



**10 YEARS OF PRACTICING THE 10 PRINCIPLES:  
THE MTN NIGERIA WAY**

Communication on Progress Report to the  
United Nations Global Compact

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***The MTN Nigeria Way***

**BACKGROUND INFORMATION**

Company name	MTN Nigeria Communications Limited
Address	Golden Plaza Building Falomo, Ikoyi Lagos <b>Mailing Address:</b> P.M.B. 80147 Adeola Odeku Post Office Victoria Island Lagos
Country	Nigeria
Telephone no.	+234 803 902 0001
Web address	<a href="http://www.mtnonline.com">www.mtnonline.com</a>
Submission date	July 2011
Membership date	2006
Number of employees	6282 permanent and contract staff
Sector	Telecommunications
Contact name	Akinwale Goodluck
Position	Corporate Services Executive

## NATURE OF BUSINESS

### **We are Nigeria's Biggest Mobile Operator...**

With a 52% market share, and over 40 million subscribers, MTN Nigeria Communications Limited is the largest subsidiary in the MTN Group - a multinational telecommunications group offering world-class cellular network access and business solutions.

The MTN Group has mobile licences across 21 countries in Africa and the Middle East, and as at the end of June 2011, had recorded more than 150 million subscribers.

MTN Nigeria secured one of four licenses to operate digital GSM (Global System for Mobile Telecommunications) telephony on February 9, 2001, from the Nigerian Communications Commission and in May that year, emerged the first telecommunications company to make a commercial call on its GSM network.

Thereafter, MTN Nigeria launched full commercial operations beginning with Lagos, Abuja and Port Harcourt, in August 2001.

MTN subsists on the core brand values of *Leadership, Integrity, Relationship, Innovation* and a *Can do* attitude. We pride ourselves on our ability to make the impossible possible, connecting people with friends, family and opportunities and enriching lives through our products and services.

MTN Nigeria is 75.8% owned by MTN International, (MTNI) Limited, Mauritius; 21.2% held by Nigerian partners through special purpose vehicles; and 3% owned by the International Finance Corporation (*IFC – the infrastructure investment arm of the World Bank*).

### **With the largest network in Africa...**

MTN Nigeria's commitment to first-class network quality is at the centre of the key value proposition to its customers. For this reason, MTN has continued to break new grounds in network expansion and provision of state-of-the-art infrastructure to guarantee excellent quality of service.

It has been able to achieve this having invested over \$7 billion dollars in fixed assets and facilities nationwide. **The latest milestone in our network investment came to fruition in 2010, when MTN Nigeria (in partnership with Ericsson) commissioned the largest**

**network switch centre in the world, capable of handling up to 8 million subscribers at a time.**

The first of our investment milestones began in January 20, 2003, when MTN commissioned the first phase of its digital microwave transmission backbone, *Y'elloBahn®*. Constructed at an initial cost of \$120million, the first phase of *Y'elloBahn®* spanned **3,500** kilometres. The 2<sup>nd</sup> phase of *Y'elloBahn®* which started in July 2003 extended the *Y'elloBahn®* project to cover a total of 4,500 kilometres.

As at December, the length of the MTN Nigeria's transmission network stands at 10,860km thus making it Africa's most extensive digital transmission infrastructure, and it has significantly contributed to enhancing call quality on MTNN's network.

Over the years, the company has focused on expanding and improving the transmission capacity on its network. In 2005, the company began the deployment of fibre optic cables across the country and now has the longest and the most modern fibre-optic cable ever laid in Africa, covering a total of 8,052 kilometres.

Presently, the MTN Nigeria network is coordinated from one hundred and nineteen (119) switches located in 10 cities spread across the country. In addition, MTNN has about 6576 2G sites & 1552 3G sites as at December 2010.

As a result of this massive investment, MTN Nigeria now has the most expansive network coverage, spread across 2,394 cities, towns and villages in all 36 states of the federation, including the Federal Capital Territory (FCT). It also provides network coverage to 85.24% of Nigeria's land mass, while 85.06% of the population have access to our services.

On February 10, 2003, MTNN became the first Nigerian mobile company to record one million active subscribers on its network and now has over 40 million subscribers.

### **Offering True Value for 10 Years...**

Since commencing business operations ten years ago, MTN Nigeria has consistently placed a high premium on first class network quality, excellent customer service and value-added services which truly enrich customers' lives.

As a pioneer and leader in the industry, MTN is not only the largest telecommunications company in Nigeria, but has also recorded several notable firsts, which have positioned our operations and activities as a point of reference for the telecommunications industry and the business community in Nigeria and Africa.

These range from being the first company in the world to offer Blackberry phones for prepaid customers, to being the first Nigerian phone company to introduce free midnight calls for its subscribers.

