



**MULTI CHOICE**  
ENRICHING LIVES

MultiChoice Group Limited (MCG)

## Communication Policy



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## 1. Purpose

The purpose of this policy is to govern MultiChoice Group's (MCG) external communication activities in order to:

- protect the group's reputation; and
- avoid selective or unlawful disclosure of material non-public information.

These activities include (but should not be limited to) interaction with the media, shareholders, investors and other stakeholders.

This policy applies to all MCG directors and employees as well as directors and employees of the group's subsidiaries and business units. It should be read in conjunction with the Investor Relations policy and the Media Relations and External Communications Guidelines.

Material Non-Public information is any information about MCG, one of the group companies or its products, that might meaningfully change the MCG share price when it is disclosed to the public. It includes, but is not limited to, non-public financial information, confidential strategic, product or deal information and details of any litigation. (For more detailed information, refer to section 12 of the policy, as well as the annexures to this document).

The content relating to the disclosure of Material Non-public Information in this policy is a summary of the legal and regulatory provisions and should not be used as a substitute for specific legal advice.

## 2. Authorised Spokespersons

2.1 Only Authorised Spokespersons may discuss MCG's financial and operating matters externally, including all subsidiaries, JV's and/or associates of the group.

2.2 The Authorised Spokespersons are the MCG's Chair, Group Chief Executive Officer (CEO), Group Chief Financial Officer, Deputy Chief Financial Officer Head of Investor Relations, Group Company Secretary and the Group Executive Head of Corporate Affairs & Stakeholder Relations.

2.3 Business Unit CEOs are Authorised Spokespersons on product or operational matters for their business areas. They may not comment or speak on behalf of MCG in relation to MCG specific matters or financial information unless they are authorised by the MCG CEO or CFO.

2.4 An Authorised Spokesperson may assign other MCG officers or representatives to handle specific topics. Should anyone else be required to communicate externally on behalf of MCG, such authorisation should be granted an Authorised Spokesperson, who should also take responsibility for such a representative complying with the group’s policies.

2.5 No unauthorised employee may comment externally on the group’s financial or operational performance or any matters that are sensitive from a share price, regulatory or reputational perspective.

2.6 Any unauthorised communication is prohibited and cannot be considered as official comment. As a consequence, MCG could distance itself from the communication and the person who made it. We could also request a retraction and official confirmation that the communication was unauthorised.

### 3. Definitions, Acronyms and Abbreviations

The following terms that are used in this policy have the meanings given below.

Term	Meaning
<b>"Affected Securities"</b>	The PN Securities, MCG Securities and Other Securities, collectively or individually, as the context requires.
<b>"Associate"</b>	<p>Has the meaning given in the JSE Listings Requirements (please refer to Annex A). Without limiting the definition in the Listing Requirements will include:</p> <ul style="list-style-type: none"> <li>- Immediate family (spouse and minor children); or</li> <li>- Companies/trusts on which the director or his/her immediate family is a director or is a shareholder or beneficiary; or</li> <li>- Companies/trusts that a director controls.</li> </ul>
<b>"Authorised Spokespersons"</b>	MCG’s Chair, Group Chief Executive Officer (CEO), Group Chief Financial Officer, Deputy Chief Financial Officer Head of Investor Relations, Group Company Secretary and the Group Executive Head of Corporate Affairs & Stakeholder Relations and other persons who, from time to time, are designated as

	Authorised Spokespersons by the chair, the MCG chief executive officer, MCG chief financial officer, the head of investor relations or the head of corporate affairs.
<b>“FMA”</b>	The Financial Markets Act, 19 of 2012 (as amended).
<b>“Investors”</b>	Existing and potential holders of Affected Securities (including shareholders and bond holders).
<b>“JSE”</b>	The exchange operated by JSE Limited.
<b>“Listings Requirements”</b>	The Listings Requirements issued by the JSE, as amended from time to time.
<b>“Material Non-public Information”</b>	"Price Sensitive Information" or "Inside Information", which has not been disseminated in a manner making it available to the public generally in relation to MCG or the Phuthuma Nathi or the Affected Securities, as the case may be. Please refer to Annex A which sets out the definitions of such information in terms of certain applicable statutes and stock exchange rules. Practical guidance on when information will be regarded as "non-public" is set out in Annex B. Any question about whether information constitutes Material Non-public Information should promptly be directed to an Authorised Spokesperson whose decision in this regard shall be final.
<b>“MCG Securities”</b>	Any Securities, issued by MCG and listed on any Regulated Market, which shall include but not be limited to shares, depositary receipts, bonds, debentures, specialist securities, options on shares, derivative instruments, notes or units and rights thereto, options on indices of information as issued by a Regulated Market on prices of any of the aforementioned instruments, as well as any other instruments declared by the Registrar of Securities Services.
<b>“MultiChoice Group”</b>	MCG and its Subsidiaries.

