



Diversity Policy

Version: 3

Diversity Policy

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DOCUMENT CONTROL INFORMATION

Document review and approvals		
Compiled by:	Company Secretary	25 May 2023
Reviewed by:	Nominations Committee	06 June 2023
Approved by:	Board of Directors	09 June 2023

Legal and Regulatory Service for Laws and Regulations impacting this policy		
Reviewed by:	Legal Services	N/A
Reviewed by:	Regulatory	N/A

Quality Control					
Effective Date	This policy comes into effect from	09 June 2023			
Type:	Company Wide	Yes		No	√
	Entity Specific – Telkom SA SOC Ltd	Yes	√	No	
	Division Specific	Yes		No	√
Risk Level	Policy Review				
Level 1- Company Wide	Every 3rd year or if there are any significant changes	Yes	√	No	
Level 2 – BU/Subsidiary	Every 3rd year or if there are any significant changes	Yes		No	√
Level 3 – Operational	Every 3 rd year and no later than 5 years or if there are any significant changes	Yes		No	√
Level 4 – Other	In terms of legislative or business requirements	Yes	√	No	
Saved by:	Financial Control				

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Version Control – Summary of Changes			
Version Number	Paragraph	Description (changes since last version)	Date
V1	N/A	N/A	March 2018
V2	Various Paragraphs	<ol style="list-style-type: none"> 1. Wording has been amended to specifically convey the Board’s view on diversity to ensure that the Policy is not leaning heavily on mere compliance but portrays the Board’s sentiments on diversity. 2. The diversity attributes have been listed within the Policy. 3. King IV recommendations on diversity have been included. 4. A statement on diversity inclusion and equity has been included. 5. The new JSE Listings Requirements provision in relation to diversity matters has been included. 	March 2022
V3	3.1.4	Included a target for female representation at Board level.	May 2023

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1 PURPOSE AND OBJECTIVES

- 1.1 The purpose of the broader Board Diversity Policy is to articulate the Board's position on diversity inclusion and equity and provide guidelines for the promotion of diversity and equity at Board level.

2 CONTEXTUAL BACKGROUND

- 2.1 The Board recognises and appreciates that diversity, in its many forms, provides diverse perspectives, breeds meaningful engagement, widens the talent pool and further recognises that diversity of thought makes prudent business sense. Moreover, the Board specifically supports the principle of equitable representation of the genders which it deems to be pertinent to transformation and competitiveness.
- 2.2 The Board further subscribes to the principles of Good Corporate Governance as envisaged in the King IV Code which recommends that the Board should comprise the appropriate balance of gender, race, culture, age, field of knowledge, skills, experience, and independence for it to discharge its governance role and responsibilities objectively and effectively.
- 2.3 The Board acknowledges the importance of diversity and further believes in the benefits of all elements of diversity, which are not only limited to race and gender but extend to other forms of diversity, such as age, qualifications, experience, skills, tenure and business and industry knowledge.
- 2.4 The Board further acknowledges that a Board composed of men and women with diverse skills, experience, background and perspective has the following benefits:
- Credibility
 - Competitive advantage
 - Robust understanding of opportunities and risks
 - Capacity for oversight of the organisation and its governance
- 2.5 In terms of paragraphs 3.84(i) of the JSE Listings Requirements:

"The Board of directors or the nomination committee, as the case may be, must have a policy on the promotion of broader diversity at board level, specifically focusing on the promotion of the diversity attributes of gender, race, culture, age, field of knowledge, skills and experience. The issuer must confirm this by reporting to shareholders in its annual report on how the board of directors or the nomination committee, as the case may be, have considered and applied the policy of broad diversity in the nomination and appointment of directors. If applicable, the board of directors or the nomination committee must explain why any of the above diversity indicators have not been applied and further report progress in respect thereof on agreed voluntary targets.

- 2.4 This Board Diversity Policy has been formulated in accordance with corporate governance best practice and meets regulatory requirements.

3 DIVERSITY POLICY

- 3.1 Notwithstanding the fact that the Company has not set any voluntary targets, the Board adopts the following approach to diversity at Board level:
- 3.1.1 Due consideration will be given to the skills, expertise, experience, race, gender, age, business and industry knowledge and any other requirements that may be appropriate to ensure the right mix that will serve the interests of the Company and its stakeholders.
- 3.1.2 The Board will endeavour to attain a fair diversity representation on the Board at any given time.

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3.1.3 Whenever a vacancy occurs on the Board or should there be a requirement for an additional director, the Board shall endeavour to maintain a level of diversity within the Board that it considers appropriate and relevant at that time.

3.1.4 Further, the Board has set a target of 50% for female representation at Board level within the next 3 financial years (FY24 – FY26).

3.1.5 The Board shall be assisted by the Nominations Committee (“The Committee”) to fulfil the requirements of this Board Diversity Policy thereby giving life to the Board’s commitment to diversity and equity.

4 ROLE OF THE NOMINATIONS COMMITTEE

4.1 The Committee is mandated with the review of the Board composition and to recommend the appointment of new directors following a due process as defined in its Terms of Reference.

4.2 In its review of the Board composition, the Committee shall take into account the requirements of this Board Diversity Policy and consider all aspects of diversity in order to ensure a Board that is optimally constituted and that reflects its commitment to diversity.

4.3 The Committee will continuously review the state of the Board’s diversity representation and ensure that the Board Diversity Policy is appropriately applied.

5 REPORTING OBLIGATIONS

5.1 The Board shall report to its shareholders annually in its integrated report on how it has considered and applied the Board Diversity Policy in the nomination and appointment of its directors.

5.2 The Board will make the specific disclosures recommended in King IV regarding the board’s composition, including whether the Board is satisfied that its composition reflects an appropriate balance of knowledge, skills, experience, diversity and independence, to objectively and effectively discharge its governance role and responsibilities.

5.3 The Board shall also make disclosures regarding the statistics of the different attributes of diversity.

6 APPLICABILITY AND SCOPE

6.1 The Board Diversity Policy applies to the Telkom Board.

7 APPROVAL AND REVIEW

7.1 This Board Diversity Policy shall be recommended by the Committee and approved by the Board. The Committee shall review this Board Diversity Policy as and when required and make recommendations to the Board.

8 LAWS AND REGULATIONS

8.1 JSE Listings Requirements (“JSE Listings Requirements”).

9 EXCEPTIONS

9.1 There are no exceptions for this Policy.