



# **IMPACT REPORT** 2024

## PATHWAYS TO PROGRESS



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## WHO WE ARE

## We Finance Progress

### Driving Financial & Digital Inclusion for All

M-KOPA is a leading African fintech dedicated to delivering affordable financial and digital solutions to Africa's hardworking "Every Day Earners" - the tenacious entrepreneurs who are the backbone of the continent's economies. Our innovative financing model is designed for the realities of millions of people who are excluded from traditional financial services. It has been tested and proven through over a decade of experience and learning. To-date, we have deployed more than \$1.5 billion in credit, enabling over 5 million customers across five countries to own quality smartphones, connect to the digital economy, access affordable digital financial services and progress towards their financial goals.




ANTOINE PLÜSS | UNSPLASH

## FOREWORD FROM OUR BOARD CHAIR AND CEO

The past year has been one of exciting growth and impact. Guided by our values – progress, excellence, and humility – we continue to pioneer digital financial solutions that address the challenges faced by Africa’s Every Day Earners. These tenacious, hardworking individuals provide a daily living for themselves and their families, and are the backbone of the continent’s economies, yet their potential is constrained by a financial system that has largely overlooked them.



  
 Jesse Moore,  
 CEO

  
 Elizabeth Littlefield,  
 Board Chair

This year, we celebrate reaching 5 million customers, and are proud to have deployed more than \$1.5 Billion in credit since our inception to support people to achieve their financial goals and improve their quality of life. A few highlights of our year that have helped to unlock our far-reaching impact:

- Expansion into South Africa, one of Africa’s most critical economic hubs, alongside continued growth in Kenya, Uganda, Nigeria, and Ghana.
- Assembling our millionth smartphone in Kenya’s first ever smartphone local assembly facility, making smartphone ownership more affordable while creating over 300 full-time jobs for young people.
- Launching our first embedded digital financial services offering, transforming a smartphone into a powerful financial tool. Aptly named “More than a Phone”, this embedded offering includes digital loans, hospital cover, data bundles, and device protection.
- Growing a circular economy for smartphones through our new local refurbishment facility in Kenya, enabling us to scale more affordable and climate-responsible phones.
- Selling our first 1,500 electric motorbike and taking early steps towards accelerating the wider transition of Africa’s transportation sector to electric.

Behind these highlights stands over 3,000 hard-working employees and more than 30,000 agents who care passionately about the impact we deliver for our customers and the planet. Jabulile, a sales agent from Soweto, South Africa, captured this passion perfectly. When asked about her favourite part of her job, she said *“the part where the customer is being given a device, they become happy, it feels like we have changed their life.”*

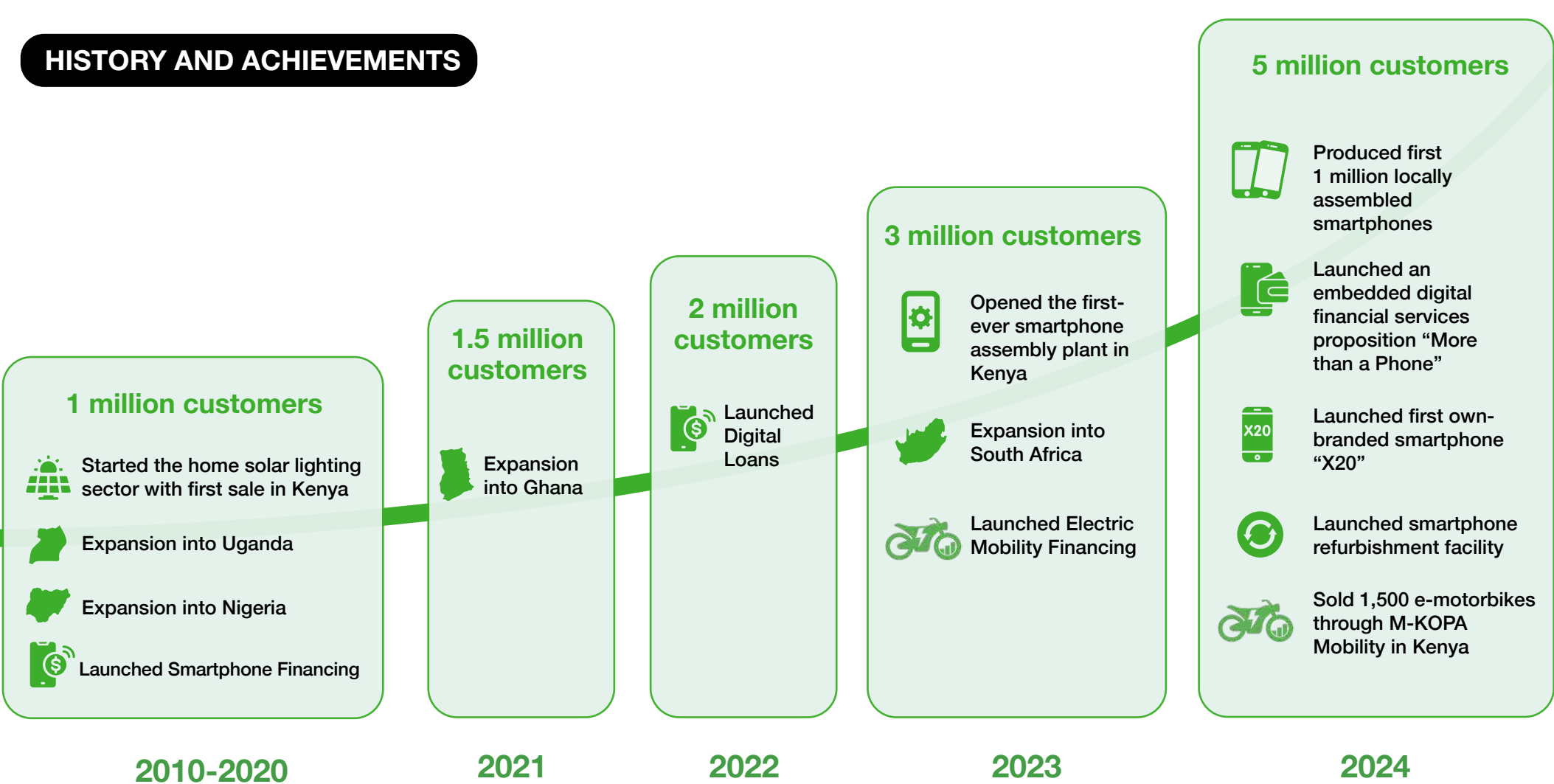
We will continue to be bold in pioneering forward-thinking products that deliver financial progress for Africa’s Every Day Earners.

We are passionate about building products that enable customers to boost their incomes, enhance financial resilience, and improve access to education, healthcare, and essential services; all while ensuring our growth remains climate responsible.

