



# Material matters

**Materiality is the threshold at which sustainability topics become sufficiently important that they should be reported. We are guided by the below process when determining our material matters:**

1

## Using a risk-based approach, we identify matters that are potentially material

We reflect on the following:

- Our business strategy
- Our capital allocation process
- Our financial and operating performance
- Our budgets and business plans
- Our risk registers and heat maps
- Our opportunity set
- Our engagements with stakeholders
- Our operating environment
- Our societal and environmental impact and obligations

2

## We interrogate the matters we have identified to determine and prioritise the material ones

We prioritise material matters based on their ability, potential or likelihood to meaningfully affect the creation, preservation or erosion of value through their impact on our business, our key stakeholders, our capitals and our internal and external operating environment. We consider both positive and negative matters, including a determination of what is material for our various our stakeholders.

3

## We review, address and report on our material matters

The material matters identified are also issues on our board and or committee agendas. These matters are comprehensively discussed and addressed.

## Our material matters were as follows:

1

### Customer satisfaction (perpetual material matter)

#### Our customers are always our primary focus.

Delivering value to our customers is critical to our ongoing business success. To ensure we achieve this, we focus on developing, launching and improving relevant products and services, while designing excellent customer service experiences to support our offerings.

Optimising the elements that support customer acquisition and retention is a key driver of our operating performance, given our largely fixed-cost business. We also need to accommodate exogenous pressures such as tightening consumer spend and affordability across our markets, along with unique challenges around the availability of electricity and mobile broadband connectivity.

#### Link to risks:

- Economy
- Disruption and competition
- Securing content

#### Link to opportunities:

- Large and growing addressable pay-TV market
- A unique understanding of our customers' needs and experiences
- Rapidly developing linear and OTT streaming market

#### Link to strategic priorities:



Subscribers



Content



SVOD

#### Link to stakeholders:



Customers



## Material matters continued

### 2 Evolution of our industries (perpetual material matter)

#### The sectors in which we operate undergo perpetual change, requiring us to adapt accordingly.

The global video entertainment industry continues to evolve as new technologies and business models provide differentiated and disruptive offerings. This presents both a risk of increased competition for subscribers and content, and an opportunity to scale or adapt our business model, e.g., through our OTT and aggregation offerings.

The same principle applies to our Advertising business, DStv Media Sales, our Technology business, Irdeto, and newer investees like KingMakers and Moment. This principle has also partially informed our strategy to develop our platform beyond pure video entertainment.

#### Link to risks:

- Disruption and competition
- Securing content
- Technology

#### Link to strategic priorities:



#### Link to opportunities:

- All

#### Link to stakeholders:



### 3 Executing our strategic priorities (short to medium-term material matter)

#### We operate in a complex environment requiring focused strategic execution and capital allocation.

**South Africa:** Focus is on subscriber retention in the premium and mid-market, growth in the OTT and mass market, and profit and free cash flow generation.

**Rest of Africa:** Focus is to return to sustainable free cash flow generation through further scale, pricing and cost controls, while navigating macro challenges such as foreign exchange headwinds.

**Showmax:** Focus is on scaling the business rapidly in order to move through the medium-term investment curve rapidly.

**Rest of group:** Focus is to support group revenues, profits and free cash flows through established businesses like Irdeto and DStv Media Sales, while driving scale and growth into nascent verticals through KingMakers and Moment.

#### Link to risks:

- Economy
- Securing content

#### Link to strategic priorities:



#### Link to opportunities:

- All

#### Link to stakeholders:



### 4 Attracting and retaining talent (perpetual material matter)

#### Our people are fundamental to our ongoing success.

Attracting and retaining the right people to achieve our goals is a key aspect of our strategic thinking. We are passionate about creating a workplace where people are engaged and inspired to create the best solutions for our customers.

Key focus areas include growing diverse, representative talent in critical areas of differentiation (such as content, engineering and data science), and developing succession plans for leadership and critical strategic and technical roles to ensure growth and continuity.

#### Link to risks:

- Talent and skills scarcity

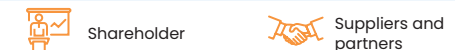
#### Link to strategic priorities:



#### Link to opportunities:

- All

#### Link to stakeholders:





## Material matters continued

### 5 Developing local entertainment and sports industries and African entrepreneurs (short to medium-term material matter)

#### Supporting the entertainment and sports industries in our region and backing African entrepreneurs benefits all our stakeholders.

Our investment in local entertainment content creates jobs across the spectrum of the creative industries and provides a platform for homegrown talent to shine. Our investment in local sports supports sports bodies, enabling them to generate sustainable income streams and continue developing their codes and talent.

We have also expanded the remit of the MultiChoice Innovation Fund to support the many budding entrepreneurs beyond South Africa's borders.

As a responsible corporate citizen, we also aim to make a contribution beyond just our business.

We believe in strategic CSI and our initiatives are aimed at promoting sport and content production across sub-Saharan Africa, while positively addressing issues such as health, education and empowerment.

#### Link to risks:

- Economy
- Securing content
- Disruption and competition

#### Link to strategic priorities:

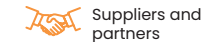


Content

#### Link to opportunities:

- A unique understanding of our customers' needs and experiences

#### Link to stakeholders:



Suppliers and partners



Society and the environment

### 6 Government policy, regulatory and tax environment (perpetual material matter)

#### Policies and regulations underpin market structure, but need to be well considered, while tax revenues support governments but need to be judiciously applied.

The industries in which we operate are highly regulated, with regulations varying across our markets. Material changes in regulations may require us to adapt our business model and may impact our customer value proposition. The overall policy and regulatory environment in the countries we operate in can also constrain economic activity if unnecessarily stringent and burdensome or may not sufficiently support economic activity if personal, property and contractual rights are not sufficiently protected. Taxation frameworks can disincentivise investment and economic activity if not applied with sufficient consideration.

Our approach to policies, regulation and taxation remains proactive as we engage with regulators and authorities constructively through our dedicated teams. This ensures we keep abreast of all developments, while providing input that promotes a balanced and evidence-based regulatory environment and fair taxation policies and implementation.

#### Link to risks:

- Regulatory and licensing

#### Link to strategic priorities:

- None

#### Link to opportunities:

- None

#### Link to stakeholders:



Government and regulators