Our commitment to Corporate Social Responsibility has earned us a reputation as *"The No.1 CSR telecoms company"*, and as the first Nigerian mobile company to establish a Foundation, we go the extra mile in putting smiles on the faces of Nigerians through sustainable projects spanning the education, economic empowerment and health sectors, which have a high impact on the quality of life in communities across Nigeria.

In other ways, we are also committed to adding value through our efforts at ensuring good corporate governance, which have earned us commendation from various arms of government. We are proud to note that our level of fiscal compliance (through various tax payments) has made a significant contribution to Nigeria's Gross Domestic Product.

In all, MTN is proud to be at the forefront of Nigeria's ICT revolution, developing innovative products and services to empower people and enrich lives.

We aim to continue to lead Nigeria's mobile revolution with cutting-edge converged services which cut across mobile telephony, data and internet, mobile commerce and fixed landline services, thus enabling a viable, sustainable future for Nigerians.

*For more information about MTN Nigeria's products and services, please visit our website on [www.mtnonline.com](http://www.mtnonline.com)*

## EXECUTIVE STATEMENT OF CONTINUED SUPPORT FOR THE GLOBAL COMPACT:



Since we began commercial operations in 2001, MTN Nigeria has consciously imbibed all 10 UNGC principles into our everyday business activities. Indeed we are a proud and committed member of the United Nations Global Compact, who do more than just sign-up to the principles. We demonstrate our belief in and support for them in practical ways and as each year's COP has shown, have continued to gain momentum with each passing year.

We have been able to sustain and increase our commitment over the years through living our five core values of Leadership, Integrity, Relationship, Innovation and a Can-Do attitude.

These values which define our business and underscore our successes, also give impetus to our conviction that businesses should carry out their operations in a responsible and ethical manner, one that is also transparent and accountable.

Like the UNGC, we also subscribe to the belief that in the interests of integrity, transparency and accountability, businesses should also be willing to publicly communicate their activities. As we continue to do so across various platforms in demonstration of the MTN brand value of integrity, this and several other accomplishments have brought us recognition locally and internationally - as a fitting example of an African company that has grown to become a globally respected brand.

I thank the Board, Management and staff of MTN Nigeria for their individual and collective roles towards the progress highlighted in this report. I hereby restate our commitment to upholding the principles of the UN Global Compact.

*Brett Goschen*

**Chief Executive Officer, MTN Nigeria**

## ABOUT THIS REPORT

This is MTN Nigeria's fourth COP report and you can view previous reports by clicking [here](#).

### ***The Ten Principles***

The U N Global Compact's ten principles in the areas of Human Rights, Labour, Standards, the Environment and Anti - corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention against Corruption

The UNGC Principles are listed below:

#### **Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

#### **Labour Standards**

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

#### **Environment**

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally-friendly technologies.

#### **Anti-Corruption**

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Membership of the UNGC requires companies to issue a Communication on Progress (COP) report annually.

MTN Nigeria is committed to upholding these principles and the report you are about to read will outline our activities in support of these principles during the year 2010.



## Human Rights

- Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2 - Businesses should make sure they are not complicit in human rights abuses

### Strengthening our commitment through Policy

As the biggest telecommunications provider in Nigeria, our business model over the past ten years has been built around the need to uphold one very basic human right – ***the freedom to speak and be heard***.

In ten years of business operations, Now, as we diversify our operations into other equally inspiring realms of communication, we are proud of our role in empowering Nigerians, giving them the freedom to connect with one another and with their passions and aspirations.

Indeed,, we remain committed to upholding and enforcing codes of conduct that promote fundamental human rights as defined by the Universal Declaration of Human Rights.

This commitment is applied through various policies that govern our work and business relationships. They include:

[Wellness Policy](#), [MTNN Code of Ethics](#), [MTNN Corporate Business Principles](#), [Guidelines in the Conduct of Government Affairs](#), [Supplier Code of Conduct](#), [Conditions of Service Manual](#), [Supplier Code of Conduct](#), [MTNF Policy Manual](#);

We are also committed to ensuring that our employees, customers, suppliers and partners, are not complicit in human rights abuses on the basis of physical disability, gender or race thereby promoting diversity and equality in and through the organisation.

### Demonstrating our commitment through Action

*UDHR Article 19: Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.*

- As a Group, MTN places emphasis on honest feedback as a catalyst for change, growth and ultimately success. In April 2010, MTN Group launched a series of Internal

Satisfaction Surveys across the 21 MTN Operating Units including Nigeria. Tagged **MTN Voice**, the internal surveys measure internal customer satisfaction on services provided by various support divisions in MTN, such as Finance, Information Systems and Human Resources.

