scope page 40
2.9	Changes occurring within the reporting period	• IR: various sections including strategic path, leadership and governance and Group strategic analysis
2.10	Awards received	<ul style="list-style-type: none"> • Various on www.mtn.com including on homepage and press releases. Country-specific awards are separately noted on each MTN country of operations' websites, of which there are over 22, each representing the countries in which the Company operates, e.g. www.mtn.co.za; www.mtn.co.za; www.mtn.com.gh, etc.
REPORT PARAMETERS		
Report profile		
3.1	Reporting period	1 January 2013 ending on 31 December 2013
3.2	Date of most recent report	31 December 2012
3.3	Reporting cycle: annual, etc	Annual
3.4	Contact point for queries	<ul style="list-style-type: none"> • https://www.mtn.com/Investors/Pages/Contacts.aspx • SR: About report pages 41 – 43 • https://www.mtn.com/Sustainability/Pages/Feedback.aspx • Country-specific contact details are separately noted on each MTN country of operations' websites, of which there are over 22, each representing the countries in which the Company operates e.g. www.mtn.co.za; www.mtn.co.za; www.mtn.com.gh, etc.

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
REPORT SCOPE AND BOUNDARY		
3.5	How was report content defined	<ul style="list-style-type: none"> IR: MTN Group About this report section after table of contents SR: About this report pages 41 – 43
3.6	Report boundaries	<ul style="list-style-type: none"> IR: Scope and boundary section after table of contents SR: About this report page 43
3.7	Limitations on scope	<ul style="list-style-type: none"> IR: Scope and boundary section after table of contents SR: About this report pages 41 – 43
3.8	Reporting of joint ventures, subsidiaries, etc	<ul style="list-style-type: none"> IR: Scope and boundary section after table of contents SR: About this report pages 41 – 43
3.9	Data measurement	<ul style="list-style-type: none"> SR: Annual sustainability statement pages 23 – 26 and About This Report pages 41 – 43
3.10	Restatements from previous report	<ul style="list-style-type: none"> MTN Foundations' reported spend for financial year 2012 has been restated. See page 26 of this report for further explanation
3.11	Changes from previous report	<ul style="list-style-type: none"> IR: Scope and boundary section after table of contents SR: About this report pages 41 – 43
3.12	GRI table location	<ul style="list-style-type: none"> SR: GRI pages 27– 40
Assurance		
3.13	Policy on independent assurance	<ul style="list-style-type: none"> IR: page 72 SR: Independent Assurance Report pages 45 – 47
Governance		
4.1	Company's governance structure: including major committees	<ul style="list-style-type: none"> IR: Group board of directors page 22 SR: https://www.mtn.com/Sustainability/Pages/SustainabilityGovernanceDiagram.aspx
4.2	Is the chairman also an executive officer?	No
4.3	Board profile: number, gender, executive vs non-executive	<ul style="list-style-type: none"> IR: Group board of directors pages 22– 31
4.4	How do stakeholders provide recommendations to board?	<ul style="list-style-type: none"> IR: Our stakeholders pages 10 – 11 https://www.mtn.com/Sustainability/SustainableSociety/Pages/About2013Reports.aspx
4.5	Link between remuneration and leadership performance	<ul style="list-style-type: none"> IR: Remuneration report page 36
4.6	Managing conflicts of interest	<ul style="list-style-type: none"> IR: Key governance developments page 28 SR: Anti-corruption page 19
4.7	Process for determining leadership qualifications	<ul style="list-style-type: none"> The board and Exco members' skills and qualifications are assessed during their recruitment process. Assessment of board skills is done on an ongoing basis during board evaluation
4.8	Internally developed mission/value statements, principles or codes related to sustainability	<ul style="list-style-type: none"> IR: Non-financial information page 1 SR: Sustainability Value Add Statement page 23
4.9	Board oversight of sustainability	<ul style="list-style-type: none"> IR: Corporate Governance pages 32 – 33 www.mtn.com/Sustainability/Pages/SustainabilityGovernanceDiagram.aspx

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
4.10	Processes for evaluating the board's sustainability performance	<ul style="list-style-type: none"> IR: Governance highlights, group secretary pages 32 – 33 https://www.mtn.com/Sustainability/Pages/SustainabilityGovernanceDiagram.aspx
Commitments to external initiatives		
4.11	Use of the precautionary principle	<ul style="list-style-type: none"> www.mtn.com/Sustainability: Networks and Environment Position
4.12	External charters or principles endorsed: e.g. EEA, GC	<ul style="list-style-type: none"> https://www.mtn.com/Sustainability/PerformanceHighlight/Pages/FullView_PH_AnnualSustainableStatement.aspx (Key Sustainability Standards of Reference)
4.13	Strategic memberships endorsed: e.g. EEA, GC	<ul style="list-style-type: none"> GSMA UN Global Compact Ethics Institute of South Africa National Business Institute (South Africa)
Stakeholder engagement		
4.14	List of stakeholder groups	<ul style="list-style-type: none"> IR: Our stakeholders page 10 SR: About this report page 42
4.15	How are stakeholders identified?	<ul style="list-style-type: none"> IR: Our stakeholders page 10 SR: About this report page 42
4.16	Ongoing mechanisms for stakeholder engagement: who, how, what outcome	<ul style="list-style-type: none"> IR: Our stakeholders page 10 SR: About this report page 42
4.17	Stakeholder concerns and how the organisation responded	<ul style="list-style-type: none"> IR: Our stakeholders page 10 SR: About this report page 42
ECONOMIC		
Disclosure on management approach		
EC:MD	Management approach: economic performance, market presence and indirect economic aspects	<ul style="list-style-type: none"> We operate at the heart of nations bursting with innovation, creativity and new ideas. We will continue to champion positive change. We are not first world or third world – we believe we are operating in the new world, which is the digital world. Working with integrity, we value our relationships with the communities in which we work, our customers and employees, our shareholders and the media, governments and regulators as well as suppliers and business and industry partners. We recognise the importance of these stakeholders, among others, in the sustainability of our business IR: CEO statement pages 50 – 53 SR: Sustainable economic value pages 7 – 11
Economic performance		
EC1	Economic value added	<ul style="list-style-type: none"> IR: How we create value page 12 SR: Sustainable economic value pages 8 – 9
EC2	Climate change-related financial implications, risks and opportunities	<ul style="list-style-type: none"> SR: Eco-responsibility page 14
EC3	Defined benefit plan obligations	<ul style="list-style-type: none"> IR: Remuneration report page 38
EC4	Significant financial assistance received from government	<ul style="list-style-type: none"> MTN Group and its operations: excluding MTN South Africa, do not receive financial assistance from government MTN South Africa contributes 1% of its annual payroll to the national Skills Development Levy. A 50% rebate on this contribution is received, and the Company uses this to further training and skills development programmes
IO1	Capital investment in telecommunication network infrastructure broken down by country/region	<ul style="list-style-type: none"> IR: Where we operate pages 2 – 3; Key statistics page 4

