

# MTN GROUP LIMITED

● Telecommunications Company

## Key Findings:

- MTN made a commitment to human rights at the corporate level, but lacked disclosure of policies that affect users' freedom of expression and privacy in practice.
- MTN disclosed almost no information about how it handles government or private requests to restrict content or accounts, or for user information. South African law prevents disclosure of government requests for user information, but MTN could disclose government requests for content restrictions and requests from private parties.
- MTN revealed little about how it secures user information, including how it responds to data breaches.

OVERALL SCORE

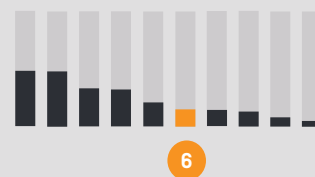
15%

OPERATING COMPANY  
EVALUATED

**MTN SOUTH  
AFRICA**

South Africa

TELECOMMUNICATIONS RANK



SERVICES EVALUATED

- Pre-Paid Mobile
- Post-Paid Mobile

## ANALYSIS

MTN ranked sixth out of the 10 telecommunications companies evaluated and 17th in the Index overall.<sup>1</sup> Although South Africa's internet environment is ranked as "free" by Freedom House,<sup>2</sup> the company operates in a number of challenging markets including Iran, Rwanda, Afghanistan, and other countries across the Middle East and North Africa, making it difficult for the company to disclose concrete policies to implement its commitment to respect human rights across all of its global operations. MTN's group-level corporate entity has historically relied on the company's operations outside of South Africa for revenue. While South African law might prevent some specific disclosures, it does not prevent MTN South Africa from being much more transparent in general about policies and practices that affect users' freedom of expression and privacy.

### About MTN Group Limited

**MTN Group Limited** is a telecommunications company that serves markets in more than 20 countries in Africa, Asia, and the Middle East.<sup>3</sup> It offers voice and data services, and business services, such as cloud, infrastructure, network, software, and enterprise mobility.

**Market Cap:** USD 16,398 million<sup>4</sup>

**JSE:** MTN

**Domicile:** South Africa

**Website:** [www.mtn.com](http://www.mtn.com)

<sup>1</sup> For MTN's performance in the 2015 Index, see: <https://rankingdigitalrights.org/index2015/companies/mtn>.

<sup>2</sup> "Freedom on the Net" (Freedom House, November 2016), <https://freedomhouse.org/report/freedom-net/2016/south-africa>.

<sup>3</sup> "Where We Are," MTN Group, accessed February 20, 2017, <https://www.mtn.com/en/mtn-group/about-us/our-story/Pages/where-we-are.aspx>.

<sup>4</sup> S&P Capital IQ, Accessed February 13, 2017.



## GOVERNANCE 31%

MTN received the ninth-highest score of all 22 companies evaluated in the Governance category, and notably, ahead of Twitter and Apple. The company disclosed an explicit commitment to freedom of expression and privacy as human rights [G1]<sup>5</sup> and evidence of senior-level oversight over these issues within the company [G2]. However, the company fell short on the remaining governance indicators: it disclosed a whistleblower program, but the focus of the

program appeared related only to corruption and fraud [G3].<sup>6</sup> Although MTN noted plans to finalize internal risk assessment guidelines, it did not reveal if it currently engages in human rights due diligence practices [G4].<sup>7</sup> Likewise, MTN lacked clear disclosure of whether it engages with stakeholders on freedom of expression and privacy issues [G5], or of a grievance and remedy mechanism allowing users to address freedom of expression and privacy concerns [G6].



## FREEDOM OF EXPRESSION 13%

In the Freedom of Expression category, MTN tied with Axiata for the second-lowest score of all telecommunications companies, ahead of Bharti Airtel.

**Content and account restriction requests:** MTN was one of the six telecommunications companies to receive no credit on these indicators (F5-F7). The company did not clearly disclose its process for handling government or private requests to restrict content or accounts (F5), nor did it publish any data about the number of such requests it received or complied with (F6, F7). South African law does not prevent companies from disclosing this information.

**Network management and shutdowns:** MTN disclosed little about its network management and shutdown policies (F9, F10). The company enables users to access Facebook without charging their data plan, a practice known as “zero rating,” but disclosed nothing more about its network management practices (F9). MTN also provided minimal information about its network shutdown policies and procedures (F10).

**Identity policy:** MTN South Africa disclosed that users must register their SIM card with the company using their government-issued identification. All mobile phone users in South Africa are legally required to do so (F11).<sup>5</sup>



## PRIVACY 11%

MTN ranked eighth out of the 10 telecommunications companies in the Privacy category, ahead of only Etisalat and Ooredoo.

**Handling of user information:** MTN was among the lowest-scoring companies on these indicators, offering slightly more disclosure than Etisalat and Ooredoo (P3-P8). It provided just minimal information about what types of user information it collects and why (P3, P5), but no information about what it shares or for how long it retains user information (P4, P6). The company also failed to disclose options users have to control what information about them the company collects and shares (P7), or to obtain all of the information the company holds on them (P8).

**Requests for user information:** Like most telecommunications companies, MTN provided almost no information about how it handles requests from governments and private parties for user information (P10-P11). It gave little

information about its process for handling such requests (P10) and no data about the number of such requests it receives or complies with (P11). Companies in South Africa are prohibited from publishing such information about government requests, including the fact that a request was made, but nothing prevents them from fully disclosing how they handle private requests and the number of these requests they receive and comply with.

**Security:** MTN had low disclosure on this set of indicators, scoring better than only Etisalat and Ooredoo (P13-P18). The company revealed that it conducts audits to address security vulnerabilities, but did not clearly disclose whether it has a security team that conducts these audits (P13). However, it was one of only two telecommunications companies to offer any disclosure on its processes for addressing security vulnerabilities (P14). Like most companies, MTN offered no information about how it handles data breaches (P15).

<sup>5</sup> “Regulation Of Interception Of Communications And Provision Of Communication-Related Information Act,” Pub. L. No. Act No. 70 (2002).