<p><b>“Other Securities”</b></p>	<p>Any instrument issued or right granted by a MultiChoice Group company in relation to an employee share incentive plan (including, for the avoidance of doubt, shares, options on shares and share appreciation rights), irrespective if such instrument or right is listed or quoted on a Regulated Market.</p>
<p><b>“Phuthuma Nathi”</b></p>	<p>Phuthuma Nathi Investments Limited (RF),</p>
<p><b>“Phuthuma Nathi Securities”</b></p>	<p>Any Securities issued by Phuthuma Nathi and listed on any Regulated Market, which shall include but not be limited to shares, depositary receipts, bonds, debentures, specialist securities, options on shares, derivative instruments, notes or units and rights thereto, options on indices of information as issued by a Regulated Market on prices of any of the aforementioned instruments, as well as any other instruments declared by the Registrar of Securities Services.</p>
<p><b>“Price Sensitive Information”</b></p>	<p>Information is “price sensitive information” if a substantial likelihood exists that a reasonable investor would consider it as important in making a decision to acquire, hold or dispose of the Affected Securities. Alternatively, price sensitive information is any information which if disclosed would likely have a material effect on the price of the Affected Securities and includes material risks. Refer to Annex A for definitions of such information in terms of certain statutory and stock exchange rules. Practical guidance on when information will be regarded as "price sensitive" is set out in Annex B.</p>
<p><b>“Regulated Market”</b></p>	<p>Any market, domestic or foreign, which is regulated in terms of the laws of the country in which the market conducts business as a market for dealing in Securities that are listed or quoted on that market, and on which MCG Securities or Phuthuma Nathi Securities, as the case may be, are listed or quoted, including, without limitation, the JSE and any over-the-counter market.</p>
<p><b>“Securities”</b></p>	<p>Has the meaning given in the FMA (please refer to Annex A).</p>

<p><b>“Securities Professionals”</b></p>	<p>Financial analysts, asset/fund managers, investment bankers, credit rating agencies and other securities market professionals.</p>
<p><b>“SENS”</b></p>	<p><b>The Stock Exchange News Service of the JSE.</b></p>
<p><b>“Subsidiaries”</b></p>	<p><b>Has the meaning given in section 3 of the Companies Act, 71 of 2008 (as amended), save that the interpretation and application of this definition shall not be limited to South African companies.</b></p>

**4. General policy regarding disclosure of Material Non-public Information**

4.1 MCG may disclose Material Non-public Information under certain circumstances taking into account the requirements of applicable laws, regulations and stock exchange rules. In the event MCG discloses such information, the group’s policy is to disclose and disseminate it on a broad basis to ensure that it reaches/is accessible to all affected stakeholders.

4.2 The general rule is that disclosure of Material Non-public Information;

- 4.2.1 should be made public simultaneously and be widely disseminated to the public through one of the methods stated in paragraph 3.3 below.
- 4.2.2 must be released publicly without delay, unless the information can be kept confidential for a limited period of time in accordance with applicable laws and regulations; and
- 4.2.3 must be released through the relevant Stock Exchange News Service (SENS) before being disclosed to any other parties (including the media, investors and other relevant stakeholders) through any other method.

4.3 Acceptable methods in respect of the public disclosure of Material Non-public Information include the use of one or a combination of the following:

- 4.3.1 Through the relevant Stock Exchange News Service (SENS) in accordance with the provisions of the relevant stock exchange rules, and if applicable:
  - 4.3.1.1 a media release issued to recognised national and international news services, as well as via company social media channels; or
  - 4.3.1.2 orally by means of a conference call or a secure virtual platform, to which interested parties may listen by telephone or through the internet, media release

as well as the corporate website and via acceptable investor communication systems. The notice must provide the time and date of the conference call and inform the public how to access the conference call.

- 4.4 It is not acceptable to disclose Material Non-public Information through social media platforms only or as primary channels. They should be used as complementary platforms to help distribute such information as wide as possible.
- 4.5 It is MCG's policy to release announcements simultaneously in all markets and to the extent that it is possible, at a time that is fair to investors spread geographically across the world.

