Entrenching an ethical culture

> ⚖ **The board is committed to entrenching an ethical culture throughout the group and sets the tone by formulating our values and ensuring ethical business standards. The directors, overseen by the chair, hold one another accountable for decision-making and ethical behaviour. Directors, both individually and collectively, seek to demonstrate integrity, competence, responsibility, accountability, fairness and transparency to ensure effective leadership.**

The board sets the "tone at the top" by formulating our values and ensuring that ethical business standards are integrated into the group's strategies and operations. The group conducts its business dealings on the basis of compliance with applicable laws, rules, codes, standards and regulations, and proper regard for ethical business practices. The group strives to do business with integrity and prevent situations that may compromise these principles in our dealings with customers, investors, governments, local communities, third parties and entities within the group. The board, assisted by the social and ethics committee, ensures that the group's ethics performance is assessed, monitored, reported and disclosed.

🌐 For more information, refer to
https://www.investors.multichoice.com/governance.

The social and ethics committee assumes responsibility for the governance of ethics in the group by setting the direction for how ethics should be approached; overseeing and reporting on business and group-related ethics; and considering specific disclosures and applying best practice as recommended by King IV. Internal audit and risk management functions support the social and ethics committee, and the group legal compliance and ethics officer, supported by the segment CFOs who act as ethics officers, report quarterly to the committee.

The group legal compliance and ethics officer, supported by the segment ethics officers, manages the ethics performance in a manner that embraces its ethical culture, ethics awareness and creating a sustainable mature ethical culture. The segment ethics officers facilitate 'culture change' in their respective businesses by ensuring that ethics initiatives are implemented and maintain momentum.

The board has adopted a code of ethics and conduct policy (the code). The group has also developed a related ethics guideline, and both the code and guideline have been translated into Portuguese for the benefit of employees in Portuguese speaking countries. The code acts as the ethical constitution or moral compass of the group. The code provides our common ways of operating and is shaped by our values of 'care',

'connect' and 'create' as well as clearly defined behavioural standards. Each behaviour is framed in personal commitment that drives ownership and accountability across our business and provides a uniform understanding of expectations.

Ethics-related policies (such as the anti-bribery and anti-corruption, gift, whistleblower and conflict of interest policies) have been formulated and updated in support of the code.

All employees are required to annually certify, as part of the group's annual 'declaration of interest' process, that he/she is aware of and agrees to adhere to the code, while associated with the group. The code covers a wide range of ethical principles, including dealings with third parties. All employees must complete ethics-related training, conducted every 2 years, through an online training module. All new employees receive training on the code and group policies as part of the new employee onboarding process. The module includes a section which tests employees' understanding of the subject matter.

Employees' contract of employments is explicit that they must comply with the group's code and related policies. The group template 'services agreement' and 'master services agreement' makes provision for service providers to comply with all group policies applicable at the group's premises. It also requires service providers to notify the group after becoming aware of any breach of any such policies.

The group conducts business in various countries, and our employees are also subject to the laws and regulations of many countries, therefore the group policies are also supplemented by local policies and procedures.

The board endorses this code and has communicated the contents of the code to internal stakeholders, as well as to relevant external stakeholders. The board has delegated responsibility for the regular review of the code and ethics-related policies to the social and ethics committee of the board. Employees can easily access the code through the group's online policy share point and external stakeholders can access the code through the group's external website.

Management focuses on implementing the code, ethics-related policies and procedures addressing key ethical risks, such as conflict of interest, gifts, entertainment, travel, political contributions, bribes, fraud and money laundering.

The code is included in third-party procurement contracts of certain major subsidiaries. Contractors, agents, suppliers and consultants who work with any group company are expected to be aware of and adhere to the code and comply with group policies. The code is incorporated into new employee's contracts and the induction process and the employee recruitment, performance evaluation and reward process.

Communication messages on key ethical risks, such as cybersecurity, health and safety, third parties, consumer protection, competition, data privacy and whistleblowing were distributed to all employees in accordance with our annual ethics training and awareness plan. The group engages in various initiatives, such as hosting webinars, messaging, training, awareness, third-party due diligence, etc. to improve the broader operating environment and culture, and ultimately combat corruption and unethical behaviour.

The group launched the 'Cyber Security Awareness Month' campaign during October 2023 with the aim to raise awareness with employees on the importance of ensuring the security of the group's information and systems. As part of the annual 'International fraud awareness week' in November 2023, the group hosted various webinars facilitated by external presenters covering various ethics and fraud-related topics.

Various ethics-related training activities covering topics such as anti-money laundering, phishing, health and safety, third parties, consumer protection, competition, data privacy and whistleblowing were deployed during FY24 through online learning modules and face-to-face workshops. The group launched an online learning module on the code itself during FY24. The module covered the various ethical elements included in the code and employees where required to complete a self-assessment to complete the module.

Entrenching an ethical culture continued

Ethics activities, as well as the current state of ethics are regularly monitored and reported on to the relevant governance structures that oversee the group's ethics management. Ethical breaches where allegations have been confirmed as substantiated/ or partially substantiated, following investigations conducted, are reported to the board's social and ethics committee as well as the audit and risk committees.

Group internal audit and risk management conduct regular reviews of the ethics management process and reports independently to the audit and risk committee.

The group legal compliance and ethics officer assesses the ethics risks and opportunities once every two years. The ethics assessments provide a clear understanding of unethical behaviours and practices that could pose a significant risk, and highlight opportunities related to ethics that can be further capitalised. The ethics assessment was concluded during FY24 and the outcomes were reported to the board, the social and ethics, risk and audit committees and the segment ethics officers. The outcomes were used to update the ethics strategy and management plan. Appropriate mitigating controls were implemented to address the ethics risks identified and to unlock ethics opportunities.

