



# MULTI CHOICE

ENRICHING LIVES

MultiChoice Group Limited (MCG)

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

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## 1. Introduction

- 1.1 This remuneration policy and its execution is the responsibility of the remuneration committee of the MCG board. The remuneration committee assists the MCG and MultiChoice South Africa Holdings (MCSAH) boards in ensuring that the MultiChoice Group can attract and retain the very best entrepreneurial, media, technical and leadership talent across Africa and the globe, in an increasingly competitive environment. It focuses on delivering fair, responsible and transparent remuneration driving the achievement of the MultiChoice Group's strategic objectives and ensuring alignment between shareholder outcomes and employee remuneration in the short, medium and long term.
- 1.2 We believe that diverse teams produce the very best results and we are committed to creating workplaces that are inclusive and welcoming to people of diverse origins, preferences, backgrounds and perspectives. Our remuneration policy underpins this commitment.
- 1.3 Policies and practices align the remuneration and incentives for executives and employees to the MultiChoice Group's business strategy. We also ensure that where the behavior of executives does not align to our values, there are negative consequences linked to remuneration.
- 1.4 MCG has an integrated and balanced approach to its reward strategy that aligns to stakeholder interests. Accordingly, individual reward components are aligned to the business-specific value drivers of the MultiChoice Group. Our primary objectives include: promoting superior performance; directing employees' energies to key business goals; achieving the most effective returns for employee spend; and addressing diverse needs across differing cultures.

committees of the MCG board and the boards of subsidiaries (if any). A premium is payable to the chairs of boards and committees.

Remuneration is cash-based only and is reviewed annually. It is not linked to the MCG share price or performance. Non-executive directors do not qualify for shares under the MultiChoice Group's incentive schemes. Supported by independent advice, the remuneration committee makes its recommendations to the board which, in advance, annually recommends the remuneration of non-executive directors for approval by relevant shareholders.

### 3. Executive remuneration

#### 2.1 Group remuneration framework

Remuneration throughout the organisation has been designed to aid the recruitment and retention of vital skills in a competitive market. Our three-tier remuneration structure provides an appropriate balance between guaranteed annual remuneration and variable remuneration, which is directly linked to business and individual performance which enhance shareholder value.

2.2 Guaranteed fixed pay is for performing the contractual role, which may include a base salary and employment-related benefits such as pension, medical insurance, etc. Remuneration packages are reviewed annually in light of individual and business performance and compared with benchmarked figures for similar positions in the market to ensure they are fair and sensible. Wherever possible, independent consultants provide benchmarks.

2.3 Annual performance-related incentives or short-term incentives (STIs) are awarded for



advance and based on targets that are verifiable and aligned to the specific business unit's annual business plan. The committee ensures that targets are appropriately ambitious.

- 2.4 Long-term incentives (LTIs): Executive directors, MultiChoice Group ExCo members, employees reporting to MultiChoice Group ExCo and other critical employees are eligible to receive long-term incentives. Long-term incentives are offered in the form of restricted share units, vesting after a three-year period. For MultiChoice Group ExCo members a large portion of the restricted share units have additional performance conditions linked to the vesting of the shares. These plans create an alignment between executive pay and shareholder success, with participants being rewarded for their contribution to the performance of the business. A robust governance process is in place to ensure that the long-term incentives are appropriately awarded and administered. MultiChoice Group ExCo members are expected to hold a minimum amount of vested MCG shares in order to ensure alignment to the longer-term sustainability of the company.

No awards are made during closed periods and backdating is prohibited. There is no automatic entitlement to bonuses or early vesting of share-based incentives if an executive leaves the company voluntarily. A cap applies to the number of shares that may be awarded in aggregate and to any individual.

## 2.5 Service contracts

Executives' contracts comply with terms and conditions of employment in the local jurisdiction. MultiChoice Group ExCo member's contracts do not contain golden parachute clauses and none automatically trigger a restraint payment.

Non-executive directors are subject to regulations on appointment and rotation in

The MCG board, based on the recommendation of the MCG remuneration committee, approves the remuneration policy. Implementation is delegated to the MCG remuneration committee. The boards of subsidiaries follow a similar practice, within the parameters of the MCG remuneration policy.

Remuneration is disclosed in the integrated annual report by means of a remuneration report in three parts: a background statement, an overview of the main provisions of the remuneration policy, and an implementation report. The remuneration policy and implementation report are put to MCG shareholders at the annual general meeting for separate non-binding votes.

In the event that 25% or more of the MCG voting rights exercised, vote against either the remuneration policy or the implementation report, or both, the MCG board will take steps, in good faith and with best reasonable effort, to do the following as a minimum:

- Implement an engagement process to ascertain the reasons for the dissenting votes.
- Appropriately address legitimate and reasonable objections and concerns that have been raised, which may include amending the remuneration policy, or clarifying or adjusting remuneration governance and/or processes.

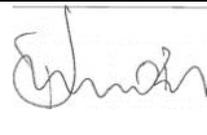
In addition, the following will be disclosed in the background statement of the remuneration report in the year succeeding the vote against the remuneration policy or the implementation report:

- With whom the company engaged, and the manner and form of engagement to ascertain the reasons for dissenting votes.
- The nature of steps taken to address legitimate and reasonable objections and concerns

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.

## 6. Document Properties

MultiChoice Group	<b>Document Number</b>
	MCG-GRP-BOARD-027
Remuneration Policy	<b>Effective Date</b>
	03/04/2020

<b>Initiated By:</b>	<b>Reviewed By:</b>	<b>Approved By:</b>	
Kirk Kruger	Tim Jacobs	MCG	
Head of Total Reward	Group chief financial officer	Board of directors	
		2 April 2020, minutes	
<b>Rev. No.</b>	<b>Rev. Date</b>	<b>Section/s</b>	<b>Description of Change</b>
1	10 Dec 2018		New policy
2	2 April 2020		Incentive-related principles amended following shareholders engagements at 2019 AGM