



MultiChoice South Africa Holdings Pty Ltd

Including all subsidiaries and business units, together called the MultiChoice SA Segment

## Board Charter

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## 1. Purpose and introduction

- 1.1 The purpose of this charter is to guide the MultiChoice South Africa Holdings (Pty) Ltd (**MCSAH**) and MultiChoice South Africa (Pty) Ltd (**MCSA**) boards of directors (collectively **the boards**) in fulfilling its corporate governance duties and strategic leadership.
- 1.2 The boards are the focal point for and custodian of the corporate governance systems applicable to MCSAH and MCSA and their subsidiaries (**MultiChoice SA Segment**). The boards conduct the MultiChoice SA Segment's business with integrity and applies appropriate corporate governance policies and practices across the MultiChoice SA Segment. They are mindful that the entities within the MultiChoice SA Segment, as indirect subsidiaries of MultiChoice Group Limited (**MCG**), have responsibilities and obligations arising from statutory responsibilities, the JSE Limited (**JSE**) Listings Requirements (including the King IV Report on Corporate Governance for South Africa).
- 1.3 Each board acts in the best interests of MCSAH and MCSA, respectively. The directors appreciate that strategy, risk, performance, and sustainability are inseparable.
- 1.4 The boards have delegated various responsibilities to its holding company's board committees. Accordingly, in fulfilling its duties, the boards are assisted by its MCG's committees. MCG committees report directly into the boards with regard to matters relating to the MultiChoice SA Segment. Delegation of responsibilities to MCG board committees assists the boards with effective discharge of the boards' duties. The boards remain ultimately responsible for such delegated responsibilities.

## 2. Composition of the board

- 2.1 MCSAH and MCSA have a unitary board structure, consisting of independent and non-executive directors lending a broader view to the organisation's activities, and executive directors, with their intimate knowledge of the business. The majority of the members of boards must be non-executive directors.
- 2.2 The chair is appointed by the boards. In the event that the chair is not an independent director, a non-executive director shall be appointed as the lead director.
- 2.3 As a minimum, two executive directors must be appointed to the boards - the chief executive officer and the financial director who is referred to as the MCG chief financial officer.
- 2.4 The boards must have the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively. In considering the composition of the boards, consideration will be given to the board diversity policy. The boards will report to shareholders in the integrated annual report on how diversity has been considered and implemented at board level.



- 2.5 Non-executive directors undergo an annual evaluation of their independence by the chair of the board.
- 2.6 Non-executive directors should not hold more than four (4) directorships on companies (including MCG) listed on any local or foreign regulated exchange such as the JSE.
- 2.7 In accordance with the MCSAH and MCSA memorandums of incorporation, at least one-third of the non-executive directors retire by rotation each year.
- 2.8 Any non-executive director whose term of office exceeds nine years is subject to a rigorous annual review by the boards, taking into account their performance and independence. A statement is included in the integrated annual report regarding the outcome of any such review.
- 2.9 The MCG company secretary serves as secretary of the boards.

### 3. Proceedings and meetings

- 3.1 The boards meet regularly, at least once a quarter, if not more frequently, as circumstances require.
- 3.2 The secretary issues notices regarding meetings, compiles an agenda for discussion and minutes meetings.
- 3.3 Attendance may be by electronic means.
- 3.4 The quorum is a majority of the members.
- 3.5 Where appropriate, matters may be dealt with by way of a written consent of a majority of the members, also referred to as a round robin resolution. A decision made by way of a round robin resolution has the same effect as if it had been approved at a meeting provided that all members received notice of such resolution.
- 3.6 If required, non-executive directors have access to management through the chair. The boards have unrestricted access to company information, records, documents, and the chair has discretion on how this information is distributed. Directors must be informed properly and promptly about meetings.

### 4. Board leadership

- 4.1 The top level of a company comprises two key aspects:
  - 4.1.1 oversight by the boards in its capacity as the representative of shareholders and other stakeholders; and
  - 4.1.2 executive management's responsibility for the running of the business.