To ensure diversity, 25% of the staff in each division are selected across job levels and gender. In addition, survey participants are selected randomly and the responses are anonymous.

- Since 2005, the MTN Group has organised an internal Group Culture Audit (GCA) survey to enable all staff provide objective opinions about the workplace without fear of victimisation. Organised by an independent consultant, the results from this survey are treated confidentially towards ensuring total anonymity.

**The 2010 GCA for MTN Nigeria recorded a staff participation rate of 94.22%.** As is the practice with previous exercises, the general results of the survey and opinions expressed will be collated and shared with all employees.

*UDHR Article 23(3): Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.*

- To recognise the contribution of employees to MTNN's financial performance in 2009, Management decided to repeat the favourable practice of awarding one-off household gifts to its employees who contributed to the company's success. This initiative (which was implemented in 2009) is in addition to the annual salary increments and bonuses which are paid regularly to ensure that all employees are well remunerated and can take care of their dependants.
- In 2009, MTN Nigeria embarked on a structured relationship management programme known as **MTN Bizlift** designed to support the businesses of thousands of small and medium scale retailers, who in turn support their families. By December 2010, the number of small scale outlets under **MTN Bizlift** grew **39%** from **72,493** to **120,150**.

*UDHR Article 25(1): Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.*

- Working through its Foundation, MTN Nigeria launched its Medical Support Project in response to the rise in cases of kidney disease and breast cancer in Nigeria. In 2010, the Foundation built and commissioned 4 haemodialysis centres in public hospitals across Nigeria to offer subsidised treatment to members of the public. 8 more centres are to be completed and will be commissioned before the end of 2011.

*UDHR Article 25(2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.*

- The MTN Foundation is also investing in the fight against Breast cancer and has built 6 mammography centres across the country.
- In 2010, MTN Nigeria provided free medical treatment locally and overseas for 20 women and children with various terminal ailments ranging from heart disease, to plastic surgery from burns sustained by domestic accidents. The funds provided covered travel, accommodation and feeding. The cost of treatment for these beneficiaries in 2010 is estimated at over \$200,000.



**Great Nkor (here pictured with his family in the background) was one year and 3 months old when he was severely burned in a domestic fire accident. With the help of the general public, he had undergone 11 operations before coming to the attention of the MTN Foundation. MTNF subsequently sponsored 4 reconstructive surgeries for Great outside the country.**



*Baby Taiwo Aminu (here pictured with his parents) was diagnosed with a hole in the heart. After reading about the MTN Foundation in the newspaper, the father wrote to the Foundation, and MTN sponsored his child's corrective surgery in India for free. He is now hale and hearty.*



*Olufunmibi Ekemode had lived with a hole in his heart for 22 years, before he was diagnosed after slumping in the university. MTN helped pay for his corrective surgery in India*

- The Foundation has also commenced active sponsorship of two empowerment projects for persons living with disabilities, which are organised in partnership with private NGOs. Under the first scheme, (**The MTNF Disability Support Project**) 10,000 people were provided with various mobility aids and appliances such as wheelchairs, tricycles, crutches, guide canes, hearing aids, Braille wristwatches and Braille machines.

The second scheme (**Skills Acquisition Project for Disabled Persons**) also provides long-term training for 45 disabled youths in various skills (tailoring, shoe making & welding) to enable them become financially independent.

*UDHR Article 26(1): Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.*

MTN Nigeria promotes education at various levels and in 2010, the company worked through its foundation to record several achievements in the education sector.

- The MTN Foundation continues to provide learning materials to schools all over the country nationwide to demonstrate MTNF's commitment to assisting Education in Nigeria. We distributed a total of 58,528 exercise books; 7,295 school bags; 13,520 rain coats; and 8,270 pencil cases to 131 primary and secondary schools between January to December 2010.