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
IO2	Net costs for MTN under the Universal Service Obligation when extending service to geographic locations and low-income groups, which are not profitable	<ul style="list-style-type: none"> The MTN Group has not separately calculated or ring-fenced the net costs of extending service to geographic locations and low-income communities which are not profitable, due to the nature of the business' operations in emerging markets across Africa and the Middle East, where low-income and geographic spread of markets are a feature in some of these markets
Market presence		
EC5	Standard entry level wage compared to local minimum wage	<ul style="list-style-type: none"> The MTN Group pays entry level wages equal to or above local minimum wages in each country in which the Company operates
EC6	Policy, practices, and proportion of spending on locally based suppliers	<ul style="list-style-type: none"> SR: Annual sustainability statement (Black Economic Scorecard), page 19
EC7	Procedures for local hiring: including senior management	<ul style="list-style-type: none"> The MTN Group hires locally as far as possible. Only 1,1% of the local staff base across the Group comprises expatriat members
Access to telecommunications products and services: bridging the digital divide		
PA1	Policies and practices to enable the deployment of telecommunications infrastructure and access to telecommunications products and services in remote and low-population density areas	<ul style="list-style-type: none"> SR: Sustainable economic value pages 9 – 11 As MTN operates in emerging markets across Africa and the Middle East, digital inclusion and core business are intertwined, and therefore providing service across all geographic locations, localities, languages, education and income levels, and other features of communities constitutes the normal business of the Company
PA2	Policies and practices and business model applied to overcome barriers for access and use of telecommunication products and services, including: language, culture, illiteracy and lack of education, low income, disabilities and age	<ul style="list-style-type: none"> SR: Sustainable Economic Value pages 9 – 11 As MTN operates in emerging markets across Africa and the Middle East, digital inclusion and core business are intertwined, and therefore providing service across all geographic locations, localities, languages, education and income levels, and other features of communities constitutes the normal business of the Company
PA3	Policies and practices to ensure availability and reliability of telecommunications products and services and quantify, where possible, for specified time periods and locations of down time	<ul style="list-style-type: none"> SR: Annual sustainability statements (Infrastructure Availability) pages 25 – 26
PA4	The level of availability of telecommunications products and services in areas where MTN operates	<ul style="list-style-type: none"> IR: Our risks page 18 SR: Annual sustainability statements (Infrastructure Availability) pages 25 – 26
PA5	Number and types of telecommunication products and services provided to and used by low- and no-income sectors of the population, with definitions of these designated groups	<ul style="list-style-type: none"> SR: Sustainable economic value pages 25 – 26 As MTN operates in emerging markets across Africa and the Middle East, digital inclusion and core business are intertwined, and therefore providing service across all geographic locations, localities, languages, education and income levels, and other features of communities constitutes the normal business of the Company
PA6	Programmes to provide and maintain telecommunication products and services in emergency situations and for disaster relief	<ul style="list-style-type: none"> In Rwanda, MTN and Ericsson's Refugees Unite programme has been operating successfully for a number of years. In Iran, MTN Irancell offers a mobile private network for the National Disaster Management Organisation of Iran, using technology to reduce vulnerability to natural disasters. It enables the connection of special Irancell SIM cards to the local private network of the disaster management headquarters across the country and uses the extension numbers of all the disaster managers.

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Indirect economic impacts		
EC8	Positive public impact of pro bono/donated infrastructure and services	<ul style="list-style-type: none"> • www.mtn.com/csi
EC9	Significant indirect economic impacts: including extent	<ul style="list-style-type: none"> • www.mtn.com/csi
ENVIRONMENTAL		
Disclosure on management approach		
EN:MD	Management approach: energy, water, materials, biodiversity, emissions, effluents, and waste	<p>Our customers live in emerging countries that are resource-rich, but globally in countries that are among the most vulnerable to the effects of climate change. For this reason, we take our responsibility to address our environmental impact seriously. The three most material areas of impact where our efforts can have a less harmful impact on the environment are managing and reducing our greenhouse gas emissions, ensuring our network implementation is environmentally sound, and responding to the global proliferation of electronic and electrical waste. We also know that we can use ICT solutions to help other companies reduce their environmental impact.</p> <ul style="list-style-type: none"> • SR: Eco-responsibility pages 13 – 16 • www.mtn.com/sustainability: MTN Group's Networks and Environment Position
Materials		
EN1	Materials used: weight/volume	The most material resource used is electronic and electrical equipment. SR: Eco-responsibility page 16
EN2	Percentage of recycled materials used	Due to the nature of products and services offered, the MTN Group does not consider this indicator to be material for its operations. The Group is, however, addressing downstream recycling of its e-waste and that of its customers in South Africa
Energy		
EN3	Direct energy use: by primary source	<ul style="list-style-type: none"> • SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 • www.cdproject.net (MTN reports)
EN4	Indirect energy use: by primary source	<ul style="list-style-type: none"> • SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 • www.cdproject.net (MTN reports)
EN5	Energy saved due to efficiencies	<ul style="list-style-type: none"> • SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 • www.cdproject.net (MTN reports)