What makes us most proud is what our customers say when asked about M-KOPA:

-  **4 in 5 customers say their quality of life has improved or significantly improved because of M-KOPA products; with 1 in 5 reporting no change**
-  **92% of customers say M-KOPA financing made products more affordable**
-  **62% of customers are using our products to generate an income**
-  **70% of customers say M-KOPA is helping them achieve their financial goals**

## HISTORY AND ACHIEVEMENTS



## 2023/24 AWARDS



Named by the Financial Times as one of Africa's Fastest Growing Companies (3rd consecutive year)



Listed in TIME 100's Most Influential Companies (2nd consecutive year)

## OUR FINANCING MODEL

## SMART Phone, SMART Money: Financing that works for Every Day Earners

**Our inclusive, flexible and progressive financing model places our customers at the heart of what we do.**

At M-KOPA, we believe that everyone deserves access to the financial services they need to progress. Our model caters to the millions of hardworking people across Africa for whom access to formal financial services remains out of reach.

**INCLUSIVE**

With a small deposit, customers can get instant access to a high-quality smartphone and begin using it to power their life and business. We don't place onerous requirements like collateral, guarantors, or formal credit scores, which shut so many customers out of the formal lending sector. From this first purchase, we begin a lifelong financial partnership with our customers.

**FLEXIBLE**

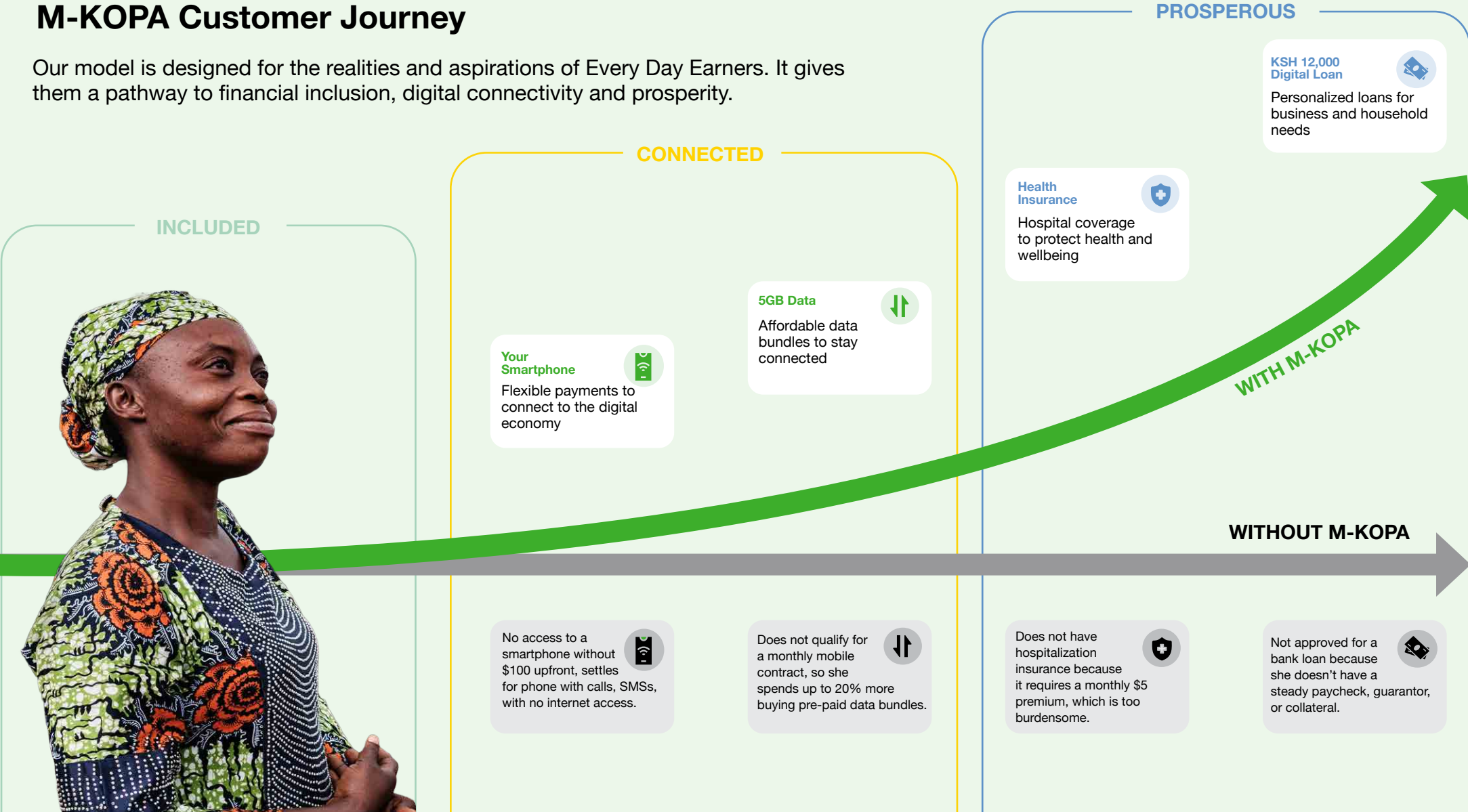
Our daily repayment model is designed to match the cash flow patterns of our customers, giving them the flexibility to pay on the days they can without penalizing them for the days they can't. If a customer is unable to pay for their device, they can return the product at any time. They will receive a refund of their deposit and be released of their financial obligation.

**PROGRESSIVE**

With each daily payment, our customers build a credit history with us, unlocking access to more products and services such as digital loans or health insurance. Through our proprietary credit, eligibility, and pricing models, we can provide tailored offerings, sized and priced for each customer's individual risk and borrowing capacity, offering them more opportunities to become prosperous.

# M-KOPA Customer Journey

Our model is designed for the realities and aspirations of Every Day Earners. It gives them a pathway to financial inclusion, digital connectivity and prosperity.