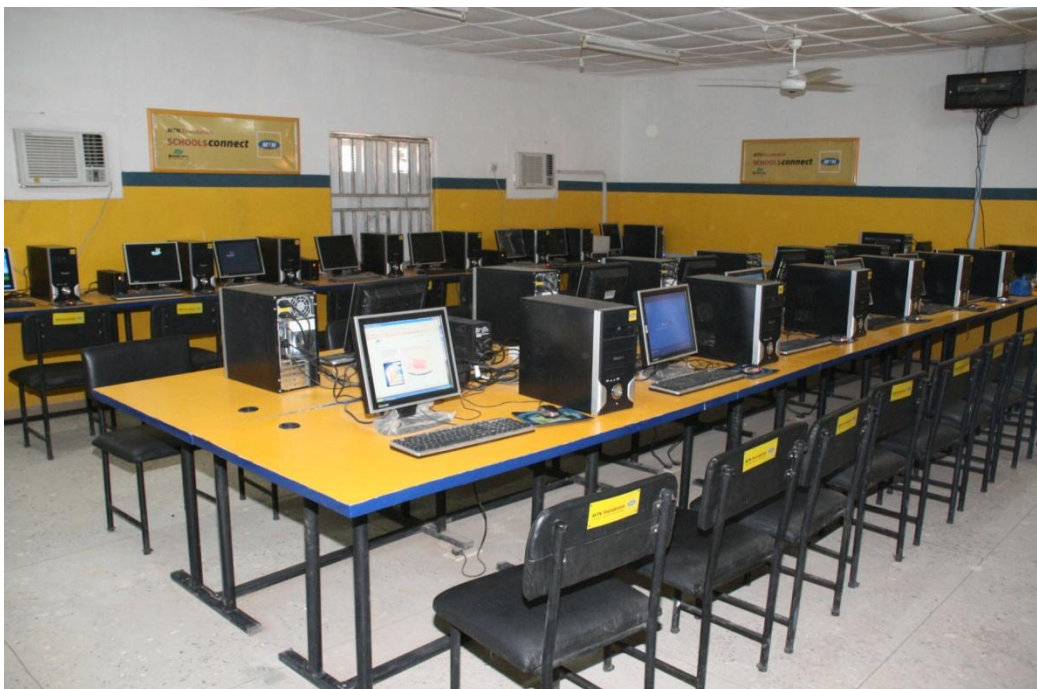




***Students of the L.A. Pry. School, Ibeshe Town, one of the 131 primary school recipients under the MTNF Learning Materials initiative***

- In November 2010, The Foundation also commissioned the latest phase of its SchoolsConnect project in 12 secondary schools across 3 states. Under this initiative, each of the 12 schools will receive the following free:
  - 21 computers and a server
  - VSAT equipment and internet connectivity bandwidth subscribed for 1-year
  - Furniture to seat 42 students in the lab
  - Subject software to serve as teaching aids
  - Insurance cover for 1-year
  - A printer, multimedia projector and white board
  - Teacher training at a selected location in the state for 6 teachers
  - Retainer fees for local technical company for 1-year to provide technical support
  - 30 KVA generator and 4 air conditioners

So far, a total of 62 secondary schools in 15 states have received similar donations from the Foundation, and many more Nigerian schools will receive same in future.



***A Typical MTNF SchoolsConnect Library***

- The MTN Foundation has also commenced the award of scholarships to 500 full-time Science & Technology students in public universities, polytechnics and colleges of education spread across the country. The scholarship has a value of \$1400 and is renewable annually until graduation provided the students fulfil the scholarship requirements.
- 1,980 MTNN employees also volunteered to spend 21 days to participate in 76 public service projects and activities targeted at promoting better health practices against malaria, which is widespread in Africa.

This initiative was held across 12 administrative regions (states) across the country. MTN staff distributed 2200 mosquito nets, fumigated and cleared drainages/refuse dumps in 43 locations, and held various awareness seminars on malaria, among other activities. Direct feedback received indicates that more than 100,000 Nigerians benefitted from our volunteer efforts, while the ripple effect on their families will exceed this number.

(A detailed report of all the projects is available on [www.yellocare.com](http://www.yellocare.com))



*Every year, thousands of MTN Nigeria staff join their colleagues in other MTN operations to volunteer their time, resources and energy for 21 dedicated days to embark on various projects aimed at improving the quality of life in their respective communities.*

**UDHR Article 27(1)** *Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits*

- In 2010, MTN was the official mobile operator and sponsor of the FIFA World Cup which took place in South Africa. To celebrate its sponsorship, and to facilitate the celebration of this unique global cultural celebration of football, MTN Nigeria undertook to sponsor free trips to South Africa for 533 stakeholders (made up of customers, staff, and business partners).
- As the biggest network in Nigeria, MTN has presence in thousands of communities and takes pride in enriching lives and promoting Nigeria's rich and diverse cultural heritage. In 2010, MTN Nigeria sponsored 41 cultural festivals across the country such as the Iri-ji Festival in Imo State, and the Durbar festivals in Kano and Kaduna **(See pictures below).**

A list of sponsored festivals is available in the appendix at the end of this report





## Labour Standards

- Principle 3  
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4  
Businesses should support the elimination of all forms of forced and compulsory labour
- Principle 5  
Businesses should support the effective abolition of child labour.
- Principle 6  
Businesses should uphold the elimination of discrimination in respect of employment and occupation.

### Strengthening our commitment through policy

As an organisation with a highly skilled workforce of over 6282 men and women, we place a lot of value on creating the most conducive work environment for our employees, while continually attracting the best talent.

