Here we provide a summary of MTN’s application of the King IV™ principles. Our aim is to continuously improve our practices as part of the company’s commitment to the highest standards of corporate governance.

<table>
<thead>
<tr>
<th>Principle</th>
<th>Section</th>
<th>King IV</th>
<th>Status</th>
<th>Explain</th>
</tr>
</thead>
</table>
| 1.        | Leadership| The governing body should lead ethically and effectively.               | Applied| The board leads ethically and effectively, ensuring that they always act in good faith and in the best interest of the company. The board’s values are underpinned by the principles of fairness, responsibility, accountability and transparency.  
Recommenced practices  
• Cultivate and exhibit collectively and individually, characteristics of integrity, competence, responsibility, accountability, fairness and transparency.  
• Offer leadership that results in achievement of strategy and outcomes over time.  
• Disclose how they are being held to account for their leadership.  
The board acknowledges that an effective board must have sufficient expertise and the competence to address current and emerging issues in order to ensure the delivery of the company’s strategy.  
Although the board delegates duties to committees and to management, it does not abdicate its accountability. |
## Organisational ethics

### Principle
The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

#### Recommended practices

- **Set the direction for ethics in the organisation:**
  - Approve codes of conduct and ethics policies as well as ensure that they include all stakeholders and key ethical risks.
  - Ensure that there are ways for stakeholders to be made familiar with the codes of conduct and ethics policies.
  - Delegate implementation of codes of conduct and ethics policies to management and provide ongoing oversight of this management, including results in such matters as recruitment, employee remuneration, supplier selection, breach management, whistleblowing and independent assessments.
  - Disclose how ethics are being managed, focus areas, monitoring measures and how ethical outcomes are addressed.

### Section
Organisational ethics

<table>
<thead>
<tr>
<th>Principle</th>
<th>Section</th>
<th>King IV</th>
<th>Status</th>
<th>Explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Organisational ethics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 2.        |         | The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture. | Applied | The board, through the oversight of the social and ethics committee, directs ethics through an ethics management approach which works systemically to inculcate a culture of ethics. The approach ensures:
- leadership commitment to a culture of ethics; (“tone from the top”);
- appropriately skilled ethics management and governance structures;
- standardised ethics management practices which involves the assessment of ethics risks and opportunities;
- expressing ethics standards through our codes and policies; ethics strategy to address the organisation’s ethics risk profile; and institutionalisation efforts such as training, communication campaigns; annual registration of gifts and annual declaration of conflicts of interest;
- monitoring and evaluation; and
- external assessments and ethics performance reporting (which was conducted in 2016 and for which the next assessment is anticipated to be performed in 2019). |
| 3.        | Responsible corporate citizen | The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen. | Applied | MTN endeavours to act responsibly within every geographical area in which it operates. MTN aims to adhere to and comply with all laws and regulations within the societies where it operates.
MTN is also actively involved in various CSI and sustainability initiatives through its Foundations and other business units, which aim to uplift the surrounding communities.
MTN’s activities strive to drive socio-economic development and encourage self-reliance. |
<table>
<thead>
<tr>
<th>Principle</th>
<th>Section</th>
<th>King IV</th>
<th>Status</th>
<th>Explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>Strategy and performance</td>
<td>The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</td>
<td>Applied</td>
<td>The board approves the strategy after taking into account the factors that affect its delivery. These include the relationships and resources on which the company relies to create value, the risks and opportunities it faces, the context in which it operates as well as the expectations of its key stakeholders. The board oversees and monitors the execution of the strategy by management, ensuring that the company delivers on its strategic objectives. The board holds an annual strategy review session with management to interrogate the suitability of the strategy and provides guidance on the way forward. It is critical that in executing the strategy, the company creates value for our key stakeholders, which include employees and communities in a sustainable way aligned to MTN's core values. More information on MTN’s BRIGHT strategy is set out in the integrated report.</td>
</tr>
<tr>
<td>5.</td>
<td>Reporting</td>
<td>The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation’s performance, and its short, medium and long-term prospects.</td>
<td>Applied</td>
<td>The board is intimately involved in communication to our stakeholders regarding significant issues that could affect the group. It also strives to abide by all disclosure requirements. The group has dedicated individuals that manage the annual integrated report and other reports issued to stakeholders ensuring that the reports inspire trust and confidence in the company.</td>
</tr>
</tbody>
</table>

**Recommended practices**

- Steer and set the direction, purpose and strategy of the organisation
- Delegate to management the formulation and thereafter approval of strategy with due reference to timelines, risks and opportunities, resources and relationships, legitimate expectations of stakeholders, changes in the six capitals and the inter-connectedness and inter-dependencies of all these factors.