## 5. Permitted non-public disclosures

- 5.1 Subject to applicable laws, regulations and stock exchange rules, Authorised Spokespersons are permitted to disclose Material Non-public Information to:
  - 5.1.1 MCG's and/or MCG's subsidiaries' legal counsel, accountants, auditors, consultants, stock exchange sponsors, advisers and/or any person(s) if such disclosure is required for them to exercise their employment, profession or duties or to persons with whom MCG is negotiating with a view to effecting a transaction, raising finance or obtaining a credit rating (which persons, among others, may include prospective underwriters of an issue of securities, providers of funds or loans or potential placers of the balance of a rights issue not taken up by shareholders). In these circumstances, MCG must ensure that a non-disclosure agreement is signed before sharing material non-public information.
  - 5.1.2 Furthermore, any person that is acting on MCG's behalf or on its account must draw up and maintain an insider list and ensure that every person on that list acknowledges their legal and regulatory duties and is aware of the sanctions of any misuse or improper circulation of such disclosed information;
  - 5.1.3 Any relevant statutory or regulatory body or authority including, the Companies and Intellectual Property Commission, the Financial Sector Conduct Authority, the JSE Limited, the South African Reserve Bank, Prudential Authority, the South African Revenue Service, the South African Competition Commission and the Takeover Regulation Panel; and
  - 5.1.4 Third parties such as, the group's corporate broker, or printers and typesetters of announcements, circulars, reports etc., provided that there is a confidentiality agreement in place with such third party. It is not the group's policy to provide information to the media subject to a time embargo.



5.2 In the event of a breach of confidentiality and if the market becomes aware of Material Non-public Information, MCG must immediately announce details of such information publicly via SENS.

## 6. Media communication

6.1 Interaction with the media is limited to Corporate Affairs, Authorised Spokespersons and Marketing Public Relations as set out in the MCG Media Relations and External Communication Guidelines. Unless assigned such responsibility by an Authorised Spokesperson, other employees are prohibited from contacting the media, sharing information with the media, or responding to media requests.

6.2 Corporate Affairs is responsible for the release of information to the media and the Head of Corporate Affairs must approve all media releases and media interviews. All media queries and requests received by employees must be referred promptly to Corporate Affairs. Media requests include requests from recognised national and international news services as well as requests for authoring articles or providing comments for print publications, external blogs, social media platforms and broadcast media.

6.3 Requests by partners or suppliers to have joint media releases or announcements on other platforms should be directed to Corporate Affairs for approval. The final announcement must also be approved by Corporate Affairs.

6.4 No disclosure of Material Non-public Information may be made during private communications with the media.

6.5 Accordingly, the preparation and the dissemination of media releases which include Material Non-public Information must be coordinated by Corporate Affairs in the following manner:

6.5.1 A draft of the release must be prepared and submitted for review and comment to the appropriate MCG officers and advisers. These are the Authorised Spokespersons, general counsel, and any other advisers to MCG (legal, financial or other) whose advice may be required.

6.5.2 for earnings announcements and other announcements as determined by the above officers, a draft release must be submitted to members of the audit committee in accordance with the audit committee charter or, where appropriate, to the members of the full board of directors for consideration and comment.

6.5.3 following the receipt of input from all of the above persons and the approval of the media release concerned by the chief executive officer, such release

must first be published on (SENS) and thereafter on recognised national and international news services or platforms, such that the same information will be released simultaneously in all markets in accordance with applicable laws, regulations and stock exchange rules. Such information must also be made available on the MCG website.

- 6.5.4 only after compliance with the above procedures may wider dissemination of the media release take place.
- 6.5.5 Appropriate steps must be taken to minimise the potential for premature public dissemination of such releases.

## 7. Disclosures to Investors and Securities Professionals

- 7.1 No disclosure of Material Non-public Information may be made during private communications with Investors and Security Professionals or at conferences sponsored by Securities Professionals, in line with Stock Exchange rules and regulations.
- 7.2 During discussions with the securities professionals and Investors, Authorised Spokespersons are allowed to expand on information already in the public domain, but no Material Non-public Information should be disclosed in the process.
- 7.3 For MCG's policy on the review of analyst's reports and estimates, please refer to the Investor Relations Policy.