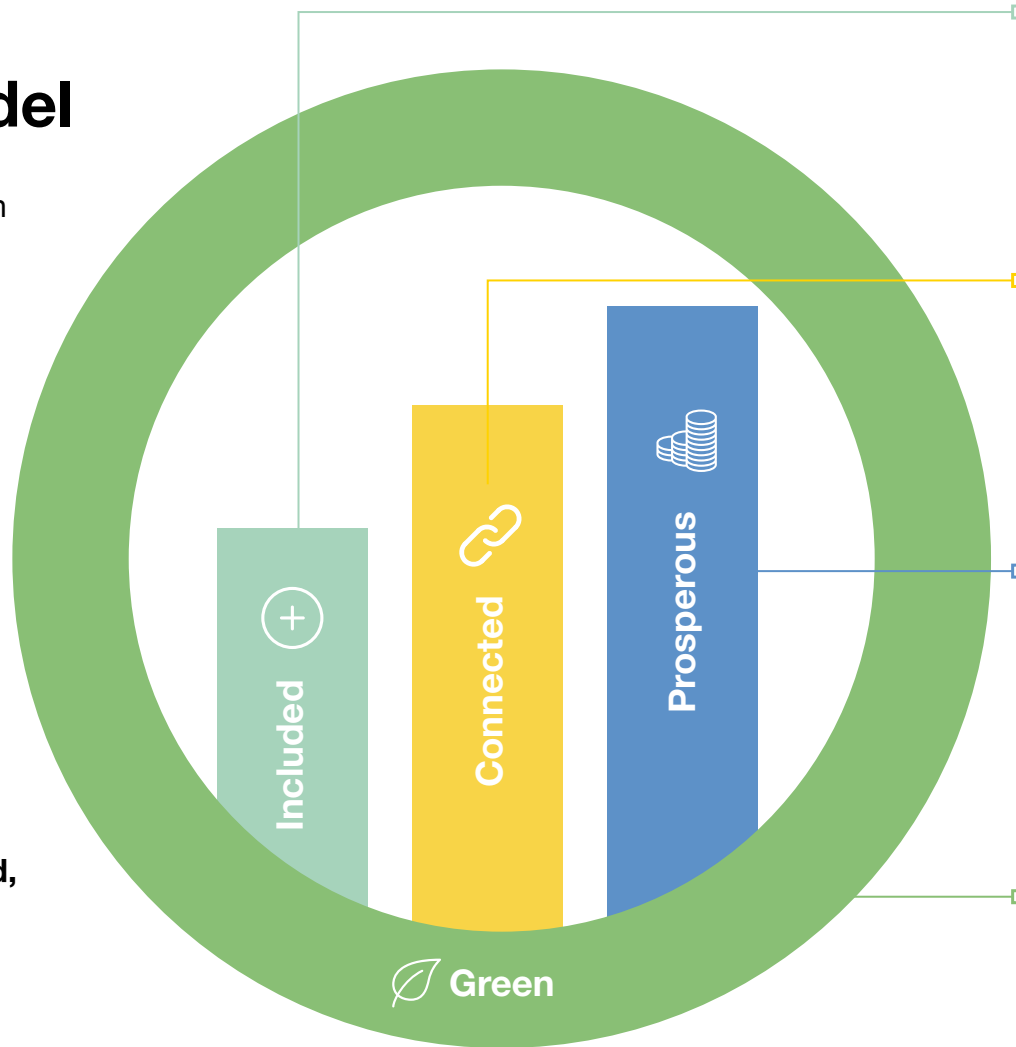


MEASURING OUR IMPACT

# Our Impact Model

Our customers' financial inclusion journey starts with a smartphone, the primary gateway to the digital economy. From there, we build long-term financial relationships that enable our customers to overcome financial setbacks, generate income and progress towards the futures they aspire to. Our impact extends beyond our customers, reaching their families and communities, and contributing to building a more sustainable world.

**We measure how our products and services enable customers to be more included, connected, prosperous and green.**



## 01 INCLUDED

We unlock financial inclusion for Every Day Earners that are traditionally excluded through a fair, flexible and customer-centric financing model. We continuously strive to drive greater inclusion of women and low-income communities.

## 02 CONNECTED

We connect customers to the mobile internet and digital economy. This allows them to promote their businesses through new digital channels, access digital loans, data bundles and health and device insurance; all which further enhance their lives.

## 03 PROSPEROUS

This inclusion and connectivity creates prosperity, with customers investing the additional income they earn into their businesses, education and health, while setting and pursuing financial goals. We also provide compelling livelihood opportunities to the thousands of individuals who serve their communities as sales agents.

## 04 GREEN

We bring a climate-responsible approach to everything we do. After kick-starting the pay-as-you-go solar industry, we are now working to accelerate Africa's transition to electric mobility and building a circular economy for smartphones.

