



MULTI CHOICE

ENRICHING LIVES

MultiChoice Group Limited (MCG)

Tax policy

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1. Purpose

The purpose of the Tax Policy is to set out the principles governing the management of taxes by all entities within the MultiChoice Group Ltd (MCG). Additional Policies and Procedures dealing with the detailed management of taxes will be drafted in accordance with these principles and tabled for approvals as appropriate. It is important to note that:

- Taxes across MCG should always be managed a manner that is consistent and compliant with the applicable laws in question.
- The policy is intended to be congruent with good corporate citizenship. Reputational repercussions for MCG must always be considered when implementing these guidelines.

2. Application

This policy applies to the management of all taxes paid (collected and borne) by MCG (see annexure A).

3. Definitions, Acronyms and Abbreviations

Term	Definition
“business unit” or “BU”	means MultiChoice South Africa, DStv media sales, SuperSport, Mnet, Connected video, General entertainment, Nigeria, Northern region, Southern region
“CFO”	Chief Financial Officer of MCG
“employee”	means all permanent employees, fixed term contractors and learners on a learnership programme
“ISP”	means independent service provider, an individual that is a service provider, and not an employee, that undertakes to render a service to a company in the Group, based on an ISP contract
“MCG”	means MultiChoice Group Limited
“MCG Tax Committee”	means the Tax Committee which is a quarterly convened forum that is chaired by the CFO. Its objective is to review the tax status of all companies covered by MCG
“MCSA”	means MultiChoice South Africa Holdings (Pty) Ltd and its subsidiaries
“MultiChoice Group” or “the group”	MCG and its subsidiaries
“RoA”	means MultiChoice Africa Group Holdings B.V and its subsidiaries
“Segments”	means South Africa, RoA and Irdeto
“subsidiaries”	shall have the meaning given in section 3 of the South African Companies Act, 71 of 2008 (as amended), save that the interpretation and application of this definition shall not be limited to South African companies
“third party contractor”	a service provider entity or individual who has been contracted to render a service to a company in the MultiChoice Group, based on a service level agreement

4. Goals, Governance and Guiding principles

4.1 Goals

MCG aims to be a committed member of the communities within which it operates and to be good corporate citizens acting with demonstrable honesty and integrity in its dealings.

4.2 Governance

This policy is formally approved by the MCG joint audit and risk committees.

4.3 Tax Guiding Principles

MCG employees should act in accordance with MCG's core values and codes of conduct as embedded in the MCG Code of Ethics and Conduct Policy. Specifically, MCG employees should ensure that all tax activities are carried out:

- In adherence to all applicable laws and regulations; and
- While safeguarding MCG's interests, including its reputation and brand, as well as the reputation of the entities and brands forming part of the MCG.

4.3.1 Compliance and tax values

MCG stipulates that with respect to compliance and our tax values:

- We will comply with all our statutory obligations;
- We will build good, honest and open working relationships with tax authorities;
- We will disclose information legitimately required by the tax authorities. This includes information necessary to properly understand entries in a tax return and relevant information specifically requested during tax audit enquiries;
- We will be able to provide evidence that tax positions adopted are legally sustainable in the event of challenge by a revenue authority;
- We place a very high regard on our tax and corporate reputation and will not enter into transactions that detract from that reputation; and
- We seek to comply with local transfer pricing regulations.

4.4 Roles & Responsibilities

4.4.1 Board of Directors, and Joint Audit & Risk Committees' Responsibilities

The MCG Board of Directors has ultimate accountability for the management of all risks, supported by the MCG audit and risk committees. Responsibility for the oversight of tax risk management is that of the audit and risk committees, jointly.

4.4.2 Management responsibilities

The MCG Tax Function (MCG Tax) is a centralized tax function headed by the MCG Head of Tax. It is responsible for the management of tax risks across the MCG and sets a tax

strategy to deal with taxes in the broader MCG context.