## 8. External communication

- 8.1 MCG recognises the contribution that its employees make in building the reputation of the Group among key stakeholders. It understands that many of its talented people are in demand for comment, articles and speaker opportunities, and that they have a professional profile and reputation they would like to maintain and build.
- 8.2 Any employee who wishes to communicate about their specialist area of expertise, their company or the MultiChoice Group must uphold the obligations outlined in this policy and follow the group's Media Relations and External Communication Guidelines.
- 8.3 This includes but is not limited to personal or professional social media activity, authoring articles, speaking at events, and providing comment to the media, bloggers and commentators.
- 8.4 The stipulations in this policy about the disclosure of Non-Public Material information applies to employees taking part in public events, whether they do so in their personal or professional capacity.

8.1 8.5 All MultiChoice Authorised Spokespersons must undertake media training facilitated by the Corporate Affairs communication team. Refresher training sessions will be done as and when required

## 9. Crisis communication

9.1 MCG has procedures in place for employees to follow in the event of a crisis. The definition of a crisis and guidelines on how communication is coordinated during a crisis are captured in the MCG Crisis Communication policy.

## 10. Other topics subject to this policy

10.1 Corporate action (e.g. mergers, acquisitions or divestitures)

10.1.1 Until MCG issues a SENS or media release in accordance with this communication policy, all Authorised Spokespersons should respond to any enquiries relating to mergers, acquisitions or divestitures in terms of the agreed holding statement, which substantially should read as follows: “It is MCG’s policy neither to acknowledge nor deny its involvement in any merger, acquisition or divestiture activity, nor to comment on market rumours.”

10.1.2 This is the only authorised response that can be used until MCG issues a SENS or media release as described above

10.2 Movements in the price of the Affected Securities

10.2.1 Unless there is a reason that is public knowledge, the response to share price movements of affected securities should be: “It is MCG’s policy not to comment on movements in the price of the Affected Securities”.

10.3 Unintentional disclosure of Material Non-public Information

10.3.1 Any person who suspects or believes that there has been an unplanned, accidental unintentional or unlawful disclosure of Material Non-public Information should inform an Authorised Spokesperson immediately.

10.3.2 The informed Authorised Spokesperson must then consult with other Authorised Spokespersons to determine whether the information disclosed is Material Non-public Information.

10.3.3 If the Authorised Spokespersons determine that Material Non-public Information has been disclosed:

10.3.3.1 such Information should be released as prescribed in section 3 of this policy, within 24 hours following such determination, or before the commencement of the next day's trading on the relevant stock exchange(s) following such determination, whichever is later; and

10.3.3.2 the MCG company secretary will alert the relevant stock exchanges on which MCG securities are listed as promptly as possible to the extent required by applicable laws, regulations and stock exchange rules

## 10.4 Visits and tours of the MultiChoice Group's facilities

10.4.1 Only an Authorised Spokesperson can authorise visits to the MultiChoice Group's facilities.

10.4.2 An Authorised Spokesperson or suitably authorised employee must accompany such visitors.

10.4.3 The policies regarding small group and individual meetings apply to these visits.

## 10.5 Closed and "quiet/embargo" periods

10.5.1 MCG, MultiChoice South Africa and Phuthuma Nathi would typically be in a closed period from the day after the end of a reporting period (i.e. 30 September or 31 March) until the end of the closed period that is normally triggered by the release of results to the public via a SENS (the earnings publication date). Interaction with the media, shareholders, investors, securities professionals and other stakeholders during this time will be limited to discussions on general strategy and/or historic, publicly available information.

10.5.2 In order to preclude the perception of selective disclosures prior to an earnings publication date, MCG observes a pre-earnings "quiet" period starting 30 days before such earnings publication date (as published on the financial calendar available on the website). During this period, MCG will typically not take part in interactions with the media, shareholders, investors, securities professionals or other stakeholders, even if the objective of these is not to discuss current operations or results.

## 10.6 Investor-related information on MCG websites

10.6.1 The Head of Investor Relations, in conjunction with Corporate Affairs and the Company Secretariat, is primarily responsible for placing and removing all investor-related information on MCG's websites in accordance with this

policy, as well as the Investor Relations policy.

## 11. Policy review and revision.

This policy is subject to review and revision from time to time as circumstances warrant and is approved by the MCG board. It will be included on the MCG directors' governance portal and will also be circulated to directors of the MultiChoice Group's subsidiaries and members of executive management. In addition, it will be posted on the intranets of all MultiChoice Group companies and on the MCG website.