Anti-Bribery and Anti-Corruption

As a leading multinational company that empowers people and enriches communities, MultiChoice Group does not tolerate any form of bribery or corruption and aims to prevent any and all unethical business practices.

The group operates in various countries and markets and has a wide range of ethical and legal responsibilities. We conduct business in compliance with applicable laws and regulations in the countries where we operate, in accordance with our code and international best practice. The MultiChoice Group anti-bribery and anti-corruption policy (the ABAC policy) confirms that we do not tolerate bribery and/or corruption, are committed to anti-bribery and anti-corruption, and preventing unethical business practices. The policy is supported by other related policies such as the whistleblower, gift and third-party risk management policies.

The social and ethics committee assumes responsibility for the governance of anti-bribery and anti-corruption. Responsibility for the development and implementation of the ABAC policy and related compliance programme is delegated to the group's legal compliance and ethics officer.

The ABAC policy deals with key risk areas such as gifts, hospitality, entertainment, charities, donations, sponsoring activities, and engagement with government officials and third parties. Annually the group develops its training and communication plan in partnership with business and in-country leadership. The board, with the support of the social and ethics committee, reviews the policy on a periodic basis in line with changes to relevant legislation and organisational changes.

Group internal audit performs independent reviews of the implementation of the policy and related compliance programme to assess the adequacy thereof, identify control weaknesses and recommend remedial actions.

Periodic bribery and corruption risk assessments are conducted across our business to assess and enhance the effectiveness of the policy and related compliance programme, procedures and controls.

We consider any violation of the policy to be extremely serious, and we thoroughly investigate any allegations relating to bribery or corruption. Any non-compliance with the policy results in disciplinary action, including dismissal and/or criminal proceedings.

The group continued to monitor employees' completion of the anti-bribery and anti-corruption/gifts online learning module which was launched during FY23. New employees receive training on the policy as part of the new joiners programme.

The group relies significantly on third parties to achieve some of its business objectives. The group manages this risk through its third-party risk management policy and related governance framework, which includes third-party risk assessments, template contract clauses, and ongoing monitoring. The outcomes of third-party risk assessments, as well as any discrepancies identified, are reported to the relevant group governance structures/bodies as well as the social and ethics committee.

The group continues to monitor the effectiveness of its group gift policy which provides guidance to all employees on the standard of conduct required by them when giving and receiving gifts. The gift standard operating procedures provide step by step guidance to employees on the standard of conduct required by them when receiving gifts from third parties, offering gifts to third parties or internal gifting to employees. Employees can declare gifts offered and received by them, and gift registers are compiled, through the online gift declaration portal available on the company's internal homepage.

The group forensics function monitors the group's whistleblower facility, which is operated by Deloitte's Tip-offs Anonymous. The group whistleblower policy states that allegations are handled confidentially, can be made anonymously and that the whistleblower/s are afforded legal protection. Where appropriate, internal audit and/or external forensic consultants investigate reported matters. Significant allegations related to bribery, corruption and fraud are reported to the audit, risk and social and ethics committees.

Training

Ethics and anti-bribery and corruption training are included as part of the 'new employee' onboarding process. Employees are introduced to the principles of the code and related policies, and relevant case studies are discussed. Ethics-related online learning modules on the code and other related policies are part of the MultiChoice Academy platform, which is available to all employees. The online learning training modules cover all employees, and the effectiveness thereof is closely monitored. It is mandatory for employees to complete the ethics online learning module every two years.

Training activities are executed in accordance with the annual training and awareness plan. The ethics online learning module was rolled out during May 2023.

Entrenching an ethical culture continued

The total number of employees who completed the ethics-related online learning modules, rolled out during FY23 and FY24, were as follows as at 31 March 2024:

Ethics training

Online training activities – Completed during FY23 and FY24

Broken down by audience	Total employees	Total %	Governing body	Employees	Third parties
Anti-Bribery and Anti-Corruption	5 521	91	7	5 480	34
Better Place to Work	5 765	91	6	5 727	32
Code of ethics and conduct	3 442	92	5	3 402	35
Total modules completed	**14 728**	**91**	**18**	**14 609**	**101**

Broken down by segment	Total employees	Total %	Governing body	Employees	Third parties
MultiChoice South Africa	10 225	91	15	10 109	101
MultiChoice Rest of Africa	3 753	90	2	3 751	–
Irdeto	750	100	1	749	–
Total modules completed	**14 728**	**91**	**18**	**14 609**	**101**

Performance and future focus

Our key areas of focus during the reporting period were:
- Launched the ethics risk assessment to assess the effectiveness of the ethics programme
- Implemented enhanced controls for identified areas of weakness
- Executed on activities included in the FY24 ethics training and awareness plan
- Launched the ethics online learning module
- Monitored and reported on the group's ethics performance
- Reviewed the adequacy and effectiveness of the group's monitoring activities

Going forward, we will focus on:
- Continue to apply the code and related compliance programme across the group
- Continue to entrench ethics across the business through focused training interventions and awareness campaigns
- Continue to deploy the code and improve relevant processes
- Continue to refine the third-party risk management framework
- Identifying and implementing enhanced controls for identified areas of weakness
- Develop and launch group-wide anti-bribery and anti-corruption risk assessment
- Continue to implement mitigating controls flowing from the ethics risk assessment