MCG Tax is responsible for:

- Maintaining the overall relationship with tax authorities in jurisdictions in which the MultiChoice Group operates.
- Advising on tax aspects of any major contract or transaction and, specifically:
 - Tax structuring of any acquisitions or disposals (including shares, assets / businesses and intellectual property); and
 - Any change in legal entity structure, for example by way of incorporation or formation of a new company, partnership, branch or other entity, merger, liquidation, transfer of legal ownership/shares, or transfer of a business.

MCG Tax provides the following services to companies across the MultiChoice Group:

- Tax technical transactional support (refer to delegations of authority below)
- Discussions and inter-action with revenue authorities on matters under dispute
- Embedding a culture of tax awareness through training and development, updates on relevant tax issues and presentations to management and the broader business.
- Tax reporting (internal and external).
- Legal compliance oversight.
- Oversight of the implementation of fiscalisation solutions required by revenue authorities and any queries that emanate from these.

4.4.3 Finance responsibilities

The CFOs and subsidiary heads of finance are accountable and responsible for all operational tax issues including tax compliance and local tax planning. Specific responsibilities include:

- Ensure that the (deferred and current) tax positions as included in the group reporting pack and Annual Financial Statements (“AFS”) are correct;
- Review of annual tax returns to ensure that these returns are correct and submitted on time;
- Ensure financial information reported in tax return reconciles properly to AFS;
- Ensure proper implementation of changes to the tax legislation and rules, as communicated and recommended by MCG Tax;
- Make tax payments on time;
- Establish adequate resources internally and in advisory capacity

commensurate with the size of the business and complexity of the tax regime or tax position;

- Undertake a comprehensive review of the operations tax affairs on a cyclical basis;
- Ensure that key data is immediately available (e.g., through tax dashboards) and retained as required by the tax laws;
- Building relationships with local tax authorities through MCG Tax;
- Retention of evidence and supporting documentation to support filing positions for a period of at least five years or longer if required by local laws.
- Management of accurate fiscalisation solutions with local revenue authorities.

Where any tax issue is material or may in future become material to MCG, these need to be escalated to the MCG Head of Tax immediately.

4.4.4 Governance

All material tax matters are reported and discussed in detail at the quarterly at the tax operating committee, chaired by the MCG CFO.

Where necessary, material and urgent tax matters are discussed on a more frequent ad hoc basis.

Tax updates are provided monthly to the governance forum.

4.4.5 Delegations of Authority

The MCG Delegations of Authority (“DOA”) applies to this policy.

5. Media and Other Stakeholders

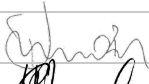
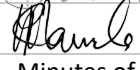
All tax related questions from Government and Revenue Authorities, the Media and other stakeholders should be referred to the respective Segment tax managers, which will in all material cases be escalated to the MCG Head of Tax. All communication to shareholders must be done through the investor relations team, while media communication must be done through the corporate communications team. Communication with revenue authorities is done through the tax team.

Any tax related lobbying activity should be pre-approved by the MCG Head of Tax, who will check with the regulatory team before engaging outside parties.

6. Non-compliance

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.

7. Document Properties

MultiChoice Group			Document Number	
			MCG-GRP-BRD-POL-024	
Tax Policy			Effective Date	
			01/04/2023	
	Name and Surname	Position	Signature	Date
Initiated by:	Lazelle Terblanche	Head of Tax		30 March 2023
Reviewed by:	Tim Jacobs	MCG CFO		30 March 2023
	Calvo Mawela	MCG CEO		30 March 2023
	MCG Audit and Risk Committee	N/A	Minutes of meeting	23 March 2023
	MCG Social & Ethics Committee	N/A	Minutes of meeting	27 March 2023
Approved by:	MCG Board of Directors	N/A	Minutes of meeting	30 March 2023