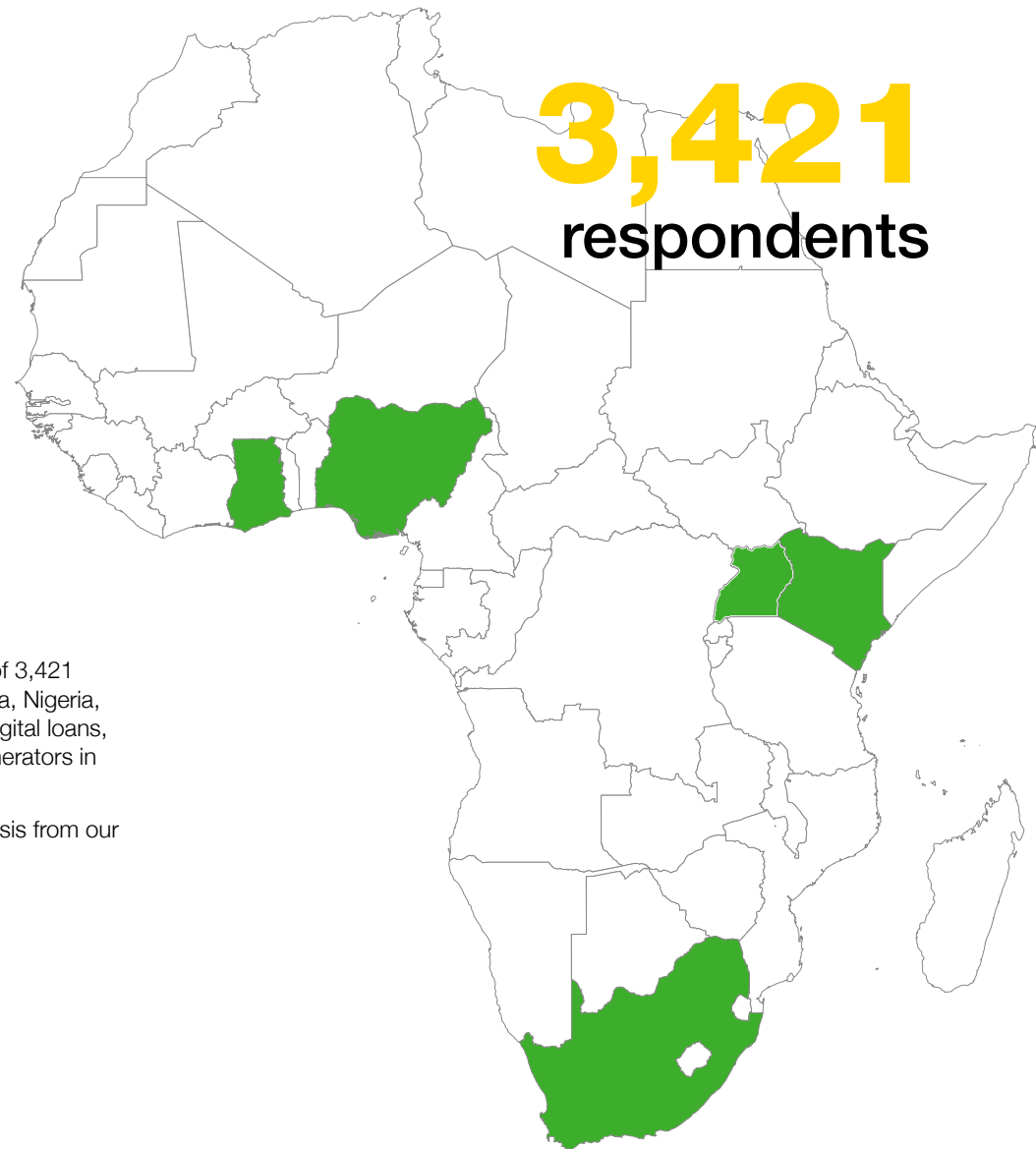


## Our impact measurement methodology

Our impact measurement methodology follows the highest industry standards. We partner with specialist external research agencies who independently collect, measure and quality assure our impact data and results. This year we partnered with Dalberg Research, a leading global consultancy firm, who are active in 20 African countries and have deep experience with our markets, customers and agents.

Dalberg Research surveyed a randomly selected and representative sample of 3,421 M-KOPA customers and sales agents across our five markets (Kenya, Uganda, Nigeria, Ghana and South Africa) and three main product categories (smartphones, digital loans, electric motorbikes). The surveys were conducted by trained third party enumerators in local languages.

Where applicable, we have complemented this with additional data and analysis from our business intelligence platform and public industry insights and reporting.



OUR IMPACT

**01** Included

**\$1.5 billion** in credit unlocked

**5 million** customers

**23 million** people indirectly impacted<sup>2</sup>

**92%** say M-KOPA financing made products more affordable

**45%** of customers are accessing a smartphone or financial product for the first time

**40%** of customers are women

**02** Connected

**4 million** smartphone customers

**1.7 million** first-time mobile internet users

**42%** are first time smartphone users

**03** Prosperous

**4 in 5** customers see their quality of life improved or significantly improved

**62%** use their M-KOPA product to generate income

**70%** of customers with improved ability to achieve financial goals

**30,000** livelihoods created for sales agents

**04** Green

**2.1 million** tonnes of CO<sub>2</sub> avoided

**100,000** circular economy products (refurbished and second-life)<sup>1</sup>

**1,500** electric motorbikes sold

**1 million** people with improved energy access

<sup>1</sup> This includes solar products and smartphones

<sup>2</sup> Number of customers multiplied by average household size of 4.6, calculated using weighted averages of M-KOPA impact survey data and Statista average household sizes for each market.

+  
**01**  
Included



## Rachel's story

Rachel, 42 years old, is a fruit trader from Ilashe, Nigeria. Her biggest source of joy is her three daughters who are 12, 5 and 3 years old. Her husband is a mechanic and works in Lagos, where he has better employment opportunities. He is only able to visit his family twice a month, which means Rachel needs to take on the daily household responsibility.

Unable to continue her education past elementary school, Rachel started working with her mother at a young age. Her mother was a fruit trader and passed the trade on to her. Her days start early. After getting her daughters ready, she heads to the market to sell until 7pm, with a quick break in the afternoon to check on her daughters when they return from school.

As a trader in the informal economy with daily earnings and no credit, Rachel lacks access to financial services and capital that she needs to grow her business and support her family. While she had previously accessed a microfinance loan, she didn't like the harsh repayment terms and was reluctant to try again. This is why she prefers M-KOPA's financial products because it's designed for her financial reality, allowing her to make small daily payments comfortably.

She used to think having a smartphone was out of reach. But accessing M-KOPA's financing to own her first smartphone has transformed her business. "It has helped me immensely," she says, "now I can communicate effectively with the people I do business with." With her increased profits, she's earned enough to purchase a second M-KOPA smartphone, which her husband uses for his business and to connect with her and their daughters while he's away.

Having found a pathway for financial inclusion that works for her, Rachel plans to continue her financial journey with M-KOPA and looks forward to accessing more financial products to invest in her business and to secure her family's financial future.

## Our impact starts with inclusion

**\$1.5 billion**

in credit unlocked

**92%**

say M-KOPA financing has made products more affordable

**5 million**

customers

**45%**

of customers are accessing a smartphone or financial product for the first time

**23 million**

lives indirectly impacted<sup>4</sup>

**40%**

of customers are women

75% of adults in Sub-Saharan Africa are financially excluded.<sup>3</sup> Restricted by lack of formal employment, credit scores, and collateral, they often cannot access traditional financial services, such as credit, bank accounts and savings. This limits their ability to advance financially and unlock economic opportunity for themselves and their families.

M-KOPA has provided \$1.5 billion in credit to 5 million customers across five countries in Africa, the vast majority of whom have been financially excluded. Our products do not just impact the lives of our customers, but their families also benefit. Smartphones are shared with family members, enabling children to access information and education. Digital loans are invested in businesses and households, generating prosperity for families and helping them cover expenses like education, food and healthcare. As a result, our indirect impact extends to over 23 million lives.

### Our inclusive credit is designed for the traditionally underserved

Our customers are predominately young Every Day Earners who work in the informal economy. 1 in 2 live on less than \$5.50 a day. 60% are under the age of 35 and 80% live and work in urban and peri-urban areas.

Our model works for them. 92% of customers report that our financing has made product ownership more affordable, 91% of our customers report that our loan terms are fair and transparent, and 88% say their M-KOPA loan is easier to repay than other loans.

<sup>3</sup> World Bank, 2024

<sup>4</sup> Number of customers multiplied by average household size of 4.6, calculated using weighted averages of M-KOPA impact survey data and Statista average household sizes for each market.

## Closing the gender gap

In Sub-Saharan Africa, women are 28% less likely to own a smartphone than men.<sup>5</sup> As Africa's economy digitizes, this means women are being increasingly shut out from valuable economic opportunities. Closing the gender gap is critical to driving inclusive financial and digital transformation on the continent. It also has a strong business case. Women are 5% less likely to default on their loans and newly recruited female sales agents are 15% more likely to become successful sellers.