- 4.2 To ensure a balance, with no individual having unfettered powers of decision-making, a clear division of responsibilities exists between the boards and executive management.
- 4.3 The boards provide effective leadership and vision, aiming to enhance shareholder value and ensure long-term sustainable development and growth of the company for the benefit of shareholders and other stakeholders over time.

## 5. The chair

- 5.1 The chair is appointed by the boards for three (3) year periods aligned to when he/she will stand for re-election as a director by shareholders. When considering the chair's reappointment, the boards will evaluate factors that may impair his/her ability to carry on his/her responsibilities as chair of the boards. If an executive is appointed as the chair such executive must not be the chief executive officer and there must be clear rationale for such appointment.
- 5.2 The responsibilities of the chair are as follows:
  - 5.2.1 Provide overall leadership to the boards without limiting the principle of collective responsibility for boards decisions, while at the same time being aware of individual duties of board members.
  - 5.2.2 In conjunction with the chief executive officer, represents the boards in respect of communication with shareholders, other stakeholders and, indirectly, the general public.
  - 5.2.3 Assisted by the boards and the MCG committees, ensure the integrity and effectiveness of the governance process.
  - 5.2.4 Maintains regular dialogue with the chief executive officer on operational matters and consult on an on-going basis with other board members on any matter of concern to him/her, including managing conflicts of interests.
  - 5.2.5 In consultation with the chief executive officer and company secretary, ensure appropriate content and order of the agendas of board meetings and ensure that members of the board receive documentation timeously.
  - 5.2.6 Ensure that board members are properly informed about matters discussed and considered at the board and that relevant information is submitted to the boards.
  - 5.2.7 Act as facilitator at board meetings to ensure a sound flow of opinions. The chair ensures that adequate time is scheduled for discussions, and that they lead to logical and acceptable conclusions.

- 5.2.8 Monitor how the boards work together and how individual directors perform and interact at meetings. The chair meets with directors annually to evaluate their performance.
- 5.2.9 Pre-clear all dealings in MCG and Phuthuma Nathi shares by directors and prescribed officers of MCG and the MultiChoice SA Segment.

## 6. The lead director

- 6.1 If required, the lead director shall be the MCG-appointed lead independent director.
- 6.2 The responsibilities of the lead director are as follows:
  - 6.2.1 To lead in the absence of the chair.
  - 6.2.2 To serve as a sounding board for the chair.
  - 6.2.3 To act as an intermediary between the chair and other members of the board, if necessary.
  - 6.2.4 To deal with shareholders' concerns where contact through the normal channels has failed to resolve concerns, or where such contact is inappropriate.
  - 6.2.5 To strengthen independence on the board if the chair is not an independent non-executive member of the board.
  - 6.2.6 To chair discussions and decision-making by the boards on matters where the chair has a conflict of interest.
  - 6.2.7 To lead the performance appraisal of the chair.

## 7. The chief executive officer

- 7.1 The boards execute the MultiChoice SA Segment's governance functions and strategy through the chief executive officer.
- 7.2 The boards appoint the chief executive officer. The MCG remuneration committee shall determine the conditions of his/her employment contract.
- 7.3 The responsibility of the chief executive officer is to run the business and implement the policies and strategies adopted by the boards. He/she is accountable to the boards for the execution of the risk management process.
- 7.4 All board authority conferred on management is delegated through the chief executive officer, in line with the approved levels of authority for the MultiChoice Group. The chief



executive officer is required to act within the levels of authority delegated to him/her by its holding company, MCG, and the boards.