Our definition of “best talent” is not gender-sensitive, and we endeavour to ensure that recruitment and remuneration of employees is not dependent on their gender, but is based on their qualifications and performance in the workplace.

We are however gender-sensitive in our anti-discrimination policies, and we promote a working environment that is zero-tolerant towards any action, attitude or policy that might in any way discriminate against our female employees.

Overall, we have also drafted policies that will ensure that we do not discriminate against persons based on their ethnic origin, marital status, religion, race, colour, age and physical disability.

In addition, MTNN supports the participation of its employees in structured processes which will serve as a platform for negotiating work conditions and office regulations.

Finally, MTNN strongly rejects all forms of forced labour and child labour and upholds activities which prevent its occurrence. We ensure strict adherence to age restrictions for our labour force and also enforce this with all sub-contractors and service providers such that recruitment of under-aged personnel is strictly prohibited.

We commit our business to upholding the aforementioned objectives via the following policies: the [Conditions of Service Manual](#), [Employee Council Constitution](#), the [MTNN Code of Ethics](#), and the

## **Demonstrating our commitment through Action**

### **Our Employees**

- **In 2010, MTN Nigeria launched its first ever MTNN Employee Value Proposition (EVP).**

Designed around 5 key areas, it aims to provide employees and those wishing to join MTN with an understanding of what the company offers to attract and retain talent. These areas are:

- **A Global Culture:** Creating a stimulating company culture and environment upheld by our globally diverse workforce.
- **A Strong Brand:** Building an environment and culture that sustains the Company Brand and reinforces its values.
- **Leadership:** Reinforcing MTN values through visionary leadership.
- **People Investment:** Investing in the management and development of our employees by providing them with opportunities to realize their full potential.
- **Pay and Benefits:** Recognising and rewarding the invaluable contributions of employees through competitive rewards.



***Launch of the Employee Value Proposition in Lagos, Nigeria***





The EVP also calls on every employee to commit him/herself to meeting the company's expectations of them via their performance, attitude and behaviour in the workplace and beyond Implementation and delivery of the various promises offered under this initiative has already begun across the business with appreciable results. Some of these activities are:

- Implementation of Enhanced Annual Leave Benefit: Increase in number annual leave days (segregated according to job levels) for employees who have completed a minimum of 3 years of service in MTN.
- Introduction of *The LIRIC Training Programme*, a company-wide training programme on Culture, Diversity, and the MTN Core Values organized for junior and middle management employees and designed in partnership with renowned consulting firm, Trompenaars Hampden-Turner Consulting.
- Introduction of the MTN Academy REACH Programme (designed in partnership with Ken Blanchard organisation) for supervisors and managers to equip them with foundational knowledge to build and lead effective teams.
- Increase in funding for the MTNN Accredited Learning Scheme, which is held in partnership with Research and Development International, UK. This Distance Learning Programme is organised annually to promote the educational and professional development of MTNN employees. 100 employees were successfully granted admission in 9 courses in various UK institutions. MTNN has committed to fund their education with the sum of **574,099.25 GBP**

## Protecting Women and Children

- Sponsorship of the Annual Great Hope Walk 2010 held in Lagos on December 11, which is held annually to raise awareness of the plight of Orphans and vulnerable children.



*The 2010 Great Hope Walk in Lagos*

- From 250 children in 2009, the MTN Foundation CARES initiative now provides integrated care and support for 600 orphans and vulnerable children (OVC) in Lagos, Kogi, Sokoto, Gombe, Imo and Cross River States. The Foundation ensures that they receive scholarship and educational support, medical care, nutritional and psychosocial support through special events designed to build their skills, confidence and resilience.



***Meet Eyo-Anwan, Jacintha and Orok Eyo, all beneficiaries of the MTN Foundation Children at Risk Empowerment Scheme (CARES) project. Abandoned by their father, the children and their mother now supported by the MTN Foundation, along with 577 others children and their families.***

- In 2010, MTN Nigeria donated significant resources (cash and in-kind) to 22 orphanages around the country thereby enhancing their ability to protect children from dangerous, exploitative work.





***Dayo Idowu is a Canada-based businessman and founder of The Children of Promise Ministries(CHIPROM) Ibadan, Oyo State. It is one of 22 orphanages that received financial and material support from the MTN Foundation in 2010.***

- Another phase of the MTN Foundation Rural Telephony Project (RTP), was completed in 2010, and there are now 4500 rural entrepreneurs, mostly women, across 28 States of the Federation have been empowered through the project.

There are also plans to add additional 5000 beneficiaries from 30 states to be part of the project in 2011.



## Empowering the Youth

Over 50% of Nigeria's population is made up of young people under 21, and MTN is committed to empowering this segment of the population where possible, by providing them with a means to avoid the dangers of conflict and embrace the dignity of honest labour.