## 12. Non-compliance with policy

Any company or business area, including individuals who are subject to this policy found not to comply with the provisions as set out in this policy or any amendment thereto, shall be subjected to appropriate disciplinary and legal action.

## 13. Document Properties

MultiChoice Group		<i>Document Number</i>	
		MCG-GRP-BRD-POL-005	
Communication Policy		<i>Effective Date</i>	
		01/04/2021	
<i>Initiated By:</i>	<i>Reviewed By:</i>	<i>Approved By:</i>	
Keabetswe Modomoeng	Tim Jacobs	MCG	
Group Executive: Corporate Affairs and Stakeholder Relations	Group Chief Financial Officer	Board of directors	
<i>Keabetswe Modomoeng</i>	<i>Tim Jacobs</i>	Minutes of meeting held on 28 March 2024	
<i>Rev. No.</i>	<i>Rev. Date</i>	<i>Section/s</i>	<i>Description of Change</i>

1	10 Dec 2018	All	New policy
2	2 April 2020	All	Semantic and grammar related amendments
3	1 April 2021	All	Extensive review
4	12 December 2023	All	Added one additional clause under paragraph 7.  Updated the policy initiator from Jabavu to Keabetswe under document properties.

**Annex A**

**Extracts from the FMA and the Listings Requirements definitions**

Term	Meaning
<p>"Associate"  (Listings Requirements - Definitions section)</p>	<p>In relation to an individual means:</p> <ol style="list-style-type: none"> <li>1. that individual’s immediate family; and/or</li> <li>2. the trustees, acting as such, of any trust of which the individual or any of the individual’s immediate family is a beneficiary or discretionary subject, including trustees of a trust without nominated beneficiaries, but who have been provided with a letter of wishes or similar document or other instruction, including a verbal instruction, naming desired beneficiaries (other than a trust that is either an occupational pension scheme, or an employees’ share scheme that does not, in either case, have the effect of conferring benefits on the individual or the individual’s family);</li> <li>3. any trust, in which the individual and/or his family referred to in 1 above, individually or taken together have the ability to control 35 % of the votes of the trustees or to appoint 35% the trustees, or to appoint or change 35 % of the beneficiaries of the trust. Without derogating from the above, and for purposes of this definition, the term trust may also be replaced with any other vehicle or arrangement set up for similar purposes to that of a trust; and/or</li> <li>4. any company in whose equity securities the individual or any person or trust contemplated in 1 or 2 above, taken together, are directly or indirectly beneficially interested, or have a conditional, contingent or future entitlement to become beneficially interested, and that the individual or any person or trust contemplated in 1 or 2 above are, or would on the fulfilment of the condition or the occurrence of the contingency be, able:             <ol style="list-style-type: none"> <li>(a) to exercise or control the exercise of 35% or more of the votes able to be cast at general meetings on all, or substantially all, matters; or</li> <li>(b) to appoint or remove directors holding 35% or more of the voting rights at board meetings on all, or substantially all, matters; and/or</li> <li>(c) to exercise or control the exercise of 35% or more of the votes able to be cast at a board of directors’ meeting on all, or substantially all matters; and/or</li> </ol> </li> </ol>

	<p>5. any close corporation in which the individual and/or any member(s), taken together, of the individual’s family are beneficially interested in 35% or more of the members’ interest and/or are able to exercise or control the exercise of 35% or more of the votes able to be cast at member’s meetings on all, or substantially all, matters; and/or</p> <p>6. any associate as defined below with reference to a company of the company referred to in 4 above for the purpose of 4(a) above, where more than one director of the same listed company is directly or indirectly beneficially interested in the equity securities of another company, then the interests of those directors and their associates will be aggregated when determining whether such a company is an associate of any one director of such listed company.</p> <p>In relation to a company (“company”) means:</p> <ol style="list-style-type: none"> <li>1. any other company that is its subsidiary, holding company or subsidiary of its holding company; and/or</li> <li>2. any company whose directors are accustomed to act in accordance with the company’s directions or instructions; and/or</li> <li>3. any company in the capital of which the company, and any other company under 1 or 2 taken together is, or would on the fulfilment of a condition or the occurrence of a contingency be, interested in the manner described in 3 above; and/or</li> <li>4. any trust that the company and any other company under 1 and 2 above, individually or taken together, have the ability to control 35 % of the votes of the trustees or to appoint 35% of the trustees, or to appoint or change 35 % of the beneficiaries of the trust. Without derogating from the above, and for the purposes of this definition, the term trust may also be replaced with any other vehicle or arrangement set up for similar purposes to that of a trust.</li> </ol> <p>Note: This definition is not exhaustive and may, in individual circumstances, be extended to apply to persons who can, otherwise than specified above, reasonably be said to fall within a MCG Representative’s sphere of influence.</p>
<p>“inside information” (Section 77 FMA - Definitions)</p>	<p>Means “specific or precise information, which has not been made public and which -</p> <ol style="list-style-type: none"> <li>(a) is obtained or learned as an insider; and</li> <li>(b) if it were made public, would be likely to have a material effect on the price</li> </ol>