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Energy (continued)		
EN6	Energy efficiency/renewable energy initiatives	<ul style="list-style-type: none"> SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 www.cdproject.net (MTN reports)
EN7	Initiatives to reduce indirect energy consumption	<ul style="list-style-type: none"> SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 www.cdproject.net (MTN reports)
Water		
EN8	Total water withdrawal by source	Due to the nature of MTN's business, this indicator is not material. However, as part of the implementation of ISO14001 in operations and LEED certification in MTN South Africa responsible water management and use is addressed. Other operations, while not ISO14001-certified, maintain Safety Health and Environmental policies, and as part of 2014's business plans, all MTN countries of operation are reviewing environmental risks as a focus area in terms of the Group's principal risks
EN9	Water sources significantly affected by withdrawal of water	Not material as indicated above
EN10	Percentage and total volume of water recycled and reused	Not material as indicated above
Biodiversity		
EN11	Location and size of land owned, leased or managed in biodiversity-rich habitats	The MTN Group does not currently report against this indicator
EN12	Impacts of operations on areas of high biodiversity value	<ul style="list-style-type: none"> www.mtn.com/sustainability: MTN Group's Networks and Environment position
EN13	Habitats protected or restored	<p>Due to the nature of MTN's business, this Group does not report against this indicator. However, environmental impact assessments are undertaken as part of network infrastructure and facilities' implementation.</p> <ul style="list-style-type: none"> www.mtn.com/sustainability: MTN Group's Networks and Environment position
EN14	How are impacts on biodiversity being managed?	<ul style="list-style-type: none"> www.mtn.com/sustainability: MTN Group's Networks and Environment position
EN15	Number of conservation list species affected by operations	<ul style="list-style-type: none"> Due to the nature of MTN's business, this Group does not report against this indicator. However, environmental impact assessments are undertaken as part of network infrastructure and facilities' implementation. www.mtn.com/sustainability: MTN Group's Networks and Environment position

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Emissions, effluent and waste		
EN16	Total direct and indirect greenhouse gas emissions by weight	<ul style="list-style-type: none"> • IR: page 5 • SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 • www.cdproject.net (MTN reports)
EN17	Other relevant indirect greenhouse emissions by weight	<ul style="list-style-type: none"> • IR: page 5 • SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 • www.cdproject.net (MTN reports)
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	<ul style="list-style-type: none"> • SR: Eco-responsibility – energy, carbon and climate; annual sustainability statement pages 13 – 15; page 24 • www.cdproject.net (MTN reports)
EN19	Emissions of ozone-depleting substances by weight	Due to the nature of MTN's business, this indicator is not material
EN20	NO _x , SO _x and other significant air emissions by weight and type	Due to the nature of MTN's business, this indicator is not material
EN21	Total water discharge by quality and destination	The only water discharged is through the municipal sewer. Due to the nature of MTN's business, this indicator is not material
EN22	Total amount of waste by type and disposal method	<p>The most material waste generated is old/redundant electronic and electrical equipment.</p> <ul style="list-style-type: none"> • SR: Eco-responsibility page 16 and Annual Sustainability Statement page 24
EN23	Total number and volume of significant spills	No significant spills were reported by MTN operations
EN24	Weight of transported, imported, exported or treated hazardous waste	Due to the nature of MTN's business, this indicator is not applicable
EN25	Water discharge impacts on biodiversity and water bodies	Due to the nature of MTN's business, this indicator is not applicable
Products and services		
EN26	Initiatives to mitigate environmental impacts	<ul style="list-style-type: none"> • SR: Eco-responsibility pages 13 – 16 • www.cdproject.net (MTN reports)
EN27	Percentage of reclaimed products/packaging materials	<ul style="list-style-type: none"> • SR: Eco-responsibility page 16 and Annual Sustainability Statement page 24

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Compliance		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	<p>Apart from operations in Nigeria, no significant monetary fines and non-monetary sanctions for non-compliance with environmental laws and regulations have been reported.</p> <p>The environmental compliance situation experienced by MTN Nigeria was not specific to the Company, but a matter of broader political challenges of which all mobile network operators in Nigeria were subjected to, and were attributed to management issues in the mandates, roles and responsibility issues between the Federal Ministry of Environment (FME) and the National Environmental Standards and Regulations Enforcement Agency (NESREA), which are both tasked with environmental oversight in the country. Internal management complications relating to the respective authorities or roles between these two agencies resulted in unforeseen impact on the national telecommunications operators' industry, and were not specific to the actions of any single network operator. As a result, in 2009 NESREA elected to shut down a number of network sites of all operators without following due legal, regulatory and stakeholder engagement processes.</p> <p>In 2013, a joint committee of the Federal Ministries of Environment and Communications Technology, NESREA and the Nigerian Communications Commission was convened and a Memorandum of Understanding brokered, which is hoped to improve environmental regulatory management of the national telecommunications sector.</p> <p>MTN was the first operator to embark on an Environmental Impact Assessment (EIA) of operations across Nigeria, and was granted its EIA certificate in 2004. In 2009, MTN Nigeria was one of the network operators which submitted over 15 000 Environmental Assessment Reports to NESREA to provide evidence of environmental compliance. In early 2014, the Federal Government also agreed on environmental procedural guidelines for 170 BTS rollouts as part of MTN Nigeria's capital expansion programme.</p>
Transport		
EN29	Significant environmental impacts of transport use: for products, materials, members of the workforce	<p>Although transportation is not a source of significant environmental impact and is not deemed material, greenhouse gas emissions associated with transport are quantified.</p> <ul style="list-style-type: none"> • SR: Eco-responsibility – energy, carbon and climate pages 13 – 16, Annual Sustainability Statement page 24 • www.cdproject.net (MTN reports)
Overall		
EN30	Environmental protection expenditure	The MTN Group does not track this indicator
IO7	Policies and practices on the siting of masts and transmission sites including stakeholder consultation, site sharing and initiatives to reduce visual impacts	<ul style="list-style-type: none"> • www.mtn.com/sustainability/ MTN Group's Networks and Environment position paper, and Mobile and Health position paper
IO8	Number and percentage of standalone sites, shared sites and sites on existing structures	<ul style="list-style-type: none"> • IR: Where we operate – Percentage 2G, 3G, WiMax and LTE sites pages 2 – 3

