



MultiChoice Group Limited (MCG)

Including all subsidiaries and business units, together called the MultiChoice Group

## Risk committee charter

CARE CONNECT CREATE



## TABLE OF CONTENTS

1. Purpose	3
2. Role	3
3. Composition	3
4. Meetings	4
5. Proceedings	4
6. Responsibilities	4
7. Remuneration	7
8. General	7
9. Document Properties	8



## 1. Purpose

**1.1** The purpose of the risk committee (**the committee**) is to assist the MultiChoice Group Ltd (**MCG**), MultiChoice South Africa Holdings (Pty) Ltd (**MCSAH**); MultiChoice South Africa (Pty) Ltd (**MCSA**) and Showmax Africa Holdings (Showmax) boards of directors (collectively **the boards**) to discharge their responsibilities with regard to the governance of risk through formal processes, including an enterprise-wide risk management process and system. Risk governance encompasses both:

**1.1.1** considering the opportunities and associated risks when developing strategy; and

**1.1.2** the potential positive and negative effects of the risks on the achievement of MCG's, MCSAH's; MCSA's and Showmax's (including those of their respective subsidiaries) objectives.

**1.2** The boards and the committee acknowledge that no risk management system, nor the combined assurance provided on risk levels and internal controls, gives absolute certainty to fully understand all risks or avoid any failure. However, through the enterprise-wide risk management process the potential impact of identified risks are mitigated.

## 2. Role

**2.1** The role of the committee is to assist the boards to ensure that:

**2.1.1** risk, as well as information and technology, is governed in a way that supports MCG, MCSAH, MCSA, Showmax and their respective subsidiaries (**the MultiChoice Group**) in setting and achieving its strategic objectives;

**2.1.2** the nature and extent of risks and opportunities the MultiChoice Group is willing to take is determined and monitored;

**2.1.3** the risk governance processes operate effectively and are implemented; and

**2.1.4** specific disclosures as recommended by the King IV Report on Corporate Governance for South Africa are made in the integrated annual report; without compromising sensitive information.

## 3. Composition

**3.1** The majority of the members of the committee must be non-executive directors. The MCG chief executive officer and MCG chief financial officer (i.e. the financial director) shall be members of the committee together with at least three non-executive directors.

**3.2** The chair of the MCG board may be a member of the committee and may (if an independent director) serve as chair of the committee.

**3.3** Members of the committee, taken as a whole, must comprise individuals with risk management skills and experience.

**3.4** The MCG company secretary serves as secretary of the committee.



**3.5** Those members of the boards and/or senior management responsible for the various areas of risk management attend meetings by invitation.

**3.6** MCG, MCSAH, MCSA and Showmax board members are entitled to attend committee meetings as observers. However, non-committee members are not entitled to participate without the consent of the chair of the committee; do not have a vote; and are not entitled to fees for attendance.

## **4. Meetings**

**4.1** Meetings of the committee may take place as and when required. However, the committee must meet at least twice every year.

**4.2** Attendance may be by electronic means.

**4.3** 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.

**4.4** The quorum of the committee is a majority of members.

**4.5** The chair of the committee must attend the annual general meeting of the company and must be prepared to answer shareholders' questions about committee matters.

## **5. Proceedings**

**5.1** The meetings of the committee are regulated by this charter.

**5.2** The secretary issues notices regarding meetings, compiles an agenda with points for discussion and minutes meetings.

**5.3** The chair of the committee must report regularly to the boards about matters considered by the committee. Such a report may be verbal or in writing.

## **6. Responsibilities**

The committee's responsibilities are as follows:

**6.1.1** Review and approve a risk management policy and plan developed by management and recommend such policy and plan to the boards for approval. The risk policy must be reviewed periodically as and when necessary but at least every three years.



- 6.1.2** Monitor the implementation of the risk management policy and plan, ensuring that an appropriate enterprise-wide risk management system and process is in place with adequate and effective risk management processes that includes, amongst others, strategy, ethics, fraud, business continuity, operations, reporting, compliance, information and technology and sustainability.
- 6.1.3** Make recommendations to the boards concerning risk indicators, levels of risk appetite (namely the board's propensity to take appropriate levels of risk) and risk tolerance (acceptable levels of deviation from performance indicators) as well as the limit of the potential loss that the MultiChoice Group has the capacity to bear.
- 6.1.4** Monitor that risks are reviewed by management, and that management considers and implements appropriate responses to identified risks, so that they are managed within the levels of appetite approved by the boards.
- 6.1.5** Exercise ongoing oversight of risk management and ensure that the risk management processes:
- 6.1.5.1** Assess risks and opportunities emanating from the total environment in which the MultiChoice Group operates and resources that the MultiChoice Group uses and affects.
  - 6.1.5.2** Assess the impacts of opportunities and negative effects of risks on achieving group objectives.
  - 6.1.5.3** Assess the MultiChoice Group's dependency on resources.
  - 6.1.5.4** Design and implement appropriate risk responses.
  - 6.1.5.5** Establish and implement business continuity arrangements that allow the MultiChoice Group to operate under conditions of volatility, and to withstand and recover from acute shocks.
  - 6.1.5.6** Integrate and embed risk management in the business activities and culture of the MultiChoice Group.
- 6.1.6** Ensure that risk management assessments are performed regularly by management (and that they include the assessments required in paragraph 6.1.5 above).
- 6.1.7** Ensure that an overall statement to the boards about the effectiveness of the system and process of risk management is issued by internal audit and reviewed prior to the submission to the relevant boards.
- 6.1.8** Review and approve the legal compliance policy and recommend such policy to the MCG board for approval and monitor its implementation.
- 6.1.9** Oversee compliance and, in particular, doing so in such a way that:
- 6.1.9.1** Compliance is understood not only for the obligations it creates, but also for the rights and protections it affords.