- Oversee that the various reports are compliant with legal reporting requirements and meet the reasonable and legitimate needs of material stakeholders:
  - Ensure that an annual integrated report is issued (either as a standalone report or as part of another report)
  - Approve the bases for determining materiality for the purposes of including in reports
  - Ensure the integrity of external reports.
<table>
<thead>
<tr>
<th>Principle</th>
<th>Section</th>
<th>King IV</th>
<th>Status</th>
<th>Explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>Primary role and responsibilities</td>
<td>The governing body should serve as the focal point and custodian of corporate governance in the organisation.</td>
<td>Applied</td>
<td>One of the board’s core areas of focus is corporate governance. It is committed to ensuring an unequivocal tone from the top that requires all directors and employees to embrace transparency and accountability in the performance of their duties. The board has constituted various committees which assist the board in playing an oversight role. The details of the committees and their mandates are set out in the governance report on our website. The board receives guidance and regularly deliberates and provides oversight on governance matters through the risk, compliance and corporate governance committee.</td>
</tr>
<tr>
<td>7.</td>
<td>Composition</td>
<td>The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</td>
<td>Applied</td>
<td>MTN acknowledges that diversity gives the board the benefit of different perspectives and ideas. The board therefore comprises an appropriate mix of knowledge and skills. MTN has adopted a diversity policy that considers various categories of diversity, such as gender, race, age, independence, and tenure. More information on MTN’s board composition and diversity is set out in the integrated report on the website.</td>
</tr>
</tbody>
</table>
8. Committees

The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.

**Recommended practices**

Ensure that composition, roles and responsibilities of committees are complementary, not fragmented or duplicated and that there is no undue reliance or dominance by any member.

Allow any member to attend any committee meeting as an observer, and allow management to attend by standing or ad hoc invitation.

**Applied**

The board constituted the following committees, which attend to the business of the board and report on how each committee has discharged its duties. Each committee member exercises independent judgement and applies its mind to the issues brought to them.

- Risk management, compliance and corporate governance committee
- Remuneration and human resources committee
- Nominations committee
- Audit committee
- Social and ethics committee

All members of the board have a standing invitation to all committee meetings.

The board is satisfied that its committees have effectively discharged their duties in 2018.

9. Evaluation of performance

The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

**Recommended practices**

- Appoint a lead independent director if there is not one to lead the evaluation of the chair:
  - Ensure that every two years an externally facilitated performance evaluation (or one not in accordance with the approved methodology of the governing body) is conducted on itself, its committees, its chair and individual members; and every alternate year reflect on the performance of itself, its committee, its chair and its members.
  - Disclose a description of the performance evaluations, scope, formality, whether or not externally facilitated, an overview of results and remedial actions, whether it is satisfied that it is improving its performance and effectiveness.

**Applied**

The nominations committee with the assistance of the group secretary is responsible for assessing the performance and effectiveness of the board, the committees and individual directors. The internal process is conducted annually. The assessments are confidential and cover a variety of subjects. The outcomes are discussed by the board and the concerns or gaps are appropriately addressed and managed. The lead independent director is responsible for ensuring that the performance of the chairman is assessed annually.

An independent evaluation programme is planned for 2019.