	or value of any security listed on a regulated market or of any derivative instrument related to such a security.”
"insider" (Section 77 FMA - Definitions)	<p>“a person who has inside information-</p> <p>(a) through-</p> <p>(i) being a director, employee or shareholder of an issuer of securities listed on a regulated market or an issuer of derivative instruments related to such securities to which the inside information relates; or</p> <p>(ii) having access to such information by virtue of employment, office or profession; or</p> <p>(b) where such person knows that the direct or indirect source of the information was a person contemplated in paragraph</p>
“price sensitive information” (Listings Requirements - Definitions section)	Means unpublished information that is specific or precise, which if it were made public, would have a material effect on the price of the issuer’s securities.
"Regulated Market" (Section 77 FMA - Definitions)	Means any market, domestic or foreign, which is regulated in terms of the laws of the country in which the market conducts business as a market for dealing in securities listed on that market.

## Annex B

### **Guidance on when information will be regarded as “Price Sensitive Information” or “inside information”**

#### **Practical examples**

The following are examples of information that is frequently regarded as price sensitive:

- news of earnings or losses, or statements of comfort (or discomfort) with the guidance or with a particular securities professional’s projections of future earnings or losses;
- significant and material mergers, acquisitions and divestitures;
- changes in dividend policies, the declaration of a share split or the offering of additional Securities;
- changes with regard to executive directors;
- information about strategy or changes to strategy;
- significant and material contract wins and losses;
- significant and material change in the regulatory environment, including the renewal or non-renewal of material licences and the conditions attached to the licences;
- material fines, regulatory sanctions or proceedings;
- asset write-offs;
- significant and material disputes and litigation; and
- pending bankruptcy, business rescue or financial liquidity problems.

**The above list is for illustrative purposes only. Other types of information may be price sensitive, depending upon facts and circumstances.**

Generally, any significant information or event outside the normal course of business should be reviewed carefully to determine if it is Price Sensitive Information.

Consult the chair, the chief executive officer, the financial director, the head of investor relations or the company secretary if doubt exists about whether information constitutes Price Sensitive Information.

#### **Guidance in the Listings Requirements**

The Listings Requirements define “Price sensitive information” as “unpublished information that is specific or precise, which if it were made public, would have a material effect on the price of the issuer’s securities”.

Although the Listings Requirements define the term “material”, the JSE has advised that when dealing with the interpretation of the definition of “price sensitive information”, the standalone definition of “material” must not be applied, and issuers, directors and sponsors must instead focus on the interpretation of the concepts “specific and precise”, and “material effect”.

The Listings Requirements do not define “specific and precise” in relation to the definition of price sensitive information. Practice note 2/2015 issued by the JSE (“**Practice Note**”) points out that what may constitute specific or precise information in one situation may not do so in another, depending on the circumstances. The Practice Note refers to the accepted definition of “precise” by the European Court of Justice, being:

- *The information indicates a set of circumstances which exists or may reasonably be expected to come into existence or an event which has occurred or may reasonably be expected to do so; and*
- *The information is specific enough to enable conclusions to be drawn as to the possible effect of that set of circumstances or event on the price of a share.*

The JSE takes the view that a reasonable degree of certainty is required to conclude that information is specific or precise. In addition, it is the likelihood of the possible effect that such information could have on the price of the issuer's securities that is being assessed in the determination of whether the information constitutes Price Sensitive Information.

In terms of the Practice Note, materiality must be assessed both quantitatively and qualitatively. Issuers should be mindful that there is no firm figure (percentage change or otherwise) that can be set for any issuer as this will vary from issuer to issuer taking into account the variety of factors (for example, the size of the issuer, recent developments, market sentiment about the issuer, the sector in which it operates, prevailing market conditions, price of the listed securities, general liquidity and shareholder base).