M-KOPA's gender gap has halved in the past five years from 28% female customers in 2020 to 40% in 2024. We are encouraged by this progress and committed to reaching gender parity. To further progress towards this goal, M-KOPA is partnering with Yale Inclusion Economics and Caribou Digital, with funding support from the Bill & Melinda Gates Foundation to research and test solutions to connect more women to affordable and productive financial and digital products that advance their livelihoods.

A promising solution we are piloting with partner Learn.Ink is the use of digital learning programs to enhance women's productive use of smartphones. This learning is chat based, with voiceovers in local languages to maximize accessibility. Pilot results show that 91% of women say they learned new skills from the training, and 81% feel confident that they can implement what they learned.

5 [GSMA, 2024](#)

### SPOTLIGHT

## How financial inclusion impacts our female customers

A gender disaggregated analysis of our data shows the following highlights of how women experience financial and digital inclusion differently than men.

Affordability, access and digital literacy are larger barriers for women:

- Women are 5% more likely to purchase our lowest cost devices
- Women are 6% more likely to report not being able to find a good alternative to their M-KOPA smartphone
- Women are 7% less likely to report using their phone for income-earning activities

Women are benefitting from our digital loans even more significantly than men:

- Women are 10% more likely to report their quality of life significantly improved after receiving a digital loan
- Women are 6% more likely to say their digital loan significantly improved their ability to cover household expenses



ATO AIKINS | UNSPLASH



# 02

## Connected



### Nicholas' story

Nicholas is a 35-year-old construction worker from Kpone, Ghana, who supports his family of five children. His journey started with M-KOPA as a customer seeking to stay connected in an increasingly digital world.

Nicholas says, "My story goes like this; I bought my first smartphone I wanted to download apps and chat on WhatsApp. After using it for a few months, I realized that it wasn't an original phone because it experienced continued freezing which made chatting impossible. One day, my friend called me, and he lamented that any time my phone is called, it is either switched off or cannot be reached."

This limited his ability to participate in the digital economy and grow his business. M-KOPA's affordable financing changed this for him. With an M-KOPA smartphone, he can now showcase his construction work to potential clients through high-quality videos. This has helped him expand his client base, boosting his income.

Experiencing first-hand the impact of being connected to the digital economy, Nicholas was determined to help his family too. "When I completed the payments for my first M-KOPA phone, I gave it to my sister." Nicholas recalls, "I then bought a second one for my wife".

When he returned to get a third phone, an M-KOPA sales agent suggested he should become an agent. Intrigued by the chance to supplement his income, Nicholas embraced the opportunity and underwent training to become a sales agent, developing his interpersonal and sales skills. Nicholas excelled and quickly earned a promotion to Sales Leader in his area.

Nicholas' dreams don't stop here. He is determined to continue his success as an agent and hopes to build a house for his family with his earnings.

## The power of connectivity

**4 million**

smartphone customers

**1.7 million**

first-time mobile internet users

**42%**

are first-time mobile internet users

Africa's digitization and mobile connectivity continues to grow. For those looking to improve incomes, access education and information, health and public services, and communicate with family and friends, being online is no longer optional. Mobile is the primary way people are accessing the internet in Sub-Saharan Africa.<sup>6</sup> But many are still excluded because they cannot afford a smartphone. This gap is even more pronounced for women, low-income earners and young adults.<sup>7</sup>

We have enabled 4 million customers to own smartphones. 91% state that M-KOPA improved their ability to afford their smartphone. And 42% of our customers, over 1.7 million people, are accessing a smartphone and joining the internet for the first time through M-KOPA. The percentage who are accessing a smartphone for the first time has remained stable from last year, which shows that as we continue to grow rapidly, our model is consistently reaching the digitally excluded.

<sup>6</sup> [GSMA, 2024](#)

<sup>7</sup> [GSMA, 2024](#)



# 03

## Prosperous



### Joseph's story

In the town of Seguku, Uganda, Joseph Kayondo rises before the sun each day, ready to tackle the challenges that come with wearing multiple hats. At 36, Joseph juggles roles as a farmer and Uber driver with the aim of providing a better life for his wife and three young children, all under the age of 10.

Joseph has been an M-KOPA customer since 2021 and in that time has acquired two smartphones and received digital loans totalling USD \$320, enabling him to pay school fees for his children, manage his Uber business and communicate with farming clients.

“An M-KOPA sales agent explained the process thoroughly, and after I had paid a deposit, I received the device right away. M-KOPA has treated me well and is transparent, and I will stick with them for the long term.”

Having made the switch to a smartphone Joseph's life has transformed in multiple ways. “I use the phone for my Uber app, and the phone gives me a location pin making it easy to find customers.” But it wasn't just his Uber business that flourished. Joseph's farming operations, once a constant source of worry due to his absence, began to thrive under his remote management. “I receive photos of crops and livestock from my workers. I can make decisions and conduct business transactions instantly, without time-consuming and costly trips to the farm.”

Having a smartphone has also had an impact on his children, who use it for entertainment and educational purposes. “They use it to do their homework - giving them access to information they never had before.”

With the additional proceeds from his businesses, Joseph has bought land, built a house, and improved the quality of his household's daily life.



## Prosperity through digital financial inclusion

**4 in 5**

customers see their quality of life improved or significantly improved

**70%**

of customers with improved ability to cover household expenses

**62%**

use their M-KOPA products to generate income

**30,000**

livelihoods created for sales agents

**70%**

of customers with improved ability to achieve financial goals

### Smartphones are tools for economic empowerment and power small businesses and households

In Sub-Saharan Africa, mobile internet users who engage in income-generating activities report significant economic benefits.<sup>8</sup> These activities include connecting with their suppliers and customers, online marketing via social media, using mobile money and accessing information and digital services to improve their income.

The percentage of M-KOPA customers using their phone to generate an income has increased, from 48% last year to 62% this year, suggesting that our products are becoming increasingly powerful tools for economic empowerment. Of those who use their phone for income generation, 73% report an increase in incomes as a result.

Once our customers have a smartphone, we support them to continue their journey of progressive financial inclusion through additional financial services, like digital loans. We have provided over 1.3 million digital loans to existing smartphone customers. 71% of customers use this credit for income-generating activities, with 89% reporting an income increase as a result.

These increased incomes are transformative. Customers reinvest their earnings into their families and businesses. This has enabled families to become more financially resilient, with increased ability to meet and advance household needs, including daily expenses, education, healthcare. This shows in our impact results, with 77% of customers saying their digital loan has increased their ability to cover their household expenses, and 73% reporting it has improved their ability to meet their financial goals.