- Part of our commitment is in the establishment of two call centres in the Nigerian city of Jos which now employs 600 young men and women. This feat is noteworthy as the city of Jos had been rocked by sectarian violence which had caused several businesses to flee from the city, leading to loss of jobs.
- The MTN *Bizlift* project which was successfully launched in 2009 continued to record new successes in 2010. This initiative was designed to empower small scale businesses nationwide by offering them diverse benefits and rewards for their achievements.

By December 2010, the number of small scale outlets under *Bizlift* grew **39%** from **72,493** to **120,150**.

In addition, the scope of the initiative was expanded to include structured medium scale businesses such as supermarkets, pharmacies, small hotels and retail outlets. This will provide these businesses with a viable means of additional revenue to boost their operations.

**As a result of this decision, a total of 25,050 new businesses were registered under *Bizlift* in 2010.**

- We have also opened 5 new Service Centre outlets (Called **MTN Connect Stores**) in various cities in 2010. This brings our total number of such outlets to 57, the largest for any operator in Nigeria.

MTN Connect Stores look and feel like Service Centres but are actually owned by a third party and operated as a franchise store.

This concept was pioneered by MTN Nigeria to empower communities and aspiring entrepreneurs while acting as a perfect complement to or substitute to the existing Service Centres. There are currently 42 Connect Stores.

- Through the MTN Foundation, there are plans to launch a Youth Skills Development Project to help improve the technical skills of Nigerian youths to ensure that they become better craftsmen, technicians and artisans. The project entails the upgrade of 6 selected existing government technical/vocational colleges across the country, and will be implemented in 2011.

## Environment

- Principle 7  
Businesses should support a precautionary approach to environmental challenges.
- Principle 8  
Businesses should undertake initiatives to promote greater environmental responsibility
- Principle 9  
Businesses should encourage the development and diffusion of environmentally friendly technologies.

### Strengthening our commitment through Policy

MTN takes a serious, business-minded approach to environmental protection, and we are committed to ensuring that our operations, employees and the communities are environmentally safe and in total compliance with international environmental regulations.

For over 10 years, MTN Nigeria has maintained an impeccable record with regard to its environmental policies, **and in 2010, no penalties were levied to the company for violating environmental laws.**

Despite our progress and experience in this field, we recognise that there are still many opportunities to embed stronger environmental considerations in our business strategy and we commit to continuous learning and action in this regard.

We are also of the opinion that some of the challenges currently faced in Nigeria's quest for a greener environment are issues that will be resolved by means of a broader consensus amongst various stakeholders in government, regulatory agencies and the private sector.

We therefore commit to initiating public discourse, exploring better alternatives, and promoting safer environmentally-friendly practices amongst our employees, our partners, suppliers, and our customers.

This commitment is enshrined in Section 5 of our [MTNN Code of Ethics](#) which affirms our corporate belief to ensure a safe environment for employees, whilst working towards enforcing greater environmental responsibility across the country with regards to all our products and services.

We also adhere to a written environmental policy which is available on notice boards across all our offices, and also in form of an electronic media. The policy comprises a Safety, Health and Environmental (SHE) Policy and a waste disposal and management policy

## Demonstrating our commitment through action

### Environmental Management System – ISO Certification

- In 2010, MTN Nigeria received the global ISO 9001:2008 Certificate on Quality Management Systems in recognition of the giant strides made by our Network Group Division to ensure that an effective Quality Management System is put in place
- We have also embarked on the implementation of **ISO 14001**, an international standardization and certification process for environmental management systems. This will help position MTNN for optimal performance and industry leadership by providing best practice tools for reducing environmental footprints (e.g. pollution and waste production) and thus minimising the adverse effect of our operations on the environment.

As part of the ISO 14001 certification process, a staff awareness campaign was held in February and March to sensitize the business on the necessary environmental management requirements and guidelines that need to be put in place.

### Energy

- **In 2010, management approval was given for the implementation of a 10 year Energy Roadmap to ensure that MTN reduces its diesel dependency by over 50 percent by the year 2020.** This move is expected to reduce carbon emissions and noise pollution, and it entails the use of alternative power solutions like wind, solar energy, high-performance batteries, as well as diesel to power our base stations and offices.
- The challenge caused by erratic provision of electrical energy in Nigeria requires that the company continues to source its energy requirements from diesel generators. This currently accounts for 80% of our energy needs.

In the meantime, we have ensured that the noise decibel levels of generators installed at all new sites are compliant with internationally approved standards of 65dBA at 7m noise level. This is achieved in partnership with the various regulatory bodies at federal and state levels that carry out periodic environmental audits on our sites.

