Our governance philosophy and framework

The board remains committed to good governance and international standards of best practice. It is committed to ensuring an unequivocal focus from the top that requires a commitment by all directors and employees to the values of integrity, transparency and uninterrupted oversight over the company. This is to ensure that MTN monitors and addresses all governance issues within its operating units.

We believe that good governance can contribute to living our values through enhanced accountability, strong risk and performance management, transparency and effective leadership.

Governance structure

Governance at MTN is structured in line with best practice and is substantially cascaded down to subsidiaries across the group. Below we map out the committees of the board and of the exco and their respective chairs.

Group board committees

Corporate Governance

Chair: Non-executive directors

Risk management, strategy and corporate governance

Chair: Mcebisi Jonas

Social and ethics

Chair: Koosum Kalyan (Incoming)

Audit

Chair: Christine Ramon

Nomination

Chair: Peter Mageza

Remuneration and human resources

Chair: Alan Harper (Outgoing), Kholisile Moshole (Incoming)

Finance (ad hoc)

Chair: Paul Hanratty

Executive committee

Chair: Rob Shuter

Board charter – collective responsibilities of the board and delegation of authority

In 2019, we enhanced the board charter, clarifying the role of subsidiaries’ boards and their subcommittees, and setting out more clearly the role of the group chairman as well as the group president and CEO. We revised the delegation of authority to promote greater agility in the decision making process of subsidiaries. We see room for further improvements in the levels of authority within the delegation framework to allow for faster and bolder business activity. We are also redesigning the materiality framework to promote better decision making. These changes will align with clear levels of work and a segregation of powers within management, safeguarding accountability and responsibility.

The roles and duties of the chairman and group president and CEO are separate and clearly defined. This division of responsibilities ensures a balance of authority with no individual having unrestricted decision-making powers. While the board plays an oversight role over the company, the group president and CEO and his executive management are empowered to manage and lead the business on a day-to-day basis, guided by an approved delegation of authority. The company’s delegated structures, which include the board committees, encourage and promote open discussion which enhances the board’s monitoring function over all areas of the company.

Independence of directors

The majority of MTN board members are independent directors, which is in line with King IV™ requirements. Our lead independent director (LID), is in place to consider, review, evaluate and provide oversight over related-party transactions to ensure transactions are fair and in the best interests of MTN. The LID is appointed to guide the board should a situation arise where the chairman may have a conflict of interest.

Board members

Executive and non-executive directors

15

12

Non-executive directors

1

Executive directors

2

The majority of MTN board members are independent directors, which is in line with King IV™ requirements

Board skills

In the last 12 months, we have evolved the company structure by establishing a non-statutory independent advisory board (page 64) and with the appointment of two additional directors with more African as well as international exposure and specific skills and competitive competencies. After a high-level skills assessment and given the understanding of the skills required to deliver on the strategy, the board is clear that it needs to strengthen its digital and fintech competencies as well as sustainability experience. To address this we have contracted a global player to drive the in-depth analysis of the skills required to deliver on our strategy not only in the medium term, but also long term. All board appointments are conducted through a formal and transparent process in consultation with the Nominations committee.

MTN has a unitary board of 15 directors with skills and experience attributed as follows:

Skills and experience (%)

Corporate governance, general management

19

Science, technology, engineering, operations

25

Banking/financial services

19

Telecommunication/media

19

Strategic/business/leadership

19

Economics/treasury

11

Finance, investment management, accounting

38

Risk management

19

Governance in action

Value creation through robust governance

The board and group executives continue to provide oversight using a combined assurance model which considers the role of management, control functions, internal and external audit and board committees of the subsidiaries using a simplified governance approach in a complex environment as they strive to create maximum shared value.

They do this by delivering on our purpose and ensuring relevance and sustainability of the business model by monitoring the macro environment, the availability and quantity of capital inputs, and stakeholder needs, all of which inform the group’s strategy. This strategy enables MTN to maintain focus in conducting operations underpinned by good governance and at the same time delivering our financial targets. In 2015, the board sought to implement a more agile decision-making mechanism as it progresses in achieving the vision of becoming a global digital operator.

MTN is committed to the highest standards of governance, business integrity, ethics and professionalism.

Corporate governance is the cornerstone of our business and ensures that we work responsibly.