- 7.5 The boards, in conjunction with the chief executive officer, agrees the actions required to achieve MultiChoice SA Segment goals. This will usually be by way of strategy discussions and take the form of the approved annual business plan and budget for the MultiChoice SA Segment.
- 7.6 Decisions by the boards are binding on the chief executive officer. The chief executive officer reports to the boards on the achievement of MultiChoice SA Segment goals.
- 7.7 The chief executive officer will consult with the chair of the boards about the appropriateness of taking directorships outside of the group.
- 7.8 The functions and responsibilities of the chief executive officer include:
  - 7.8.1 Developing the MultiChoice SA Segment's strategy for consideration and approval by the boards.
  - 7.8.2 Developing and recommending to the boards yearly business plans and budgets that support the MultiChoice SA Segment's long-term strategy.
  - 7.8.3 Monitoring and reporting to the boards about the performance of the MultiChoice SA Segment.
  - 7.8.4 Establishing an organisational structure for the MultiChoice SA Segment, which is necessary to enable execution of its strategic planning.
  - 7.8.5 Recommending/appointing the executive team and ensuring proper succession planning and performance appraisals take place.
  - 7.8.6 Ensuring that the MultiChoice SA Segment complies with relevant laws, corporate governance principles, ethics, and appropriate best practice and, if not, the failure to do so is justifiably explained.
- 7.9 The chief executive officer is assisted by the executive committee, which consists chief executive officers and functional executive members, of the MultiChoice SA Segment's subsidiaries in performing his/her duties and discharging his/her responsibilities.

## 8. Responsibilities

The boards serve as the focal point and custodian of corporate governance and strategy, and are responsible for:



- 8.1 Determining the nature of the business we are building, what products and services we offer customers and key objectives.
- 8.2 Ensuring and monitoring that a culture of ethics and conduct is promoted to underpin the MultiChoice SA Segment's activities as a responsible corporate citizen.
- 8.3 The boards acknowledge that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. In this regard the board is responsible for:
  - 8.3.1 Organisational performance by steering and providing strategic direction to the MultiChoice SA Segment, taking responsibility for the adoption of strategy and plans (such strategies and plans to originate in the first instance from management). The boards must approve the annual business plan and budget compiled by management, for implementation by management, taking cognisance of sustainability aspects in long-term planning.
  - 8.3.2 Ongoing oversight of the implementation of the strategy and business plan by management against agreed performance measures and targets. As part of its oversight of performance, the boards should:
    - 8.3.2.1 Retain full and effective control over the company and monitor management with regard to the implementation of the approved annual budget and business plan, as amended from time to time.
    - 8.3.2.2 Oversee that assessments of the negative impacts of the MultiChoice SA Segment's activities in the total environment in which the MultiChoice SA Segment operates are conducted and addressed responsibly. The boards must be alert to the general viability of the organisation with regard to its reliance on the resources it uses or affects, its solvency and liquidity, and its status as a going concern.
    - 8.3.2.3 Consider and, if appropriate, declare the payment of dividends to shareholders (which must, in accordance with the MCSAH MOI, be approved by shareholders of MCSAH at the annual general meeting).
    - 8.3.2.4 Evaluate the viability of MCSAH and MCSA, the companies (individually) and the MultiChoice SA Segment (collectively as a group) as a going concern, such evaluation to be properly recorded.
    - 8.3.2.5 Determine director selection (with due consideration to any shareholder arrangements) and orientation.

- 8.3.2.6 Appoint the chief executive officer, who reports to the boards, as well as the financial director (otherwise known as the chief financial officer), and ensure that succession is planned.
  - 8.3.2.7 Establish board committees, as and when appropriate, with clear terms of reference and responsibilities to promote independent judgement and assist with balance of power and effective discharge of its duties.
  - 8.3.2.8 Appointing the chairs of the boards and its committees (if any).
  - 8.3.2.9 Ensure the evaluation of performance and effectiveness of directors, the chair, the boards as a whole and its committees by way of annual compliance checklist assessments to support continued improvement in their performance and effectiveness, including succession planning.
  - 8.3.2.10 Ensuring that the MultiChoice SA Segment governs risk in a way that supports the organisation in setting and achieving its strategic objectives through structured, appropriate, and effective enterprise-wide risk management systems and processes, which allow the board to set risk appetite and tolerance levels from time to time.
  - 8.3.2.11 Ensuring that assurance services and risk functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the MultiChoice SA Segment's external reports.
  - 8.3.2.12 Ensure that there is an effective risk-based internal audit function, which allows it to report on the effectiveness of the companies' system of internal controls in its integrated annual report.
  - 8.3.2.13 Defining levels of delegation in respect of specific matters, with appropriate authority delegated to boards and management.
- 8.4 Governing compliance with applicable laws and adopted, rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.
  - 8.5 Governing information and technology in a way that supports the organisation setting and achieving its strategic objectives.
  - 8.6 Ensuring that the organisation remunerates fairly, responsibly, and transparently so as to promote the achievement of strategic objectives and positive outcomes.
  - 8.7 Adopting a stakeholder-inclusive approach in the execution of its governance role, which balances the needs, interests, and expectations of material stakeholders in the best interests of the organisation over time. This includes:

- 8.7.1 Identifying material stakeholders and monitoring management’s process of engagement with those stakeholders.
  - 8.7.2 Determining the MultiChoice SA Segment’s communication policy taking into account and ensuring alignment with MCG’s communication policy.
  - 8.7.3 Proactively engaging with shareholders and ensuring shareholders are treated equitably.
  - 8.7.4 Ensuring dispute resolution mechanisms and processes are adopted and implemented as part of the overall management of stakeholder relationships.
- 8.8 Overseeing the preparation of and approval of the organisation’s financial statements (for adoption by shareholders), interim, provisional, and integrated reports (as reviewed by the MCG audit committee) and ensuring the integrity and fair presentation thereof. The boards should ensure the integrity of external reports to external stakeholders and set the direction for how assurance of these should be approached and addressed where appropriate. External reports should enable stakeholders to make informed assessments of the organisation’s performance and its prospects.
- 8.9 Reviewing annually the charters of the committees of the board (if any).
- 8.10 Annually evaluating performance and effectiveness of the MCG company secretary (delegated to the MCG nomination committees).

## 9. Conflicts of interest

- 9.1 Board members and members of the MCG committees of the boards must recuse themselves from discussions and decisions in which they have an interest and disclose any such interest. The processes set out the Companies Act, the memorandum of incorporation, King IV and relevant policies are followed.

## 10. Levels of authority

- 10.1 The boards determine and approve, from time to time, the levels of authority for the chief executive officer and the various other officers of MultiChoice SA Segment companies.
- 10.2 The audit and risk committees of MCG monitor compliance with these levels of authority.





## 11. Remuneration

11.1 As MCG, MCSAH and MCSA operate under a unitary structure, directors are remunerated for their services only at an MCG level. MCG director fees are approved by the MCG board subject to approval by MCG shareholders in advance in accordance with the Companies Act.

11.2 Directors are reimbursed for travelling, subsistence and other expenses properly incurred by them in the execution of their duties in connection with the business of the relevant company and authorised or approved by the boards. The foresaid does not cover local director commute to the registered company address.

11.3 Directors are not allowed to receive personal loans from MCG or any subsidiaries.

## 12. Document Properties

MultiChoice Group		Document Number			
		MCG-GRP-BRD-TOR-010			
Board Charter		Effective Date			
		01/04/2025			
Originated By:		Reviewed By:		Approved By:	
Carmen Miller		Tim Jacobs		MCG	
Group Company Secretary		Group chief financial officer		Board of directors	
				27 March 2025, minutes	
Rev. No.	Rev. Date	Section/s	Description of Change		
2	31 March 2021	n/a	Change to chair appointment and semantic changes (to bring in line with the MCG board charter)		
3	31 March 2022	6	Lead director section separated into own section		
		6.1	Revision to align to current practice in the group, specifically that MCG lead independent director is the lead director for MCSAH		
4	30 March 2023	3	Alignment with wording of MCG charters		
		2.8, 5.1 and 7.9	Minor semantic/grammatical changes		
5	28 March 2024	3.5	Minor wording cleanup		
6	27 March 2025	6.1	Align 6.1 to 2.2 – relating to LID		