## Transportation

*Transportation, whether by road or air, local or international, has significant impact on the environment, and MTNN is bracing up to challenge of lessening the impact of these trips on the environment, while maintaining its operational efficiency and quality of service to nearly 40 million customers spread across an area measuring 923,768 sq km (which is bigger in size than Japan, Germany and Portugal put together!)*

- In 2009, MTNN pioneered the launch of communications technologies such as video conferencing to enable its employees communicate virtually instead of embarking on air travel. In 2010, we introduced MTN E-Presence to Nigeria, an innovative business solution that offers video conferencing technology to businesses in three major Nigerian cities - Abuja, Lagos, and Port Harcourt.
- MTNN completed the installation of car tracking devices on MTNN Vehicles to help monitor, and ensure better usage and management of fuel for the company vehicles, while ensuring safety of lives and assets.
- We also reviewed the allotment of status vehicles to members of staff to reduce deployment of vehicles (and carbon emissions) on the roads, while boosting operational efficiency.
- Introduction of new buses and more bus routes for staff transportation to reduce the incidence of staff driving to the office, thus reducing carbon emissions.

## Expansion of E-transactions

- MTNN has commenced the use of environmentally-friendly office paper, sourced from reputable suppliers, for all its office transactions to help reduce the impact on the environment. This is in addition to promoting the use of bio-degradable recharge cards as a means of payment for most of its business transactions, thus reducing paperwork. In 2010, the recharge cards were introduced as a payment option for phone and internet bills incurred by customers on MTNN's **HyConnect** platform.
- We have also continued the automation of some of our internal processes to reduce the need for paperwork. This has led to the introduction of online applications such as Siebel CRM (Customer Relationship Management) Tool for our Call Centre to help improve the time spent in identifying, resolving and keeping track of customer queries, complaints and enquiries.

## Corruption

### G.C Principle 10

- Businesses should work against corruption in all its forms, including extortion and bribery.

### **Strengthening our commitment through policy**

One of MTN Nigeria's five core values is Integrity, and we have taken great care to ensure that all our employees, partners, and customers are aware of our commitment to this value.

To put it simply, our integrity helps to build our reputation. Our reputation helps build our brand name, and our brand name has helped us become the biggest network in Nigeria.

MTN practices a zero-tolerance policy against corruption in all forms, and several policies/practices have been put in place to ensure this: [MTN anti-fraud policy](#), [Conditions of Service Manual](#), [MTNN Code of Ethics](#), [Disciplinary Process](#), [MTN Nigeria Gifts & Donations Policy](#)

### **Demonstrating our commitment through action**

- **Following our successful launch of the *MTN Tip-Offs Anonymous*** whistle blower service in 2009, we held a series of communication initiatives to promote this service to staff.

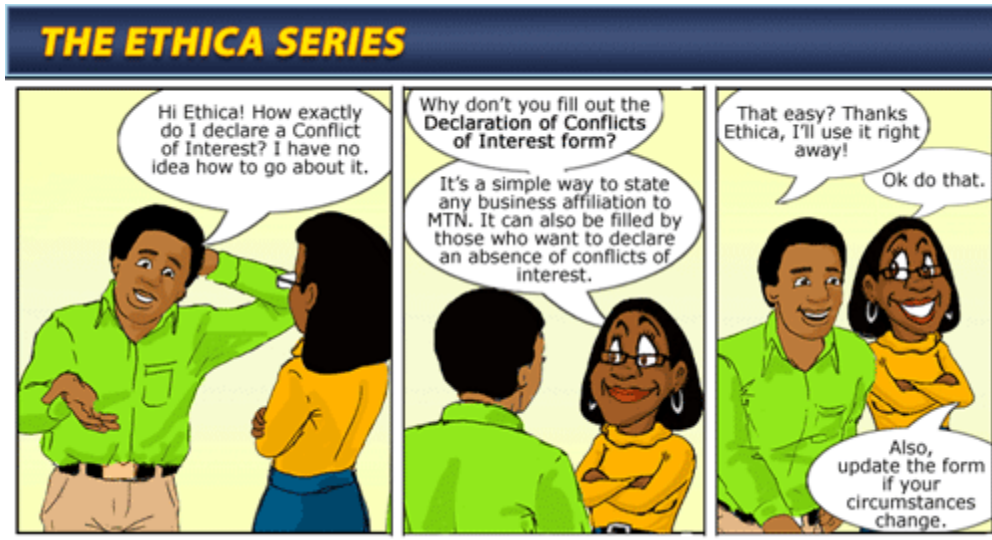
These include:

- More Road shows were held across various locations to sensitise staff about the new service.
- A special Staff ID Card holder and lanyard with information/contact details of the Tip-Offs Anonymous hotline and email was designed for employees to place their ID Cards and also show their support and commitment to a corruption free company.
- A survey on the initiative was conducted in April 2010 which is aimed at measuring the impact of the service on MTN employees, while providing useful feedback to the business on areas of improvement.