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Resource efficiency		
TA1	Provide examples of the resource efficiency of telecommunication products and services delivered	<ul style="list-style-type: none"> SR: Sustainable economic value: Cloud Computing and M2M page 8 www.mtn.com/sustainability/pages/case_studies.aspx www.cdproject.net (MTN reports)
TA2	Provide examples of telecommunication products, services and applications that have the potential to replace physical objects	<ul style="list-style-type: none"> SR: Sustainable economic value: Cloud Computing and M2M page 8 www.mtn.com/sustainability/pages/case_studies.aspx www.cdproject.net (MTN reports)
TA3	Disclose any measures of transport and/or resource changes of customer use of the telecommunication products and services listed above. Provide some indication of scale, market size or potential savings	<ul style="list-style-type: none"> www.mtnbusiness.co.za; www.mtnbusiness.com.ng and www.mtn.com.sy Mobile Fleet Management Service/Solution
TA4	Disclose any estimates of the rebound effect (indirect consequences) of customer use of the products and services listed above, and lessons learned for future development. This may include social consequences as well as environmental	Not available
LABOUR PRACTICES AND DECENT WORK		
Disclosure on management approach		
LA:MD	Management approach: employment, labour relations, occupational health and safety, training and education, diversity and equal opportunity	<ul style="list-style-type: none"> The MTN Group recognises that to achieve its strategic objectives and vision to lead the delivery of a bold new digital world to its customers, the Group needs appropriately skilled, culturally diverse employees who are motivated by and enjoy their work SR: Sustainable societies – employee health and safety page 21 and Annual Sustainability Statement page 24
Employment		
LA1	Employee numbers	<ul style="list-style-type: none"> SR: Annual sustainability statement page 24
LA2	Employee turnover	<ul style="list-style-type: none"> SR: Annual sustainability statement page 24
LA3	Full-time employee benefits not provided to temporary/part-time employees	<ul style="list-style-type: none"> IR: Remuneration structure pages 37 – 38
Labour/management relations		
LA4	Percentage unionised employees	Not available
LA5	Minimum notice period(s) regarding significant operational changes	Not available
Occupational health and safety		
LA6	Employee representation in health and safety committees	Not available Not available
LA7	Total number of work-related fatalities, rates of injury, occupational diseases, lost days and absenteeism	<ul style="list-style-type: none"> SR: Annual sustainability statement page 24
LA8	Employee wellness programmes regarding serious diseases	Not available
LA9	Health and safety topics covered in formal agreements with trade unions	Not available
IO3	Practices to ensure health and safety of field personnel involved in the installation, operation and maintenance of masts, base stations, laying cables and other activities	<ul style="list-style-type: none"> www.mtn.com/sustainability MTN Group's Mobile and Health position

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Training and education		
LA10	Average hours of training per employee per year	• SR: Annual sustainability statement page 24
LA11	Employee skills and training programmes	• IR: Key statistics page 5
LA12	Percentage of employees receiving performance reviews and career development	• SR: Annual sustainability statement page 24
Diversity and equal opportunity		
LA13	Composition of governance bodies	• IR: Governance pages 24 – 28
LA14	Ratio of basic salary of men to women by employee category	The MTN Group does not currently report against this indicator
LA15	Return to work and retention rates after parental leave, by gender	The MTN Group does not currently report against this indicator
HUMAN RIGHTS		
Disclosure on management approach		
HR:MD	Management approach: investment and procurement practices, non-discrimination, freedom of association and collective bargaining, abolition of child labour, prevention of forced and compulsory labour, complaints and grievance practices, security practices and indigenous rights	• The MTN Group adheres to specifications with respect to the International Labour Organisation Protocol on decent work and working conditions (core standards of freedom of association, forced labour, child labour, anti-discrimination). These requirements are integrated broadly in the MTN Group code of ethics, and are included in the Group social and ethics committee's terms of reference
Investment and procurement activities		
HR1	Percentage and number of significant investments that have undergone human rights screening	0%
HR2	Percentage of significant suppliers and contractors that have undergone human rights screening	0%
HR3	Total hours and number of employees receiving human rights training	0%
Non-discrimination		
HR4	Number of incidents of discrimination and action taken	The MTN Group does not currently report against this indicator
Freedom of association and collective bargaining		
HR5	Any incidents where freedom of association/collective bargaining was at risk? Actions taken?	The MTN Group does not currently report against this indicator
Child labour		
HR6	Any incidents of child labour and measures taken?	In 2011 the MTN Group specifically assessed whether it was compliant with the ILO child labour minimum age specification, and found that it was, with the youngest employee being 17 years of age at the time. As part of a basic human resources management information data-gathering process currently under way, this indicator will be assessed in 2014.
Forced and compulsory labour		
HR7	Any incidents of forced labour and measures taken?	No incidents
Security practices		
HR8	Percentage of security personnel trained in human rights	Due to the nature of MTN's business, this indicator is not applicable

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Indigenous rights		
HR9	Any incidents where indigenous people's rights were violated and measures taken?	No incidents
HR10	Percentage and total number of operations that have undergone human rights reviews	0% in terms of indigenous rights
HR11	Number of human rights grievances filed, and resolved through formal mechanisms	The MTN Group does not track this indicator
SOCIETY		
Disclosure on management approach		
SO:MD	Management approach: community, corruption, public policy, anti-competitive behaviour and compliance	<ul style="list-style-type: none"> • IR: Various references in Chairman's statement page 25 and Group President and CEO statement page 53 • SR: Sustainable societies – Anti-corruption page 19 • www.mtn.com/sustainability: MTN Group's Anti-corruption position
Community		
SO1	Percentage of operations with local community engagement, impact assessments, and development programmes.	<ul style="list-style-type: none"> • 68% of MTN operations (15 countries) have established formal MTN Foundations • 100% of operations undertake development programmes through enterprise development, volunteering, and community-based sponsorships such as in education or health-related fields. The impact of community investment has not been assessed by MTN Group
Access to content		
PA7	Policies and practices to manage human rights issues relating to access and use of telecommunications products and services	<ul style="list-style-type: none"> • SR: Sustainable societies page 19 • www.mtn.com/sustainability: MTN Group's Human Rights and ICT position
Corruption		
SO2	Business units analysed corruption risks	• SR: Sustainable societies (anti-corruption) page 19
SO3	Employee training regarding anti-corruption	• SR: Sustainable societies (anti-corruption) page 19 and Annual Sustainability statement page 24
SO4	Actions taken in response to incidents of corruption	Due disciplinary processes are followed to investigate and resolve matters of ill-discipline including corruption. Sanctions may range from warnings to termination of employment