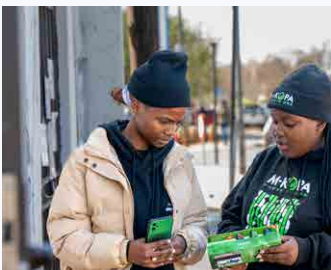
We have also provided health insurance to over 500,000 customers and more than 20,000 sales agents. In Sub-Saharan Africa, health insurance coverage is below 10% in most countries, with the main barrier being affordability. M-KOPA's health insurance, in partnership with Turaco Insurance, allows customers to access coverage in an affordable and accessible way.

The path to prosperity created by our products can be summed up by the words of our customers, 4 in 5 customers report an improvement or significant improvement in their quality of life because of their M-KOPA products, and 1 in 5 not reporting a change.



8 [GSMA, 2023](#)

## Unlocking prosperity for our agents



### Jabulile's story

Jabulile is a 28 year-old mother of four from Soweto, South Africa. As a stay-at-home mother with no prior work experience and limited education, she had trouble finding work. Initially drawn to M-KOPA for a smartphone, she learned she could become an M-KOPA sales agent and quickly signed up.

She excelled, earning bonuses and a promotion to a Sales Leader in her area. She still remembers the joy of making her first sales and using her first earnings to buy her mother a sofa. Her favourite part of the job is “the part where the customer is being given a device, they become happy, it feels like we have changed their life”, she says. Having experienced it herself, she knows their joy and how life-changing it is to be digitally included.

Jabulile previously shared a smartphone with her mother. But M-KOPA's financing model made smartphone ownership affordable for her. Now, Jabulile's sales success stems from leveraging her digital inclusion: she advertises online and connects with customers via digital channels, expanding her sales reach and income.

Her children remain her biggest motivation to succeed. With her M-KOPA earnings, she is able to take care of their daily expenses and education. She hopes to continue building her career at M-KOPA with a promotion to Sales Executive. And then she says, “I will buy my kids a house and I will move out of my parents' home”.

## An inclusive income opportunity

M-KOPA’s impact is not limited to customers. We have created compelling income generation opportunities for our network of over 30,000 sales agents, unlocking prosperity for them and their families.

We have no minimum requirements for educational or employment experience to become a sales agent, enabling many young adults and first-time job seekers to start their careers at M-KOPA. Our inclusive model contributes to reducing youth unemployment. This is critically important in Sub-Saharan Africa, where one in four young people – equating to 72 million – are not in employment, education or training. Two-thirds of them are women.<sup>9</sup>

Three in four of our agents are under 35 years old, with almost 35% younger than 30. 40% of our agents say being an M-KOPA agent is their first job and 43% have not completed education beyond secondary school. Our agent training is tailored to all education levels and accessible on our mobile digital learning platform, M-KOPA Academy. This training includes general sales and soft skills, setting them up for professional development and success beyond M-KOPA.

Being an M-KOPA sales agent unlocks prosperity. 93% of agents say their quality of life has improved, and 90% have increased their income since becoming an M-KOPA agent. This income is not just important for them but is critical for the financial stability and prosperity of their families. 71% of our agents report that their earnings cover half or more of their household’s income, supporting an average of four family members.



<sup>9</sup> ILOSTAT

04  
Green



## Janet's story

Janet, a Kenyan entrepreneur, has started several businesses in Kitengela, where she lives, including a firewood shop and a barber shop. Her latest venture is motorbike leasing. She entered the male-dominated motorbike lending industry by buying motorbikes and renting them out to drivers on a daily basis.

This latest venture came with challenges. The riders she rented her bikes to were often late in paying her or refused to pay, causing her lost time and money to retrieve the motorbikes. She switched to M-KOPA's electric motorbikes based on a friend's recommendation because they come equipped with systems which would allow her to conveniently track and manage her fleet.

Janet remembers how easy the process was to acquire M-KOPA's electric motorbikes, allowing her to expand her business from one to three bikes in two months. As an astute businesswoman, she also values the savings on fuel and maintenance that switching to electric bikes generate. Entering the business world and particularly the mobility sector as a woman was difficult but she believed it was important for her to have her own business and earn her own income.

Looking ahead, Janet plans to expand her fleet to ten electric motorbikes. She is now teaching her daughter the business, empowering another woman to claim her space in the mobility sector.

## Committed to climate responsible growth

**2.1 million**

**tonnes of CO<sub>2</sub> avoided**

**100,000**

**circular economy products (refurbished and second life)<sup>10</sup>**

**1,500**

**electric motorbikes sold**

**1 million**

**people with improved energy access**

### Pioneering the transition to electric mobility

There are more than 30 million internal combustion motorbikes on the road in Africa, making them the most common form of transportation on the continent.<sup>11</sup> This is a critical health and environmental problem.

Ambient air pollution from vehicles kills over 350,000 people and destroys \$5 billion in GDP per year in Africa.<sup>12</sup> Petrol motorbikes are a key contributor to urban air pollution, each emitting 10 times more toxic pollutants than a petrol car for the same mileage. Each motorbike also emits 15 tonnes of CO<sub>2</sub> over its lifetime, totalling more than 60 million tonnes emitted per year.<sup>13</sup> In Kenya, the transportation sector accounts for the majority of national CO<sub>2</sub> emissions.<sup>14</sup>

Electric motorbikes reduce CO<sub>2</sub> emissions and toxic air pollution by more than 90%. And in Kenya, they are charged by the grid which is 90% powered by renewable energy, one of the cleanest in Africa.<sup>15</sup> This makes them dramatically better for the climate and the health of our communities. This makes them dramatically better for the climate and the health of our communities.

They are also a much better deal for customers. By switching to an electric motorbike with M-KOPA's flexible financing, customers save on average USD 3.50 per day and save time on maintenance. For the more than 1.8 million people who work in the commercial motorbike sector, earning on average less than \$10 a day, this means they can retain an average of 30% more earnings, increase their take-home income and improve their financial well-being.

In 2023, M-KOPA introduced financed electric motorbikes in Kenya, together with leading manufacturers. With our first 1,500 financed motorbikes on the road, our customers agree that they are a better value proposition:

- Riders report a 30% daily average saving since switching to an electric motorbike.
- 89% of riders say it is easier to repay their M-KOPA loan compared to other loans, and 79% say M-KOPA's terms are fair and transparent.
- 92% of riders have seen an improvement or significant improvement in the quality of their lives since owning an M-KOPA electric motorbike.
- 95% of riders use their electric motorbike for income earning activities, with 75% of these riders stating their income has increased by 50% or more.