- In line with MTN's commitment to good corporate governance through institutionalized ethical conduct, the Internal Communications Unit launched a monthly cartoon series tagged "**The Ethica Series**" which is aimed at providing employees with information and understanding of the policies which guide ethical conduct for all stakeholders.

**The Ethica Series** is anchored by a female illustrated staff character, Ethica.





Samples of ***The Ethica Series*** cartoons

- The Business Risk Team invested over 21,000 hours in 2010 in auditing various business projects and processes of our operations. The findings from these audits have helped to significantly improve our control environment and better mitigate risks across the business.

## Making This C.O.P Available To Stakeholders

*An electronic version of the C.O.P will be made available to the following stakeholders:*

- ✓ *All categories of staff via the Company Intranet*
- ✓ *MTNN/MTNF Directors*
- ✓ *MTN Suppliers*
- ✓ *MTN Consultants and agencies*
- ✓ *Media partners*
- ✓ *MTNF Implementation partners*
- ✓ *MTN Health providers*



## 2010 MTN SPONSORED FESTIVALS

Region	MTN Sponsored Festivals	Location	2010 Event Date
Lagos	Sagamu Festival	Sagamu, Ogun State	October
	Oronna Festival	Ilaro, Ogun State	November
	Badagry Festival	Badagry, Lagos State	August
	Ikorodu Festival	Ikorodu, Lagos State	December
	Lisabi Festival	Abeokuta, Ogun State	February
	Omu-Eleni Festival	Ogun State	April
SW	Osun-Oshogbo Festival	Oshogbo, Osun State	August
	Igue Festival	Benin, Edo State	December
	Olojo Festival	Ile-Ife, Osun State	October
	Ile-Oluji Festival	Ile-Oluji, Osun State	November
	Oyemekun Festival	Akure, Ondo State	November
	Ayangalu Festival	Oyo town, Oyo State	September
	Ijube festival	Ekpoma, Edo State	February
SS	Leboku International Festival	Ugep, Cross River State	27 <sup>th</sup> July -17 <sup>th</sup> August
	Opobo Boat Regatta	Opobo, Rivers State	24 <sup>th</sup> Dec – 8 <sup>th</sup> Jan
	Iriji Arochukwu (New Yam) Festival	Arochukwu, Abia State	September 3 <sup>rd</sup> - 25 <sup>th</sup>
	Igwaji Aggah Omoku Traditional Festival	Aggah Egbema, Rivers State	28 <sup>th</sup> Aug - 5 <sup>th</sup> Sep
	Carniriv	Rivers State	December 13 <sup>th</sup> - 18 <sup>th</sup>
SE	Ofala Nnewi	Nnewi, Anambra State	December 28 <sup>th</sup> - 29 <sup>th</sup>
	Iriji Mbaise	Mbaise, Imo State	August 14 <sup>th</sup> - 15 <sup>th</sup>
	Ofala Onitsha	Anambra State	October 8 <sup>th</sup> – 9 <sup>th</sup>
	Anioma Cultural Fiesta	Asaba, Delta State	April 5 <sup>th</sup>
	Ndike Festival	Ndikelionwu, Anambra State	
	Igu Aro Ndigbo	Nri, Anambra State	February 20 <sup>th</sup>
	Ihiala week celebration	Ihiala	December 28 <sup>th</sup> - 31 <sup>st</sup>
	Oganihu Ogwashiukwu festival	Ogwashiukwu	December 25 <sup>th</sup>
NE	Fare-Fare Festival	Adamawa State	June
	Ovia Osese Festival	Kogi State	April 15 <sup>th</sup> -18 <sup>th</sup>
	Kwete Wrestling Festival	Adamawa State	March
	Nzem Berom	Nassarawa	April 28 <sup>th</sup> – 3 <sup>rd</sup> May
	Lamzihr Festival		October
	Nwonyo Fishing Festival	Ibi, Taraba State	April 20 <sup>th</sup> -24 <sup>th</sup>
	Nassarawa Festival	Nassarawa State	March
NW	Zazzau Sallah Durbar	Zaria, Kaduna State	September 1 <sup>st</sup>

	Kano Sallah Durbar	Kano State	September
	Katsina Sallah Durbar	Katsina State	September
	Gumel Horse Racing	Jigawa State	July
	Wasar Dambe	Sokoto State	March
	Maru Gayyar Noma Sharu Festival	Zamfara	August/October
	Argungu Fishing Festival	Kebbi State	March 26 <sup>th</sup>
	Uholo Festival, Zuru	Kebbi State	April