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
Public policy		
SO5	Engagement in public policy	<p>Public policy engagement is undertaken in the following means:</p> <ul style="list-style-type: none"> • Via any matters of consideration by the GSMA Board, due to the fact that the Group's president and CEO is a member of this board • Via the necessary regulatory agency either in formal public commentary invitation processes, or as required for possible emerging regulation or industry-specific matters such as carbon taxes, spectrum allocation, etc. (MTN operations may engage directly with the necessary regulatory agency, or collectively via national business or industry associations)
SO6	Financial/in-kind contributions to political parties	<p>MTN is a 20-year-old company, having commenced its business operations at the dawn of South Africa's democracy in 1994. As a proudly South African company, founded on the sound values of our nation's democratic vision, MTN is supportive of efforts to strengthen South Africa's multiparty democracy. Accordingly, the Group has made funding available to 13 political parties currently represented in parliament, as they prepare to take part in the 7 May 2014 general elections. The funding is in line with the MTN's Code of Ethics and Corporate Political Contributions Policy. In determining the allocations, MTN followed the Independent Electoral Commission's model of proportional representation in parliament, based on the outcome of the 2009 general elections. We believe that political parties need resources to participate in elections, and extending funding to these organisations is critical to ensuring a vibrant and democratic society</p>
Anti-competitive behaviour		
SO7	Number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	None
Compliance		
SO8	Monetary value of significant fines and number of non-monetary sanctions for non-compliance with regulations	<p>Telecommunication regulators in some of the countries in which MTN operates have threatened or imposed quality of service fines upon MTN based on network performance standards. Although this information is available in the public domain, we have not quantified the value of these fines for the purposes of this report</p>
SO9	Operations with significant negative impacts on local communities	None
SO10	Prevention and mitigation of significant negative impacts on local communities, by operation	<ul style="list-style-type: none"> • www.mtn.com/sustainability: MTN Group's Networks and Environment position
TA5	Description of practices relating to intellectual property rights and open-source technologies	The MTN Group upholds intellectual property rights in its business operations

UN GRI report for 2013 continued

	GRI indicator	MTN's response (document, section, page number or additional information on www.mtn.com)
PRODUCT RESPONSIBILITY		
Disclosure on management approach		
PR:MD	Management approach: customer health and safety, product and service labelling, marketing communications, customer privacy and compliance	<ul style="list-style-type: none"> SR: Sustainable societies – human rights and ICT page 20 www.mtn.com/sustainability: MTN Group's positions on Human Rights and ICT, and on Mobiles and Health
Customer health and safety		
PR1	Life cycle stages of products/services assessed for health and safety impacts: including percentage of products/services assessed	<ul style="list-style-type: none"> www.mtn.com/sustainability: MTN Group's position on Mobiles and Health
PR2	Incidents of regulatory non-compliance concerning health and safety impacts of products and services	Not available
PA8	Policies and practices to publicly communicate on EMF-related issues	<ul style="list-style-type: none"> www.mtn.com/sustainability: MTN Group's positions on mobiles and health
PA9	Total amount invested in programmes and activities in electromagnetic field research	Not available
Product and service labelling		
PR3	Product/service information required by procedures	None
PR4	Incidents of regulatory non-compliance concerning product and service information labelling	None
PR5	Customer satisfaction practices: surveys, etc)	The MTN Market Performance Report (MPR) is an extensive assessment tool used by our operations to gauge market perceptions and customer experience and perceptions across a number of business dimensions related to network, service, functionality, value, and other indicators, and is reported to the Group Executive on a quarterly basis
Marketing communications		
PR6	Adherence to marketing, promotions and communications standards	The MTN Group ensures that it complies with local laws, standards and codes
PR7	Incidents of regulatory non-compliance concerning marketing communications	No incidents have been reported by operations
PA10	Initiatives to ensure clarity of charges and tariffs	None
PA11	Initiatives to inform customers about product features and applications that will promote responsible, efficient, cost-effective and environmentally preferable use	Included in marketing and product information
Customer privacy		
PR8	Incidents of substantiated breaches of customer privacy and losses of customer data	<ul style="list-style-type: none"> SR: Sustainable societies – human rights and ICT page 20



06

About this report

Scope, boundaries and integration

This report focuses on key developments during the year and discloses performance on the indicators most material to our stakeholders. It is also aligned to our new business strategy that seeks to address the experiences of our customers with MTN, and the optimisation of processes, assets and human resources. This report marks the fourth year of integrated business reporting and, as a business, continues to improve on the implementation of sustainability matters within the business, but as always, we acknowledge that we still have more to do in this respect.

While we have integrated reporting on our environmental, social and socio-economic material risks, opportunities, and our performance as appropriate in the MTN Group Limited Integrated Report (31 December 2013), located on our website, we recognise the need for more detailed reporting on some of these issues to a broader set of stakeholders. This report provides this detail.

Scope

This detailed MTN Group Sustainability Report covers the following countries in which MTN operates: Afghanistan, Benin, Cameroon, Congo-Brazzaville, Cyprus, Guinea-Bissau, Guinea-Conakry, Ghana, Iran, Ivory Coast, Kenya, Liberia, Namibia, Nigeria, Rwanda, South Africa, Sudan, South Sudan, Swaziland, Syria, Uganda, Yemen and Zambia.

The following scope exclusions are noted:

- For the MTN Group Sustainability Report for 2013, Mascom Botswana and MTN Ethiopia have been excluded on the basis of indirect ownership holding and recent acquisitions, respectively;
- Quantitative data for MTN South Sudan is excluded due to the fact that we have not yet implemented operational sustainability reporting and measurement as this is one of the newer MTN territories;
- For Carbon Disclosure Project report results and activities summarised in the eco-responsibility section, exclusions are as follows:
 - Mascom Botswana, MTN Ethiopia, MTN South Sudan
 - MTN Syria (excluded due to energy and greenhouse gas data collection challenges associated with network management in the context of the broader macro-political situation)
 - MTN Group head office facilities in UAE, Dubai (MTN does not offer ICT services directly in the UAE)
 - MTN Benin (to be included in 2014).

Exchange rate

This report includes material activities undertaken through Group functions located in South Africa and Dubai. All financial information is reported in South African Rand (ZAR), using the exchange rate as at 31 December 2013 of ZAR10,51:US\$1, except for MTN Foundations and MTN Nigeria energy spend, which are based on an average rate across January – December 2013.

Audience

The target audience for this report are the stakeholders that have shown the most interest in MTN's management of sustainable business responsibilities, and include regulatory authorities, investors and shareholders, civil society and advocacy organisations, current and potential customers, media, and our employees.