<sup>10</sup> This includes solar products and smartphones

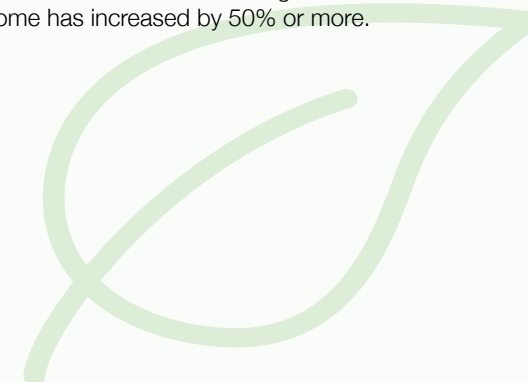
<sup>11</sup> FIA Foundation, 2023

<sup>12</sup> [The Lancet](#)

<sup>13</sup> UNEP financial model

<sup>14</sup> IEA 2024

<sup>15</sup> ITA, 2024





### Building a smartphone circular economy

More than 95% of the carbon footprint of a smartphone occurs in its first year of life<sup>16</sup>. This means that maximizing the useful life of each device is key to minimizing the collective carbon footprint of smartphone ownership. Many smartphones around the world are discarded well before the end of their useful life due to a broken screen or an upgrade to a newer phone. These phones sit unused in a drawer or warehouse and eventually make their way to a landfill.

By collecting, refurbishing and re-selling them, we can give them a second life. Refurbished phones reduce raw material usage and minimize e-waste. They are also a great customer proposition. We can offer quality usedphones to customers at up to a 40% discount compared to a new phone with similar specs, driving better value for money and unlocking digital inclusion for the lowest income segments.

Since our inception, we have refurbished and redeployed more than 100,000 phone and solar systems. This year, we launched a state-of-the-art refurbishment facility in Kenya, expanding our capabilities to refurbish a larger volume and wider range of device types and conditions. This investment was supported by our partner Microsoft Airband, who share our commitment to bringing more affordable and climate responsible devices to our markets. We are committed to further developing a circular economy ecosystem and ensuring that circularity is built into every element of the product value chain, from design to manufacturing to life cycle management.

16 Deloitte, 2022

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Our business is grounded in unwavering environmental, social and governance (ESG) principles of strong corporate governance and commitment to ethical environmental and social responsibility. Our ESG strategy is reviewed and regularly evaluated by the Board of Directors to assess our ESG & Impact progress. As part of our commitment to transparency, we submit annual ESG reports to our investors.

### Governance

Strong governance is at the core of our business. Our corporate governance strategy, established by the Board of Directors, is rooted in corporate responsibility, transparency, ethics and accountability.

The M-KOPA Group is overseen by our UK parent company which brings UK and local corporate governance standards and fiduciary responsibilities to the entire group.

**Risk management and operations:** we have robust policies, monitoring, oversight and reporting in place to ensure ethical compliance in all business, financial management and operations. Our Management and Board Audit & Risk Committees monitor financial risks, financial crime and business integrity risk, safeguarding, whistleblowing reports, conflict of interest, third party risk, amongst numerous other things. In 2024 alone we have conducted over thirty compliance trainings on a variety of areas including gender based violence, ethics, anti-bribery and corruption and digital licensing requirements, as examples.

Below is a summary of our core governance policies:

- **Financial management and operations:** we have strict policies in place ensuring ethical compliance in all business, financial management and operations, including policies on: Anti-Money Laundering, Anti-Bribery & Corruption, Whistleblowing, Conflict of Interest, Supplier Code of Conduct, and Procurement.
- **Environment, health and safety (EHS):** we treat the safety and security of our staff, sales agents and customers with utmost priority. We have a dedicated EHS team across multiple markets that closely monitor health and safety KPIs and undertake regular risk assessments and audits. We place a strong emphasis on training and safety culture. In 2024 we have conducted more than 45 internal trainings on topics such as field safety, gender safety, waste handling and disposal and battery safety, amongst others.

## Our consumer and data protection framework

M-KOPA is committed to building trust and confidence among our customers, employees and sales agents, and this includes the way in which we process their personal data. To ensure we are clear and transparent about this processing, we recently published a video version of our privacy notice that explains to our customers how we collect and handle personal data. Our objective is to be seen as a market leader in terms of our data protection practices and we have policies and procedures in place to ensure compliance with regulatory requirements across our markets. All staff are provided with both mandatory training as well as additional bespoke training and awareness sessions so everyone at M-KOPA understands the importance of fair and lawful use of customer data.

These core consumer protection principles shape how we do business:

- **Transparency:** We provide clear, accurate, and accessible information about our products and services. Our onboarding process includes a detailed call where a customer care agent explains the loan pricing and terms.
- **Responsible Sales and Pricing:** Our team operates with honesty and integrity, offering products and recommendations that genuinely meet customer needs. Our pricing has no hidden fees or surprises. If a customer is unable to pay for their device, they can return the product at any time. They will receive a refund of their deposit and be released of their financial obligation.
- **Customer Service:** We treat customers with respect and fairness. We offer 24/7 support through our best in class contact centres, online support, and retail network.
- **Product Quality:** We are committed to delivering high-quality products that meet industry standards, customer expectations, and regulatory requirements.
- **Data Privacy:** We safeguard customer data with robust privacy and security measures, overseen by our dedicated Data Protection team to ensure compliance with privacy laws.
- **Fair Treatment:** We uphold fairness, transparency, and respect in all customer interactions.

In addition to ensuring adherence to our stringent internal policies, we also periodically conduct third-party research to assess our customers service experience; with the following results from the past two years:



**91% say M-KOPA terms are fair and transparent**



**88% say M-KOPA loans are easier to repay compared to other loans**



**96% of customers say they understand all the terms and conditions**



**98% of customers feel M-KOPA respects their privacy**





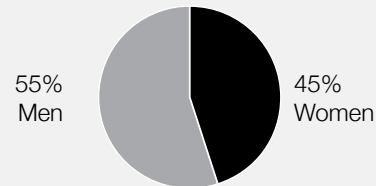
## Social

Our talented global team of over 3,000 people (direct and indirect) and 30,000 agents work passionately to deliver impact for our customers and planet. We foster a diverse and inclusive work environment across our markets.

### Diversity, equity, and inclusion

95% of our staff are based in Sub-Saharan Africa working across our five markets, and 5% from Europe and China. Women make up 45% of our global staff, with 38% of our Senior Leadership being women. And 42% of our sales agents are women.

