RISK MANAGEMENT

We recognise that risk is inherent in our business and actively balance risk mitigation with the pursuit of opportunity.

Risk management process

We embed strong governance and oversight within our Enterprise Risk Management (ERM) framework to support our strategic and operational objectives.

Our ERM process enables effective risk identification, assessment, treatment, monitoring and continuous improvement, ensuring risk information flows seamlessly across the business and is integrated into daily operations. This allows us to manage risks systematically while also identifying opportunities for growth.

The Board and its committees oversee all risk management activities, set risk appetite and ensure alignment with strategy through effective monitoring of key controls. Executive management develops and implements risk mitigation strategies, which are reviewed by the Audit and Risk Committee and approved by the Board, ensuring disciplined and informed decision-making across the Group.

Key risks

Our risk matrix is a core part of our ERM framework and provides a consistent way for us to identify, assess and prioritise risks based on likelihood and potential impact. We use this structured approach to evaluate key risks across the business and assign ratings that reflect their potential to affect value creation and strategic delivery.

This analysis helps us distinguish between low, moderate and high-priority risks, improving transparency and enabling us to allocate resources more effectively. It strengthens our decision-making, supports proactive risk management and ensures our risk posture remains aligned with our strategic objectives.

Principal risk	Specific risks the Group is exposed to	Risk rating	Potential impact	Risk mitigation
Revenue	We are exposed to advertising revenue decline driven by economic downturn and cyclical market pressure.	**Critical** ↗	We see significant pressure on revenue and profitability, resulting in budget constraints, reduced content investment, hiring freezes and cash flow pressure.	We diversify revenue streams, strengthen commercial execution, optimise content spend and improve cost flexibility across the business.
Digital transformation	We risk falling behind streaming competitors as audience consumption shifts rapidly to digital platforms.	**Critical** ↗	We lose audience share, face migration to competitors, experience stagnating digital revenues and risk long-term sustainability.	We accelerate our digital roadmap, invest in eVOD and platforms, strengthen content strategy and improve user experience.
Cybersecurity	We face cyberattacks, ransomware, malware, POPIA risks, social media exposure and evolving technology threats.	**Critical** ↗	We experience operational disruption, service outages, regulatory penalties, reputational damage and reduced profitability.	We strengthen cybersecurity controls, implement 24/7 monitoring, conduct penetration testing, enhance incident response and increase staff awareness.
Market	We face audience migration to international streaming platforms, rising competition in lower LSM markets and ageing infrastructure.	**Critical** ↗	We experience declining viewership, reduced advertising demand, weakened competitiveness and broadcasting disruption.	We strengthen local content, enhance platform competitiveness, expand digital offerings and invest in infrastructure and backup power.
Macroeconomic	We face geopolitical instability, rand volatility and broader economic uncertainty affecting advertising and consumer spend.	**High** →	We experience lower revenue growth and profitability, alongside higher programming and operating costs.	We revise strategic priorities, strengthen cost discipline and apply targeted marketing and promotional activity to support demand.
Infrastructure	We are exposed to load shedding and power disruptions affecting broadcast and production operations.	**High** →	We experience broadcast interruptions, reduced audience engagement and lower advertising attractiveness.	We implement backup power systems, strengthen redundancy planning and invest in infrastructure resilience upgrades.

KEY: ↗ Increase in risk rating → No change ↘ Decrease in risk rating

RISK MANAGEMENT CONTINUED

Principal risk	Specific risks the Group is exposed to	Risk rating	Potential impact	Risk mitigation
Technology	We face risks of broadcast outages or transmission failures across our platforms.	High →	We experience service disruption, regulatory scrutiny, potential fines and reputational damage.	We implement system redundancy, preventive maintenance, real-time monitoring and structured recovery protocols.
Content	We risk losing key content rights or licensing agreements critical to audience retention.	High →	We see reduced audience share, advertiser withdrawal and reputational damage.	We secure long-term content contracts, diversify content pipelines and invest in local production capabilities.
Reputation	We face reputational risk from controversial content or presenter conduct.	High →	We experience brand damage, audience decline and reduced advertiser confidence.	We enforce editorial governance, strengthen compliance controls and implement crisis communication protocols.
Talent	We are exposed to loss of key presenters, executives and content creators, as well as a limited skills pool and labour changes.	High →	We face production disruption, increased costs, reduced continuity, lower productivity and reputational risk.	We implement succession planning, strengthen retention, invest in training and promote a high-performance culture and employee wellbeing.
Supply chain	We depend on third-party technology and service providers that may fail or underperform.	High →	We experience operational delays, service outages and increased costs.	We diversify vendors, enforce SLA management, strengthen contingency planning and improve supplier oversight.
Financial	We face rising content production costs in a competitive production environment.	High →	We experience margin pressure and potential reductions in content quality or output.	We drive cost optimisation, pursue co-productions, improve commissioning efficiency and enforce budget discipline.
Regulatory	We operate in a complex regulatory environment including POPIA, CPA, FICA, B-BBEE requirements and broadcasting licence conditions.	High →	We face fines, licence risk, reputational damage, reduced market share and higher compliance and operating costs.	We strengthen compliance monitoring, enhance governance oversight and engage proactively with regulators and policymakers while maintaining a comprehensive B-BBEE programme.
Legal	We face intellectual property disputes relating to content ownership and usage.	Medium ↘	We incur legal costs, may withdraw content and face financial settlements or penalties.	We maintain strong contract management, legal oversight and structured rights management systems.
Health and safety	We are exposed to studio incidents involving employees, contractors or guests.	Medium ↘	We experience injuries, operational disruption and reputational impact.	We enforce safety protocols, conduct training, perform regular audits and maintain incident response procedures.
ESG	We risk not meeting evolving sustainability and governance expectations.	Medium ↘	We experience reduced investor confidence, stakeholder criticism and potential loss of opportunities.	We embed ESG principles, improve transparency and strengthen sustainability initiatives across the Group.

KEY: ↗ Increase in risk rating → No change ↘ Decrease in risk rating