Board committees

The board has delegated its authority to well-structured committees with the mandate to deal with governance issues and report back to the board on their activities on a quarterly basis. Each committee operates under terms of reference which set out roles and responsibilities, composition and scope of authority. These are reviewed on an annual basis. In 2019, the term of reference of all the board committees were enhanced. The efficiency of their terms was considered, relating to the governance trends, international benchmarks and best practices. The board is satisfied that in 2019 the committees effectively discharged their responsibilities (See the reports of the committee chairmen on pages 20, 25, 45 and 72).

In so doing, the board has committed to fulfilling the following responsibilities:

• Delegating the management of MTN to a competent executive management team

• Ensuring that management define and execute a robust strategy process

• Ensuring MTN’s compliance with appropriate laws and rules and appropriate best practices

• Governing disclosures so that stakeholders can assess the performance of the group

• Protecting the interests of MTN’s stakeholders and ensuring fair, responsible and transparent people practices

• Overseeing the combined assurance and control function and ensuring that it informs management’s development and implementation of the strategy

• Ensuring that innovation remains at the heart of MTN
Governance in action continued

Board diversity and experience
The group has a unitary board, consisting of executive and non-executive directors who represent a broad spectrum of demographic attributes and characteristics. The diverse perspectives of directors allow for proper strategic oversight as well as robust deliberation during board meetings. The board is focused on improving the representation of women on the board and ensuring that an acceptable number of all races, ages and skills are represented on the board.

Age
Ensure that there is a young and dynamic leadership complement to the experience and institutional knowledge of the seasoned directors. MTN maintains an appropriate mix of ages.

Between 40 – 49 yrs
Between 50 – 59 yrs
Between 60 – 69 yrs

Gender
Promote an appropriate balance in the views of the board and to improve the representation of women at MTN. The gender diversity of the board is representative of MTN’s various communities and the various parts of the world and provides fresh new perspectives. If >nine years on the board, MTN reviews every year and presents to the shareholders at the AGM for re-election.

Tenure
Ensure that there is an appropriate mix of institutional knowledge and experience and fresh new perspectives. If >nine years on the board, MTN reviews every year and presents to the shareholders at the AGM for re-election.

Board evaluation and director development
The board has embarked on a journey of a board evaluation with a difference. This does not only assess the competencies of each individual director, but also evaluates the board as a whole (a unitary board assessment) on a range of elements, including ethical and effective leadership culture in 2020. We have stepped up the process by having individual interviews with the board chairman-elect, the LID and LID-elect, as well as the chairman of the board subcommittees. These interviews were conducted by an independent service provider with international experience in dealing with board dynamics. Subsequently, we will develop a questionnaire that will be unique to MTN, considering the risks and complexity of our markets and the environment in which we operate.

To ensure that all directors are adequately equipped with the latest information relating to the business of MTN, the company endeavours to provide ongoing training related to general management, corporate governance, laws and regulations and best practices. In 2020, we plan to host a comprehensive workshop for independent non-executive directors.

Board commitment to ESG
The board has acknowledged the decline in MTN Group’s financial results for the period ended 31 December 2019 and has approved the establishment of a board-level committee to oversee the company’s performance. The board has approved the appointment of a new independent non-executive director to the board, to assume the responsibilities of LID with effect from 1 April 2020.

Group secretary
Directors engage with the group secretary regularly for governance and regulatory advice. She also ensures the proper administration of the board and adherence to sound ethical practices. The performance of the group secretary, as well as her relationship with the board, is assessed on an annual basis by the nominations committee and the board. The assessment considers the competency, qualifications and experience of the group secretary and whether she maintains an arm’s length relationship with the board. Following the assessment of the group company secretary, the board has applied its collective mind and is satisfied with the competence, suitability and experience of the group company secretary and believes she is duly qualified for the role. While the role of company secretary has in the past included in certain of our markets, this role needs to be redefined with a blueprint that is relevant to our markets, taking into account the environment in which we operate and our complex market segments. The company secretariat plays a key and gatekeeping role to safeguard the assets of MTN. In 2020 the operating model of the company secretarial functions throughout the group will be presented to the Nominations committee to assess and determine whether the function is adequately resourced and equipped.