#### 2,090 Staff Globally



#### 34 Senior Management Team



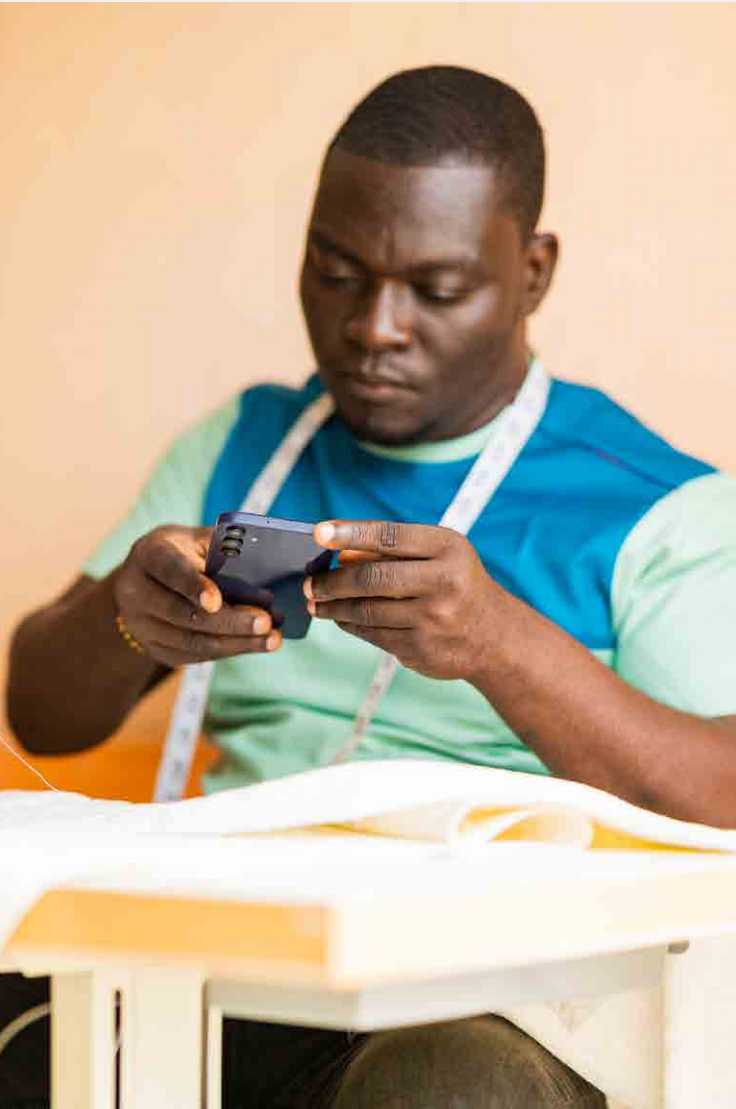
### Employee engagement and growth

Positive employee engagement is essential to M-KOPA's success. We measure employee engagement annually and our survey results are consistently above industry standard, at >80%.

We believe Learning & Development (L&D) is essential for employee growth and happiness. We have dedicated L&D programs to support our people's development, including dedicated L&D time and budget for teams, global leadership development and coaching for first-time and middle-level managers. In 2024 we also launched our Sales Emerging Leaders' Development Program to empower our sales staff and invest in their leadership development to foster strong, capable leaders who can inspire their teams and contribute to M-KOPA's success.

### Community response initiatives

We contribute to the communities where we operate in many ways. Over the past year, this included company and staff donations to support people displaced by flooding in Kenya, market clean-up initiatives in Uganda, and donations to a school supporting children with special needs in Ghana.



## Market development

We are deeply committed to upholding the highest standards of corporate governance and our impact extends beyond our business activities to our contribution to making a significant socio-economic impact. We contribute substantially to the economy, not only through corporate taxes but also as a major employer. To date, we have contributed over USD 170 million in taxes across all our markets since inception. This includes various forms of taxation such as corporate income tax, payroll taxes, and other levies, underscoring our dedication to supporting local economies and driving sustainable development. In January 2023, we launched the first local smartphone assembly factory in Kenya with the aim of supporting local manufacturing capacity, increasing affordability of our phones to our customers. We have since produced more than 1 million smartphones through our local assembly factory and are on track to reach 1.8 million by end of 2024.

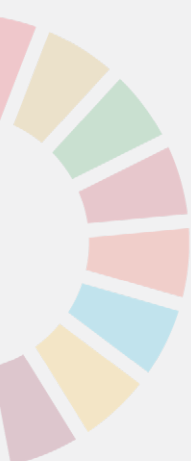
Our local assembly factory has created 325 full time jobs, over 40% are women and 90% are under 35 years old. For 70% of our staff, this is their first formal job, enabling them to enter the formal economy and develop critical skills in the ever-growing technology sector.

## Environment

M-KOPA reports environmental performance to our stakeholders, including our carbon emissions, electricity consumption, water consumption, e-waste and end-of-life product management, and overall waste management.

This year, we undertook our first full carbon footprint measurement with Emitwise, a leading global carbon emissions measurement firm. Our current annual carbon footprint (including upstream scope 3) is less than 100,000 tonnes of CO<sub>2</sub> equivalent per year.

In comparison, the clean energy products we have sold to-date have displaced over 2 million tonnes of CO<sub>2</sub> emissions since our inception. We are committed to reducing our carbon footprint as we scale, and have shown this commitment through investments in our refurbishment facility and second life phones. We will also continue to pioneer green products like electric motorbikes that contribute to the health and sustainability of the communities where we operate.



# Sustainable Development Goals

Throughout our journey, we are tracking our performance relative to the United Nations' Sustainable Development Goals (SDGs).

These 17 goals were drafted by the United Nations member states in 2015 as a global call to action to end poverty, protect the environment, and secure peaceful and prosperous livelihoods by 2030.

Importantly, they acknowledge the need to balance social, economic and environmental sustainability to promote development – principles we at M-KOPA fully embrace.

The SDGs provide M-KOPA with a frame of reference as we identify and measure opportunities for impact in our business. Improving the financial health of unbanked and underbanked communities through improved access to digital financial services is tightly linked with several SDGs across our four themes and allows us to operate in alignment with global priorities.

M-KOPA's operations strongly contribute to advancing 10 SDGs across our 4 themes:

## INCLUDED

Our credit model is proven to work for unbanked or underbanked customers, as seen through the successful repayment of millions of loans. This has provided millions with productive assets that bridge digital and economic gaps and put them on a path to prosperity. In addition, we create employment and training opportunities for tens of thousands of sales agents and will continue to focus on promoting employment inclusion of the most excluded, such as women and youth.



## CONNECTED

Connecting customers and agents to affordable smartphones and digital services means they can connect to the digital economy, driving digital integration, resulting in higher levels of economic productivity, interconnectedness, and income growth



## PROSPEROUS

Our business sets customers and agents on a path to wellbeing and prosperity. By using our products, they are better equipped to invest in growing their businesses and investing in their households. They become more resilient to shocks and empowered to live their lives with financial control.



## GREEN

Sustainability is at the core of the decisions we make at M-KOPA. In the past years, we have played a key role in facilitating access to clean energy technology and, forward looking, we aim to advance the growth of renewable energy infrastructure through our electric motorbikes. In tandem, we are making bets to elevate our capacity to sustainably manage resources across our supply chains





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