The evaluation will afford the directors an opportunity to self reflect and identify areas for improving board performance. The programme is intended to be an 18-month journey which will include governance practices, structures and processes.
<table>
<thead>
<tr>
<th>Principle</th>
<th>Section</th>
<th>King IV</th>
<th>Status</th>
<th>Explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>Appointment and delegation to management</td>
<td>The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities. <strong>Recommended practices</strong> Reserve certain powers and matters to itself and set those powers and matters to be delegated to management via the CEO: • Approve a delegation of authority framework, including specifically to satisfy itself on succession planning for executive management and key positions. • Disclose whether it is satisfied with the delegation of authority framework.</td>
<td>Applied</td>
<td>MTN has a delegation of authority framework (DOA) that is reviewed and adopted regularly when it is necessary to do so, in order to ensure that it meets the needs of the business. In accordance with the DOA, the Group President and CEO has a clearly defined mandate and is accountable for the day-to-day activities of management. Although the board has entrusted its authority to key individuals and committees there are a few matters that are reserved for the board’s deliberation and conclusion.</td>
</tr>
<tr>
<td>11.</td>
<td>Risk governance</td>
<td>The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives. <strong>Recommended practices</strong> Treat risk as integral part of decision making and adherence to duties, approve risk policy, evaluate and agree on the risks it is prepared to take (i.e. risk appetite and risk tolerance levels). Oversee the risk management (including assessment of risks and opportunities). Disclose nature and extent of risks and opportunities; overview of the risk management system; areas of focus; key risks, unexpected risks, risks taken outside tolerance levels; and actions to monitor and address risk management.</td>
<td>Applied</td>
<td>The board understands and takes accountability for all risks that potentially affect the achievement of its strategic objectives and has delegated the responsibility for overseeing the adequacy and effectiveness of the risk management process to the risk management, compliance and corporate governance committee. In 2018, the committee oversaw the implementation of a risk management methodology which will consist of enhanced identification and understanding of the factors and events that may impact the achievement of the company’s strategic and business priorities. These factors are managed through effective mitigation plans, internal controls and monitoring. More information on risk governance is set out in the integrated report.</td>
</tr>
<tr>
<td>Principle</td>
<td>Section</td>
<td>King IV</td>
<td>Status</td>
<td>Explain</td>
</tr>
<tr>
<td>-----------</td>
<td>---------</td>
<td>---------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td>12.</td>
<td>Technology governance</td>
<td>The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</td>
<td>Applied</td>
<td>Although the board remains accountable for the governance of technology, the board has delegated the management of IT governance to management. Management drives and promotes the efficient, effective, secure and acceptable use of the network, technology and information across the group. The group chief technology officer is tasked with the responsibility of the IT unit, leading IT governance and design, development and operations across the MTN Group. The activities on IT governance are reported quarterly to the group risk management, compliance and corporate governance committee for oversight and monitoring by the board.</td>
</tr>
<tr>
<td>13.</td>
<td>Compliance governance</td>
<td>The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.</td>
<td>Applied</td>
<td>This responsibility is delegated to the compliance department which is replicated in all opcos and with a central function established at group level. The compliance department reports to the executive risk and compliance committee and the group risk, compliance and corporate governance committee. MTN strives to establish a compliance culture, which encourages an understanding by all the group’s subsidiaries that “a sound compliance environment is our licence to business” especially because MTN Group operates in markets with high regulatory risk. In 2018, a compliance policy was approved by group exco. Progress on the compliance framework and all non-compliance is reported to the group risk management, compliance and corporate governance committee for monitoring and oversight. In addition, a compliance committee has also been constituted to ensure that compliance red flags and emerging issues are appropriately escalated and dealt with.</td>
</tr>
<tr>
<td>Principle</td>
<td>Section</td>
<td>King IV</td>
<td>Status</td>
<td>Explain</td>
</tr>
<tr>
<td>-----------</td>
<td>---------</td>
<td>---------</td>
<td>--------</td>
<td>---------</td>
</tr>
</tbody>
</table>
| 14.       | Remuneration governance | The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. | Applied | MTN’s various remuneration policies remain externally competitive and are benchmarked against best-practice. 

The group remuneration and human resource committee is tasked with providing oversight on all matters relating to remuneration and human resources. 

MTN endeavours to align its rewards to key performance metrics, which include a combination of financial and non-financial performance measures, linked to our long and short-term objectives. 

MTN strives to ensure that its internal remuneration packages are both equitable and fair for roles of a similar level. 

In 2018, the company held more engagement with shareholders regarding their concerns on the company’s remuneration and implementation policies. 

More information on MTN’s remuneration policies is set out in the remuneration report in the integrated report. |

| 15.       | Assurance | The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision making and of the organisation’s external report. | Applied | The board has approved the combined assurance methodology which has been implemented across the group. A co-ordinated and integrated approach is utilised to enable a control environment that is effective. 

The implementation of a revised second and third-line assurance model has geared the organisation to deal with the challenges faced by the group. |
<table>
<thead>
<tr>
<th>Principle</th>
<th>Section</th>
<th>King IV</th>
<th>Status</th>
<th>Explain</th>
</tr>
</thead>
</table>
| 16.       | Stakeholders          | In the execution of its governance roles and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time. | Applied    | In pursuit of shared value, MTN recognises the importance of successful interactions with our stakeholders. We strive to understand what is important to those who impact our business and those on whom we have an impact. This assists us in identifying our material matters and in the execution of our strategy.  
**Recommended practices**  
Oversee the management of stakeholder relationships including methodology for identification, material stakeholders, management of stakeholder risk, formal mechanisms for engagement and communication, and measurement of quality of stakeholder engagement.  
In 2018, a stakeholder management policy and blueprint was approved by the board. In 2019, the key focus will be to cascade the policy and blueprint to all the operating countries for adoption and implementation. |
| 17.       | Institutional investors| The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote good governance and the creation of value by the companies in which it invests. | Not applicable | MTN is not an institutional investor.  
MTN does not have a formal Investment policy, all our investment initiatives are approved through a formal process which is informed by our delegation of authority. |