Retirement of directors
In line with the Companies Act, MTN’s memorandum of incorporation requires new directors to be subject to an election of the AGM. Following their appointment, directors are also subject to retirement every three years, subject to an evaluation conducted by the board, assisted by the nominations committee. Directors who have served on the board for a period of nine years or more will retire at the AGM and are re-elected following a review of their independence and objectivity in carrying out their duties. Several directors will be retiring at the AGM as a result of having served on the board for an aggregate period in excess of nine years. This process ensures that shareholders have the opportunity to exercise their vote with regard to whether the MTN board has approved the most appropriate directors to meet the best interests of the company. The directors who will be retiring at the AGM are set out in the notice to the AGM.
In the year we established an international advisory board (IAB) of eminent persons to counsel, guide and support the MTN Group. Non-statutory in nature and without any fiduciary responsibility, the IAB meets twice a year, assisting the group in further developing telecommunications, connectivity and digital inclusion across Africa and the Middle East.

It shares its perspectives on geopolitical matters which impact on Africa’s and the Middle East’s continued development and assists the group in its work of being a responsible and exemplary corporate citizen, sensitising it to the dynamics of the markets in which it operates.

1. His Excellency President Thabo Mbeki, former President of the Republic of South Africa (chair)
2. His Excellency President John Kufuor, former President of Ghana
3. Dr Aisha Abdullahi, former African Union Commissioner for Political Affairs
4. Dr Mohammed ElBaradei, former Director General of the International Atomic Energy Agency
5. Dr Momar Nguer, President of Marketing & Services Total S.A. (France)
6. Phuthuma Nhleko, former Chairman of MTN Group
Our board of directors

The company acknowledges that an effective board must have the expertise and competence to promptly and appropriately address current and emerging issues to ensure the delivery of its strategy.
Our board of directors

    Director of various companies in MTN Group, chairman of various companies in MTN Group.  
    **Appointed:** 15 December 2019
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

    Executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 3 April 2018
    **scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 4/4

    Executive director and chairman of various companies in MTN Group.  
    **Appointed:** 28 May 2013
    **Retired:** 15 December 2019
    **Scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 4/4

    Executive director of various companies in MTN Group.  
    **Appointed:** 13 March 2017
    **Retired:** 15 December 2019
    **Scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 4/4

5. *Alan Harper*(British) (Born 1958)  
    Executive director of various companies in MTN Group.  
    **Appointed:** 1 January 2010
    **Retired:** 15 December 2019
    **Scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 4/4

    Executive director of various companies in MTN Group.  
    **Appointed:** 8 July 2015
    **Scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 4/4

    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 3 January 2015
    **Retired:** 15 December 2019
    **Scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

8. *Dean Marais*(Born 1960)  
    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 1 January 2010
    **Scheduled board attendance:** 4/4
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

9. *Jeff van Rooyen*(Born 1960)  
    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 18 July 2016
    **Retired:** 15 December 2019
    **Scheduled board attendance:** 7/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 1 August 2016
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

11. *Stanley Miller*(British) (Born 1958)  
    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 14 July 2019
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

12. *Swati Tikudele*(Born 1965)  
    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 1 June 2018
    **Scheduled board attendance:** 5/7
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 7/7

    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 1 July 2018
    **Appointed LD:** 15 December 2019
    **Special board attendance:** 1/4
    **Board committee membership and attendance:** 12/14

    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 1 May 2019
    **Special board attendance:** 0/1
    **Board committee membership and attendance:** 0/1

    Independent non-executive director of various companies in MTN Group Limited and various companies in MTN Group.  
    **Appointed:** 4/4
    **Special board attendance:** 4/4
    **Board committee membership and attendance:** 4/4
Our executive committee

The executive committee facilitates the effective control of the group's operational activities in terms of its delegated authority approved by the board. It is responsible for recommendations to the board on the group's policies and strategy and for monitoring its implementation in line with the board's mandate. It meets at least monthly, and more often as required.

Rob Shuter  
(born 1967)  
Group president and  
chief executive officer  
Executive since 2017

Ralph Mugisha  
(born 1972)  
Group chief financial officer  
Executive since 2017

Yolanda Cuba  
(born 1977)  
Chief digital and fintech officer  
Executive since 2020

Leile Modise  
(born 1978)  
Group chief legal counsel  
Executive since 2019

Godfrey Matsa  
(born 1970)  
Chief executive officer: MENA  
Executive since 2015

Paul Norman  
(born 1965)  
Group chief human  
resources officer  
Executive since 1997

Jens Schulte-Bockum  
(born 1966)  
Group chief operations officer  
Executive since 2017

Felleng Sekha  
(born 1967)  
Group chief regulatory  
and corporate affairs officer  
Executive since 2017

Karl Toriola  
(born 1972)  
Group chief corporate  
communications officer  
Executive since 2015

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