- 6.1.9.2** Compliance management takes a holistic view of how applicable laws and non-binding rules, codes and standards relate to one another.
  - 6.1.9.3** The regulatory environment is continually monitored and appropriate responses to changes and developments are formulated.
- 6.1.10** Review and approve the information and technology governance charter and recommend such charter to the MCG board for approval.
- 6.1.11** Oversee information and technology management and, in particular, doing so in such a way that this results in the following:
- 6.1.11.1** Integration of people, technologies, information, and processes across the MultiChoice Group.
  - 6.1.11.2** Integration of information and technology risks into the enterprise-wide risk management process.
  - 6.1.11.3** Arrangements to provide for business resilience.
  - 6.1.11.4** Proactive monitoring of intelligence to identify and respond to incidents, including cyber-attacks and adverse social media events.
  - 6.1.11.5** Management of the performance of, and the risks pertaining to, third-party and outsourced service providers.
  - 6.1.11.6** The assessment of value delivered to the company through significant investments in information and technology, including the evaluation of projects throughout their life cycles and of significant operational expenditure.
  - 6.1.11.7** The responsible disposal of obsolete information and technology in a way that has regard to environmental impact and data privacy.
  - 6.1.11.8** Ethical and responsible use of information and technology.
  - 6.1.11.9** Compliance with relevant laws.
- 6.1.12** Oversee the management of information and, in particular, doing so in such a way that it results in the following:
- 6.1.12.1** The leveraging of information to sustain and enhance the MultiChoice Group's intellectual capital.
  - 6.1.12.2** An information architecture that supports confidentiality, integrity, and availability of information.
  - 6.1.12.3** The protection of privacy of personal information.
  - 6.1.12.4** The continual monitoring of security of information.
- 6.1.13** Oversight of the management of technology and, in particular, doing so in such a way that it results in the following:
- 6.1.13.1** A technology architecture that enables the achievement of strategic and operational objectives.
  - 6.1.13.2** The management of the risks pertaining to the sourcing of technology.

- 6.1.13.3** Monitoring and appropriately responding to developments in technology, including the capturing of potential opportunities and the management of disruptive effects on the MultiChoice Group and its business model(s).
- 6.1.14** Review reporting in relation to risk management, information and technology management and compliance management that is to be included in the integrated annual report, ensuring it is timely, comprehensive, and relevant.
- 6.1.15** Review and assess annually the charters of MCG's significant subsidiary companies' risk committees and review their annual assessment of compliance with their charters to establish if the MCG committee can rely on the work of the subsidiary companies' risk committees.
- 6.1.16** Perform a formal annual evaluation of whether the committee has fulfilled its responsibilities in terms of its charter, reporting these findings to the relevant board.

## **7. Remuneration**



- 7.1** Non-executive members of the committee will receive remuneration for their responsibilities as members of this committee.
- 7.2** Such remuneration is in addition to the remuneration payable to directors for their services as directors.

## **8. General**

- 8.1** The committee may, during the execution of its duties in terms of this charter, obtain at MCG's expense, such external or other independent advice as it may deem appropriate to fulfil any of its responsibilities in accordance with MCG's Obtaining independent professional advice policy.
- 8.2** The committee has unrestricted access to MultiChoice Group information falling within the committee's mandate and will liaise with management on the information it requires to carry out its responsibilities.



## 9. Document Properties

MultiChoice Group		Document Number	
		MCG-GRP-BRD-TOR-005	
Risk committee 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
1	10 Dec 2018	n/a	New charter
2	2 April 2020	n/a	Semantic and grammar related amendments
3	31 March 2021	n/a	Minor wording and semantic changes
4	31 March 2022	1.1	Include definition of "committee."
		6.1	Change from annual review of risk management policy to periodic review in line with rotation plan.
5	30 March 2023	6.1.6	Update cross-reference
		1.1, 2.1, 3.1, 4.3, 8.1	Minor semantic/grammatical changes
6	28 March 2024	1.1 and 1.2	Minor wording clean-up and expanding purpose to mention Showmax.
		2.1, 2.2 and 3.6	Minor role clarification and expanding role and attendance by directors to specifically include Showmax.
		4.3	Minor wording change for round robin resolutions.
7	27 March 2025	8.1	Made reference to the Obtaining independent professional advice policy