Data collection approach

MTN's annual integrated and sustainability reports are compiled using information and data sourced from a variety of internal reporting, data management and storage systems. Oracle Human Resources Information Systems and Hyperion systems are key sources of our data. We also source reporting information from committees and sub-committee reporting packs, especially the business risk management and social and ethics committee reports on a quarterly basis. Results from annual surveys conducted internally do form part of the source documents for our reporting purposes. In addition, secondary data has been obtained from sources including publicly available research reports and websites of industry leaders on the performance and impact of the telecoms sector globally.

Determining material issues

The MTN Group has amended its previous use of the Five Capitals Model (developed by the Forum for Future) as a framework for managing sustainability and assessing our performance across the economic, social and environmental issues that most impact our business and our stakeholders. In 2013, the Group adopted the Six Capitals Model set out by the International Integrated Reporting Council. Along with other inputs, the Capitals Model is a key consideration for determining issue materiality to MTN.

Material issues are those issues that impact our ability to remain commercially viable and socially relevant to our stakeholders. We determine material issues of importance to our sustainability by reviewing the issues most important to our stakeholders, and the impact of these issues on the achievement of our business objectives. We regularly review this to ensure we are responsive and can adapt to changing operating conditions.

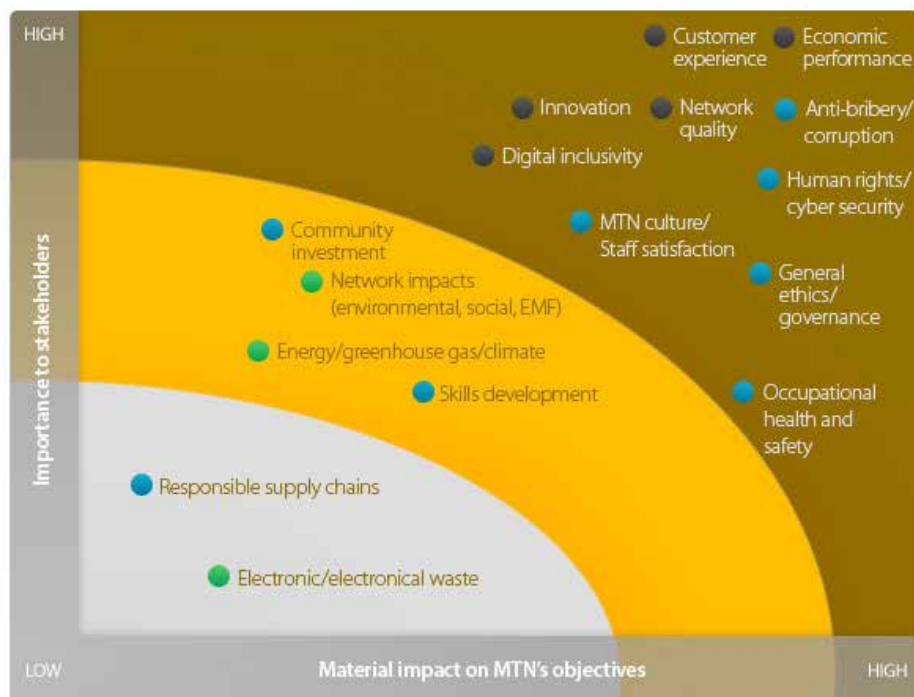
Our material sustainability issues of focus for 2013 are set out below.

Material issues have a strong bearing on our stakeholders' assessment and decisions about MTN's long-term viability and commitment to their needs.

To determine materiality, we take the following sources into account:

- Feedback from internal and external stakeholders that review the annual sustainability report
- Engagement with external stakeholders via the addresses **sustainability@mtn.com** and **investor.relations@mtn.co.za**
- Communications with media organisations, civil society and community-based organisations, our customers, and general members of the public
- Feedback and engagement with the JSE SRI, the CDP, and MTN's investors who consult us or assess our responsible business performance
- Information from third-party questionnaires and assessments of our publicly reported performance by university organisations and other third parties not commissioned by MTN
- Our own internal review and research processes including industry, peer and global developments, and our risk and audit management processes.

Issues identified through this process were weighted in an internal materiality review. Material issues were prioritised according to the scale and nature of impact on business operations, economic performance and specific stakeholder groups. These material issues are reviewed by the executive, and the Group business risk management and/or Group social and ethics committees.



Key:

- Creating sustainable economic value
- Eco-responsibility
- Building sustainable societies

Where to find more information

Area of information	Where to find it
Detailed sustainability reports and positions provide a high-level account of our sustainability strategy, performance, highlights and challenges	www.mtn.com/sustainability
MTN Group Limited Integrated Report for year ended 31 December 2013	www.mtn.com/Investors/Financials/Pages/annualreports.aspx
Sustainability case studies	www.mtn.com/sustainability/pages/case.studies.aspx
MTN's environmental position	www.youtube.com/watch?v=4OrNwzddfag
MTN's carbon disclosure reports	www.cdproject.net
Link to Hoffman Report and Group chairman statements	https://www.mtn.com/PressOffice/MTNIran/Pages/MTNIran.aspx
Contact the Group Sustainability Manager via email	sustainability@mtn.com
Contact the executive for Investor Relations via email	investor.relations@mtn.co.za
More information on MTN's M2M solutions	m2m@mtnbusiness.co.za
Please direct post to MTN Group Sustainability or MTN Group Investor Relations as appropriate	MTN Group, Private Bag X9955, Cresta, 2118, South Africa
MTN head office switchboard	+27 (0)11 912 3000



**Independent assurance report
to the directors of MTN Group Limited**

Independent assurance report to the directors of MTN Group Limited

We have been engaged by the directors of MTN Group Limited (the "Company") to perform an independent limited assurance engagement in respect of Selected Sustainability Information reported in the Company's Sustainability Report for the year ending 31 December 2013 (the "Report"). This report is produced in accordance with the terms of our contract with the Company dated 23 October 2013.

Independence and expertise

We have complied with the International Federation of Accountants' (IFAC) Code of Ethics for Professional Accountants, which includes comprehensive independence and other requirements founded on fundamental principles of integrity, objectivity, and professional competence and due care, confidentiality and professional behaviour. Our engagement was conducted by a multi-disciplinary team of health, safety, environmental and assurance specialists with extensive experience in sustainability reporting.

