

# Telkom shareholders vote against board members

There was drama at Telkom's annual general meeting when shareholders, presumably led by the majority shareholder, the government, voted against the re-election and election of independent directors.



The government together with the Public Investment Corporation owns about 50% of Telkom.

This is the first time that all shareholders were given an opportunity to decide the fate of board members after the expiry of the "golden share" rights, which gave the government a number of special and powerful rights such as the appointment of five board members including the chairman.

During the proceedings, outgoing chairman Lazarus Zim had to adjourn the meeting for a few minutes as there was confusion as to whether Communications Minister Dina Pule, on behalf of the government, should be allowed to vote despite a proxy that was sent by a staff member from the department of communications voting in favour of all the resolutions.

Initially, Computershare had said that Pule could not vote as there was already a proxy.

But after consultation with legal expert Michael Katz, and according to relevant law governing such issues, the proxy was then suspended as Pule was at the meeting representing the major shareholder.

The move by government has left Telkom without four board members including a chairman.

Telkom's chief executive Nombulelo Moholi said the existing members of the board would meet next month to "reconstitute".

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