The Listings Requirements require us to consider whether the information could influence the economic decisions of Investors in respect of the Affected Securities. This assessment should take into consideration the anticipated impact of the information in light of:

- i the whole of issuer's activities;
- ii the reliability of the source of the information; and
- iii other market variables likely to affect the relevant Affected Securities in the circumstances.

The JSE also suggests that issuers also consider the following in making the assessment whether the information would have a material effect on the price of the issuer's securities: "*Under the securities laws of the United States, information is material if a reasonable investor is likely to consider it significant in making an investment decision...*".

In terms of the Practice Note, information which is considered to be relevant to a reasonable investor's decision for purposes of determining materiality includes information which affects:

- the assets and liabilities of the issuer;
- the performance, or the expectation of the performance of the issuer's business;
- the financial condition of the issuer;
- the course of the issuer's business, including the consideration of material risks;
- major new developments in the business of the issuer; and
- information previously disclosed to the market.

Paragraph 3.6 of the Listings Requirements states that issuers that deem it necessary to provide information, prior to releasing same on the Stock News Service of the JSE (SENS), must ensure that in doing so they do not commit an offence in terms of the FMA and in particular section 78(4).

Section 78(4) of the FMA provides that:

- (a) an insider who knows that he or she has inside information and who discloses the inside information to another person commits an offence; and
- (b) an insider is, despite paragraph (a), not guilty of an offence contemplated in that paragraph if such insider proves on a balance of probabilities that he or she disclosed the inside information because it was necessary to do so for the purpose of the proper performance of the functions of his or her employment, office or profession in circumstances unrelated to dealing in any security listed on a regulated market or trading with a derivative instrument related to such a security and that he or she at the same time disclosed that the information was inside information.

Further guidance in this regard is set out in, among others, the JSE Guidance Letter: Discussions with Journalists and Investment Analysts and JSE Guidance Letter: Cautionary Announcements.

## **Guidance in the FMA**

The FMA does not define what constitutes specific or precise information and the courts will determine this on a case-by- case basis. What may constitute specific or precise information in one situation may possibly not do so in another, depending on the surrounding circumstances. The degree of precision in the information will affect the extent of the investment decisions taken by an insider

## Guidance from the South African courts

- owing to its non-public and precise nature and its ability to influence the prices of financial instruments significantly, inside information grants the insider in possession of such information an advantage in relation to all the other actors on the market who are unaware of it;
- inside information enables that insider, when he acts in accordance with that information in entering into a transaction on the market, to expect to derive an economic advantage from it without exposing himself to the same risks as the other investors on the market;
- the essential characteristic of insider dealing thus consists in an unfair advantage being obtained from information to the detriment of third parties who are unaware of it and, consequently, the undermining of the integrity of financial markets and investor confidence;
- for information to be specific or precise does not require the circumstances or event to which it relates to be in final form. Information relating to circumstances or an event in an intermediate phase could still be specific and precise and constitute inside information; and
- whether the information is price sensitive is determined with reference to the reasonable investor and whether he would regard the information as relevant to a decision to deal in such securities or not.

## Practical guidance on when information will be regarded as "non-public"

Information will cease to be regarded as being "non-public" once it has been made public. Under the FMA, information is regarded as having been made public in circumstances which include, but are not limited to, the following:

- (a) when the information is published in accordance with the rules of the relevant regulated market; or
- (b) when the information is contained in records which by virtue of any enactment are open to inspection by the public; or
- (c) when the information can be readily acquired by those likely to deal in any listed securities:
  - to which the information relates; or
  - of an issuer to which the information relates; or
- (d) when the information is derived from information which has been made public.

This is not a complete list of instances when information will be regarded as having been made public and any queries in relation to whether information is non-public should be directed to the company secretary.

As a general rule, information should be regarded as having been made public (and, accordingly, ceasing to be non- public) once all stakeholders have been given equal access to relevant information in a way that minimises the possibility of unfair advantage to a few.

In the South African context, publication of information on SENS is usually regarded as the most appropriate means of ensuring that information has been made public. The JSE only recognises a public announcement as having occurred once it has been made on SENS. If there is any doubt as to whether information can be regarded as "non-public" the company secretary must be consulted.

## Annex C

### Guidance on public interactions including roadshows

These guidelines are to serve as a guide to MCG when conducting roadshows in relation to any proposed transaction or corporate action and the treatment of Material Non-public Information in such roadshows. These guidelines supplement and must be read in conjunction with the Communication policy to which these are attached as Annex C.