Scope and subject matter

The subject matter of our engagement and the related level of assurance that we are required to provide are as follows:

Limited assurance

The following Selected Sustainability Information in the Report was selected for an expression of limited assurance:

- Quality of service in MTN South Africa, Nigeria and Ghana Operating Companies (OPCOs), measured by:
 - call setup success rate – % (Page 25)
 - dropped call rate – % (Page 25)
 - network availability – % (Page 25)
- MTN Group Risk Fraud Management Framework (FRM) implementation – percentage of operating companies (OPCOs) that have implemented the proactive and reactive reporting requirements of MTN Group Limited in their audit committee packs during the course of the 2013 reporting period (Page 24)
- MTN Group whistle-blower hotline data – number of incidents reported (Page 24)
- MTN Group Employee Culture survey result – overall performance – % (Page 24)
- MTN Group Foundation spend (ZAR) (Page 25)

- Energy spend (ZAR) in MTN Nigeria (Page 24)
- Energy use (kWh for electricity and kl for diesel) in MTN Nigeria (Page 24)
- Carbon emissions – scope 1 and 2 (tCO₂e) in MTN Nigeria (Page 24)

We refer to this information as the "Selected Sustainability Information for Limited Assurance".

We have not carried out any work on data reported for prior reporting periods, nor have we performed work in respect of future projections and targets. We have not conducted any work outside of the agreed scope and therefore restrict our opinion to the Selected Sustainability Information for Limited Assurance.

Respective responsibilities of the directors and PricewaterhouseCoopers Inc.

The directors are responsible for selection, preparation and presentation of the Selected Sustainability Information for Limited Assurance in accordance with the criteria set out in the definitions for assured sustainability key performance indicators on page 50 of the Report, referred to as the "Reporting Criteria", and for the development of the Reporting Criteria. The directors are also responsible for designing, implementing and maintaining internal controls as the directors determine is necessary to enable the preparation of the Selected Sustainability Information for Limited Assurance that are free from material misstatements, whether due to fraud or error.

Our responsibility is to form an independent conclusion, based on our limited assurance procedures, on whether anything has come to our attention to indicate that Selected Sustainability Information for Limited Assurance has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This report, including the conclusion, has been prepared solely for the directors of the Company as a body, to assist the directors in reporting on the Company's sustainable development performance and activities. We permit the disclosure of this report within the Report for the year ended 31 December 2013, to enable the directors to demonstrate they have discharged their governance

Independent assurance report to the directors of MTN Group Limited continued

responsibilities by commissioning an independent assurance report in connection with the Report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors as a body and the Company for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000: Assurance Engagements other than Audits and Reviews of Historical Financial Information (ISAE 3000) also taking into consideration International Standard on Assurance Engagements 3410: *Assurance Engagements on Greenhouse Gas Statements* (ISAE 3410), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and that we plan and perform the assurance engagement to obtain limited assurance on the Selected Sustainability Information for Limited Assurance as per the terms of our engagement.

Our work included examination, on a test basis, of evidence relevant to the Selected Sustainability Information for Limited Assurance. It also included an assessment of the significant estimates and judgements made by the directors in the preparation of the Selected Sustainability Information for Limited Assurance. We planned and performed our work so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence on which to base our conclusion in respect of the Selected Sustainability Information for Limited Assurance.

Our limited assurance procedures primarily comprised:

- reviewing the processes that MTN Group Limited has in place for determining the Subject Matter Selected for Limited Assurance included in the Report;
- obtaining an understanding of the systems used to generate, aggregate and report the Subject Matter Selected for Limited Assurance;
- conducting interviews with management at corporate head office and selected operating companies (OPCOs);
- evaluating the data generation and reporting processes against the Reporting Criteria;
- performing key controls testing and testing the accuracy of data reported on a sample basis at three OPCOs material to Group reported data for the Subject Matter Selected for Limited Assurance; and
- reviewing the consistency between the Subject Matter Selected for Limited Assurance and related statements in MTN Group Limited's Report.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

The procedures selected depend on our judgement, including the assessment of the risk of material misstatement of the Selected Sustainability Information for Limited Assurance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of the Selected Sustainability Information for Limited Assurance in order to design procedures that are appropriate in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as

Independent assurance report to the directors of MTN Group Limited continued

the measurement criteria and the precision thereof, may change over time. It is important to read the Report in the context of the Reporting Criteria set out on page 50.

In particular, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information.

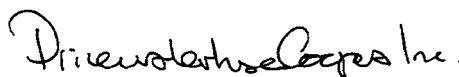
Conclusion

Based on the results of our limited assurance procedures, nothing has come to our attention that causes us to believe that the Selected Sustainability Information for Limited Assurance for the year ended 31 December 2013 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Other matters

The maintenance and integrity of the MTN Group Limited's website is the responsibility of MTN Group Limited's directors. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent assurance report that may have occurred since the initial date of presentation on MTN Group Limited's website.

PricewaterhouseCoopers Inc.



Director: Jayne Mammatt
Registered Auditor
Johannesburg

18 March 2014



08

Glossary and definitions

Glossary and definitions

Term	Definition
3G	Third-generation internet connection that allows mobile phones to send and receive larger volumes of data, such as live broadcasts, video clips and emails
BBBEE	Broad-based black economic empowerment, a South African national initiative to enable economic participation for black South Africans
BTS	Base transceiver station
CDM	The United Nations Clean Development Mechanism allows a country with an emission-reduction or emission-limitation commitment under the Kyoto Protocol (Annex B Party) to implement an emission-reduction project in developing countries
CDP	Carbon Disclosure Project
CO ₂	Carbon dioxide
CO ₂ e	Carbon dioxide equivalent
Convergence	Information and communication technology products and services combining voice and data
EASSy	Eastern Africa Submarine Cable System
EDGE	Enhanced data for GSM evolution (EDGE) delivers 2G technology that delivers advanced mobile services such as downloading video and music clips, full multimedia messaging, high-speed colour internet access and email on the move. It is five times faster than conventional GPRS
EIG	Europe India Gateway (EIG) submarine cable
EMF	Electromagnetic fields or radio signals or waves, or energy that travels through space
GB	Gigabyte
GDP	Gross domestic product
GHG	Greenhouse gas; unless indicated otherwise, GHG emissions are made up of CO ₂ , Methane (CH ₄), Nitrous oxide (N ₂ O), Hydrofluorocarbon (HFC), Perfluorocarbon (PFC) and Sulphur Hexafluoride (SF ₆). The United Nations has identified these six gases as the greatest contributors to global warming
GSMA	Global System for Mobile Communications Association
GPRS	General Packet Radio Service (GPRS) is a connectivity solution based on internet protocols that support a wide range of enterprise and consumer applications
HSDPA	High-Speed Downlink Packet Access (HSDPA), part of the evolutionary path of 3G
ICASA	Independent Communications Authority of South Africa
ICNIRP	International Commission on Non-Ionising Radiation Protection: www.icnirp.de
ICT	Information and communication technology
IFC	International Finance Corporation
ITU	International Telecommunications Union
King III	King III Code of Corporate Governance for companies operating in South Africa
LEED	Leadership in Energy and Environmental Design
LTE	Long-Term Evolution
MMS	Multi Media Services
MTR	Mobile termination rates
MW	Megawatt
RF	Radio frequency
SEACOM	Submarine cable linking South and East Africa
SME	Small and Medium Enterprise
SMS	Short Messaging Service
TEAMS	The East African Marine System submarine cable
UNEP	United Nations Environmental Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNWFP	United Nations World Food Programme
WACS	West Africa Cable System
WAP	Wireless Application Protocol
WHO	World Health Organisation