Rev No.	Rev Date	Section/s	Description of Change
1	10 Dec 2018	N/A	New policy
2	2 April 2020		Merge MCSA and MCG policies. Simplify and clarify policy wording
3	30 March 2023	N/A	Align with updated policy template – updated headings in section 2 and 6; addition of definitions table in section 3
		4.3	Insert the word “Policy”
		4.3.1	Delete statement “ <i>We will ensure that our tax objectives do not conflict with our corporate social responsibility objectives;</i> ”
		4.4.1	Update reference to audit and risk committees and state that such committees are “jointly” responsible for the oversight of tax risk
		4.4.2	Delete reference to “SARS” and include broader reference to “tax authorities in jurisdictions in which the MultiChoice Group operates”
			Regarding services provided by MCG Tax, insert “ <i>Oversight of the implementation of fiscalisation solutions required by revenue authorities and any queries that emanate from these.</i> ”
		4.4.3	Regarding responsibilities of CFOs and subsidiary heads of finance, insert “ <i>Management of accurate fiscalisation solutions with local revenue authorities.</i> ”
		4.44	Change heading from “MCG Tax Operating Committee” to “Governance”.
Include reference to <i>ad hoc</i> discussions on urgent matters and monthly updates at the governance forum.			

Rev No.	Rev Date	Section/s	Description of Change
		5	Include statement regarding proper channels of communication for tax questions from shareholders, investors and revenue authorities.

Annexure A

For the purposes of this policy, the following definitions apply:

Taxes Borne (incurred and paid by MCG)	Taxes Paid (collected on behalf of, and paid to Revenue Authorities)	
Taxes that MCG is obliged to pay to a government or a third party for its own account (e.g. corporate income taxes)	Taxes that MCG is obliged to collect on behalf of and pay to Revenue Authorities (e.g. Value Added Tax to the extent that it is not a cost to MCG).	
Profit Taxes	Corporate Income Taxes primarily consist of taxes payable by the Group's legal entities on its net profits, which includes net capital gains.	Taxes Borne
	This comprises a Withholding tax charged on the payment of dividends, royalties, interest, services etc.	Taxes Borne
	Taxes paid includes Withholding tax collected and paid over on behalf of others.	Taxes Paid
Product (Operational) Taxes	Value Added Tax ("VAT"), Goods and Services Tax ("GST") and similar sales and consumption taxes, Royalty Tax (Indirect taxes)	Taxes Paid
	Where these indirect taxes are not recoverable from another party, they will be taxes borne as they will form a part of the operating cost.	Taxes Borne
	This comprises of all customs/ excise/ import and export duties. These taxes are typically due and payable on importation and form a part of the operating cost (if not recoverable).	Taxes Borne
	This includes excise duties and applicable fuel levies on the fuel sector in specific jurisdictions (if not recoverable)	Taxes Borne

People Taxes	<p>These are the payroll taxes withheld from employees and paid to governments from the employees' remuneration. These taxes would typically be reflected in the payroll returns made to government and tend to be payable on a regular basis.</p> <p>Without limitation, the following are examples of Remuneration Taxes:</p> <ul style="list-style-type: none"> • Payroll withholding (and associated information reporting and return filing) obligations by the Group for its employees, contractors, vendors and service providers; • Social security contributions on employee compensation collected from the employees' remuneration; • Tax and social security contributions resulting from deferred compensation and option plans collected from the employees' remuneration; • Other employee-related obligations agreed with local Tax Authorities collected from the employee's remuneration. 	Taxes Paid
	<p>This comprises of payroll and employer taxes payable as a result of a company's capacity as an employer. These costs usually form a part of operating costs.</p> <p>Without limitation, the following are examples of Remuneration Taxes:</p> <ul style="list-style-type: none"> • Payroll withholding (and associated information reporting and return filing) obligations by the Company for its employees, contractors, vendors and service providers; • Social security contributions on employee compensation paid by employer; • Tax and social security contributions resulting from deferred compensation and option plans paid by the employer; • Additional compensation costs or claims by employees as a result of "tax equalisation" arrangements; <p>Other employee-related obligations agreed with local Tax Authorities paid by the employer.</p>	Taxes Borne

Property and other taxes	This comprises any property related taxes, including real property/ land/ estate tax.	Taxes Borne
	This comprises taxes that arises as a result of a transfer of assets or capital. These are usually payable shortly after assets are transferred and form a part of the operating costs.	Taxes Borne
	This comprises of taxes collected on behalf of other parties and paid over to governments for example transfer duty or withholding taxes payable by a non- resident on transactions involving property.	Taxes Paid