Terms that are defined in the Communication policy shall have the same meaning when used in this Annex.

### General rule

The JSE issued a guidance letter on 23 October 2015 in relation to discussions with journalists and investment analysts ("**JSE Guidance Letter**"). Although the JSE Guidance Letter is focused on discussions with analysts, the principles and guidance apply equally to roadshows.

The general principle is that MCG must make full, equal and timeous public disclosure is made to all holders of Securities (shareholders) and the general public at large activities that are price sensitive.

The general rule is that Price Sensitive Information must be released publicly through SENS before being disclosed to analysts or any other parties (including any disclosure at roadshows).

MCG therefore manages roadshows firmly and responsibly in accordance with the following guidelines.

### Authorised spokespersons

The Authorised Spokespersons, and all other representatives of MCG that are authorised to speak for MCG in roadshows ("**Roadshow Participants**") must be:

- trained in and understand the Communication Policy, the Listings Requirements provisions relating to Price Sensitive Information (read together with Practice Note 2/2015 of the JSE) and the market abuse provisions in the FMA (dealing with market abuse and inside information); and
- made aware that Price Sensitive Information pursuant to the provisions of the Listings Requirements may also qualify as inside information pursuant to the FMA and *vice versa*.

## Questions during roadshows

During roadshows, Roadshow Participants are allowed to expand on information already in the public domain and to discuss the markets/industry in which MCG operates, provided that any expanded disclosure does not qualify as Material Non-public Information.

Roadshow Participants must decline to answer questions during roadshows where the answer would lead to the disclosure of Material Non-public Information. In responding to comments or views which appear to be inaccurate, Roadshow Participants must draw from information that has already been publicly disclosed. This means that Roadshow Participants must be familiar with the information that MCG has already been publicly disclosed and must understand what information constitutes Material Non-public Information.

## Conduct of discussions during roadshows

The following measures should be taken in order to mitigate the risk of being misinterpreted or mistakenly accused of providing Price Sensitive Information at roadshows:

- more than one Roadshow Participant must be present during roadshows;
- the number of Roadshow Participants ought to be kept to a minimum;
- all formal presentations including sensitive information must be scripted and the script must be approved by Investor Relations and the Company Secretary;
- Roadshow Participants must avoid commenting on Material Non-public Information. (It is sometimes helpful for a Roadshow Participant to outline information that has already been disclosed so as to avoid inadvertent disclosure of Material Non-public Information);
- Roadshow Participants must be mindful of body language when answering questions. (A head nod or shake in a “yes” or “no” gesture or showing thumbs up or down in a “positive” or “negative” gesture, constitutes communication when answering questions);
- accurate records must be taken of every roadshow (including all discussions) and kept in safekeeping for future reference;
- the records of each roadshow must be reviewed to determine whether any Material Non-public Information has inadvertently been disclosed (if this has happened then the information must be announced through SENS in accordance with the Communications Policy); and
- Roadshow Participants must be particularly careful when dealing with questions that raise issues outside the intended scope of discussions. In answering such questions Roadshow Participants must:
  - i only discuss information that has been publicly released through SENS or is in the public domain; and



- ii decline to answer if a question can only be answered by disclosing Material Non-public Information.

## **Public documents and documentation used during roadshows**

The content of all written materials (such as slides, or other marketing materials) that are used in roadshows must be consistent with information included in the public documents that have been published in relation to the transaction or corporate action to which the roadshow relates or otherwise in the public domain ("**Public Documents**") and their content should be confirmed by the company secretary.

No materials other than Public Documents may be distributed to attendees of roadshows and an attendee of a roadshow is not permitted to take away any material other than Public Documents. Any materials that are not taken away must be collected at the conclusion of the roadshow.

Comments and remarks made in roadshows or other meetings with potential Investors should be limited to the information contained in, or derivable from, the Public Documents. In particular, the Company and Authorised Spokespersons must avoid forward looking statements, forecasts, financial projections, or quantifications as to expected value or the virtue of the Affected Securities as an investment.

***These guidelines provide certain practical measures of how to manage roadshows but should not be considered to be an exhaustive list of measures. In addition, international regulations may apply to roadshows depending on the location and audience of the roadshow. If there is any doubt concerning any matter covered by these guidelines, particularly in relation to the applicability of international regulations, then the company secretary must be consulted before the roadshow and before the dissemination of any information.***