Glossary and definitions continued

The following definitions were applied to the business KPIs selected for assurance.

KPI	Description of KPI
Quality of service	Quality of service is a technical measure used to judge 2G and 3G network performance regarding the end-user customer experience. As revenue and customer satisfaction is related to network performance and quality, the following aspects will be used to determine if MTN is meeting end-user demands: Network uptime as measured by Traffic Channel Availability (TCH availability all hours (%)); call services measured with call setup success rate (CSSR) all hours; calls dropped using the definition for dropped call rate (DCR) All Hours. The rates reported are for the MTN South Africa, Nigeria and Ghana opcos, and for the reporting period 1 January to 31 December 2013.
MTN Group Employee culture survey result	The MTN Group employee culture survey is conducted annually across each of the MTN Group's 22 operating countries (referred to as opcos), and within the MTN Group head office (management company referred to as MANCO). The survey is conducted at a business unit level and at a team level within the business unit. The survey reviews 14 dimensions that assess the extent to which MTN's SFTE (standard full-time equivalent) employees are a fit for the Company's operational and competitive requirements as defined by the Group's vision and strategy: employee engagement; leadership; employee development; performance management; employee diversity; pay and benefits; Company image; competitive position; innovation; work organisation and efficiency; direct supervisor; communication; goals and objectives; and values.
MTN Group fraud risk management framework (FRM) implementation	"The MTN fraud risk management framework (FRM) outlines the minimum requirements for proactive and reactive fraud risk management across the MTN Group. Implementation of the FRM guideline is considered in place should the following proactive and reactive actions be reported in the operating company's (opcos) quarterly audit reporting committee packs: Proactive reporting requirements: Top fraud risks identified and rated (mandatory) and awareness raising, training activities undertaken (other best practice). Reactive reporting requirements: Fraud investigation is taking place (mandatory) and feedback on whistle-blowing/tip-offs is recorded (other best practice)."
MTN Group Whistle-blower Hotline Data	The anonymous tip-offs line is managed by a third party, which collects the tip-offs and reports to MTN. MTN is responsible for the investigation of the tip-off. The tip-off items include fraudulent tip-offs and other administrative matters. A matter is regarded as received when the call is logged on the anonymous tip-offs line and MTN is informed of such matter reported.
MTN Group Foundation spend	MTN Group's corporate social investment (CSI) activities are implemented through two vehicles: MTN Foundations in some of the countries in which MTN operates, and 21 Days of Y'ello Care (an employee volunteering initiative undertaken over a set period of 21 days annually). MTN CSI comprises financial, in-kind and employee volunteering initiatives undertaken by the MTN Group and its operations for the benefit of communities and other stakeholders in the countries in which MTN operates. The following areas of spend are recognised for the purposes of CSI reporting: All direct financial and in-kind contributions (financially quantifiable) to initiatives in the following sectors – education, including non-commercial sponsorships and bursaries; health, including non-commercial sponsorships and bursaries; National Priority Foundation investment, which ideally should be aligned to the Millennium Development Goals; economic empowerment initiatives. CSI spending excludes investment with a direct marketing revenue benefit, commercial and political sponsorships, as well as employee volunteering initiatives authorised and approved annually by the Group stakeholder relations CSI function, in terms of the 21 Days of Y'ello Care programme. CSI spend includes operating expenses and management fees associated with the running of Foundation and volunteering activities, where these are included in the Foundation's trial balance and general ledger account.
Energy spend in MTN Nigeria	MTNN's energy spend figure (ZAR) is a sum of BTS sites and other facilities owned by MTNN. For BTS sites, the following explains the spend figure reported: actual payments for BTS electricity; actual payments for BTS diesel fuel (including diesel delivery costs). For other facilities, the following explains the spend figure reported: actual payments for electricity (including variable costing scales such as peak hour rates, and fixed costs related to consumption). Actual diesel consumed by MTNN facilities, multiplied by a diesel rate (including diesel delivery costs) per region. In all cases, energy costs not included, as billed by a local or national provider or lessor, include the following: Municipal service charge; business and/or sundry business charge; value added or other tax including carbon tax.
Energy use in MTN Nigeria	MTNN's energy use figure is derived from use at BTS sites and other facilities owned by MTNN. For BTS sites, the following explains the use figure reported: expected electricity use in kWh based on reasonable, agreed figures per BTS site, calculated from aspects including connectivity to the national power grid; expected diesel use in kℓ based on reasonable, agreed figures per BTS site, calculated from aspects including generator capacity, site load, and location characteristics. For other facilities, the following explains the spend figure reported: actual electricity use in kWh for switches, data centres, head office and regional offices; actual diesel use in kℓ for switches, data centres, head office, regional offices, and company-owned vehicle use.
Carbon emissions for MTN Nigeria	MTN accounts for its greenhouse gas (GHG) emissions in terms of the scope and definitions indicated by the Carbon Disclosure Project (CDP). The unit of measure is expressed as metric tonnes CO ₂ e. The scope of emissions is as indicated in the CDP, and include direct emissions (Scope 1) and indirect emissions (Scope 2). All MTN operations under the direct (majority) financial and/or management control of the MTN opco are included in the calculation.



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