Entrenching an ethical culture

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.

> It is our policy to conduct business dealings on the basis of compliance with applicable laws, rules, codes, standards and regulations, and with proper regard for ethical business practices.

The board has a code of ethics and conduct policy (the code) that sets out the standards for business conduct throughout the group and is supported by a wide range of group policies.

Management teams across the group understand and apply the code and create and maintain awareness of the code and associated policies, such as the legal compliance, anti-bribery and anti-corruption, competition and whistleblower policies. Reference to the code is included in new employees' contracts and their induction process.

The code applies to the recruitment, performance evaluation and reward processes. Management teams are required to monitor adherence to the code and apply a zero-tolerance approach to violations. Sanctions are in place and action is taken when necessary, which includes prosecution to the fullest extent of the law when appropriate. Reference to our code is included in third-party procurement contracts of certain major subsidiaries.

ONLINE

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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.

Management focuses on implementing the code, policies and procedures addressing key ethical risks, such as conflicts of interest, gifts, entertainment, travel, political contributions, bribes, fraud, money laundering and acceptable business conduct. The code stipulates that all employees have a duty to avoid situations that give the appearance of conflict between personal interests and the group's interests. Further, all contributions to organisations and/or events linked to political parties are approved in accordance with the approval levels set out in the code. The board's social and ethics committee is responsible for overseeing and reporting on business and group-related ethics, considering specific disclosures and best practice as recommended by King IV.

> 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.

As the group conducts business in various countries, the group and our employees are subject to the laws and regulations of those countries. Group policies are supplemented by local policies and procedures. Ensuring group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing process. The board delegated responsibility to the social and ethics committee for regular review of the code and an ethics communication plan.

Our detailed group anti-bribery and anti-corruption policy stresses the importance of our commitment to combating bribery and corruption transgressions and stipulates the consequences of bribery and corruption for our business and broader society. The policy also deals with key risk areas, including facilitation payments, government officials, third parties, donations, sponsorships, gifts and entertainment. We comply with applicable anti-bribery and anti-corruption laws and regulations in the countries where we operate, as well as international anti-bribery and anti-corruption best practice.

We consider any violation of this 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. We conduct annual bribery and corruption risk assessments across our business to assess and enhance the effectiveness of our policy, procedures and controls. Employees are required to complete the anti-bribery and anti-corruption e-learning module every two years. In FY21 7 472 participants completed the ethics e-learning module. In FY22 an additional 390 participants and 148 new employees completed the ethics e-learning module. The next mandatory ethics training will be rolled out in FY23.

Entrenching an ethical culture continued

⚖️ Ethical culture

The risk management function monitors the group's whistleblower facility, which is operated by Deloitte's Tip-offs Anonymous, and is available in English, Setswana, IsiZulu, Tshivenda, Sesotho or IsiXhosa. The whistleblower policy states that allegations are handled confidentially, can be made anonymously and that any whistleblowers are afforded legal protection. Where appropriate, internal audit and/or external forensic consultants investigate reported matters. Significant allegations and fraud are reported to the audit, risk and social and ethics committees.

The social and ethics committee assumes responsibility for the governance of ethics by setting the direction for how it should be approached in the group. 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 to the committee regularly.

Ethics training is included in onboarding new employees, who are also introduced to the principles of the code and related policies, and relevant case studies are discussed. Ethics-related e-learning modules on the code and the whistleblower policy are part of the MultiChoice Academy platform, which is available to all employees. The e-learning training modules cover all employees, including

part-time and contractors, and the effectiveness thereof is closely monitored. It is mandatory for employees to complete the ethics e-learning module every two years.

Communication messages on key ethical risks, such as anti-bribery and anti-corruption, conflicts of interest, health and safety (with a focus on COVID-19), fraud, data privacy, third parties, competition, anti-piracy, social media, and gifts were distributed to all employees in accordance with our annual ethics training and awareness plan.

An internal group ethics assessment was concluded across the group to identify relevant ethical opportunities and risks, evaluate the effectiveness of existing ethics control measures and review the group's ethics strategy. The outcome of the assessment is used in setting ethics priorities for a period of two to three years. Internal audit also conducts independent assessments of the group ethics performance and reports its findings to the risk committee, social and ethics committee and the board.

The group's annual legal compliance conference was held virtually with senior leaders, who were privileged to listen to subject matter experts, including Prof Wiseman Nkuhlu, among others, on topics of compliance, ethics and data security.

Performance and future focus

Our key areas of focus during the reporting period were

- Reviewing the adequacy and effectiveness of the group's monitoring activities
- Conducting an opportunity ethics risk assessment to assess the effectiveness of the ethics programme
- Implementing enhanced controls for identified areas of weakness
- Reviewing our whistleblowing and internal 'speak-out' mechanisms
- Ethics-related training and awareness campaigns

Going forward, we will focus on

- Continuously entrenching ethics throughout the business through training and awareness campaigns
- Continuously monitoring the group's ethics performance
- Revising the group gift process and related policies
- Rollout new gift e-learning module
- Continued implementation and refinement of the third-party risk management framework
- Revising the group whistleblower process, policies and training interventions
- Improving the conflict of interests process

In FY21
7 369 participants completed the ethics e-learning module

→ **In FY22 an additional 424** participants **and 151** new employees completed the ethics e-learning module

→ The next mandatory ethics training will be rolled out in **FY23**

→ The annual competition e-learning module was also rolled out to a defined employee target group