



MultiChoice South Africa Holdings annual sustainability report for the period ended 31 March 2008

In compiling its first sustainability report, MultiChoice South Africa Holdings (MCSAH) was guided by the Sustainability Reporting Guidelines prepared by the Global Reporting Initiative (GRI). Sustainability reports based on the GRI Reporting Framework disclose outcomes and results that occurred within the reporting period in the context of the group’s commitments, strategy, and management approach. Detailed information on this framework of sustainability reporting can be found on www.globalreporting.org.

In this report, we have concentrated on those GRI indicators which we have identified as material to our business, aiming to achieve the criteria for level C reporting. We have provided information in narrative format where it is available, but public information in the annual report for the period ended 31 March 2008, the annual financial statements for the year ended 31 March 2008 and the corporate website www.multichoice.co.za provide supplementary information.

GRI reporting framework

	Profile	
1	Strategy and Analysis	
1.1	Statement from the most senior decision-maker of the organisation (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy.	<ul style="list-style-type: none"> • As governance is essential to the interest of stakeholders of the MultiChoice group, the board of directors aspires to conduct the business of the group with integrity. It is committed to apply appropriate corporate governance policies and practices in each company in the group. (Annual report for the period ended 31 March 2008: governance) • Annual report for the period ended 31 March 2008: empowerment and sustainability – <i>“Our commitment is clear...”</i> • www.multichoice.co.za MultiChoice’s core business focus is in the following areas: <ul style="list-style-type: none"> ○ Acquires channels from local, African and international channel suppliers ○ Groups channels according to genres

		<ul style="list-style-type: none"> ○ Packages these channels into bouquets branded as DStv ○ Currently offers a subscription broadcasting service, DStv, to the public • www.multichoice.co.za / our company / mission & vision
1.2	Description of key impacts, risks, and opportunities.	<p>Annual report for the period ended 31 March 2008: Governance section / risk management as well as prospectus for Phutuma Nathi Investments 2 Limited, dated 1 February 2007.</p> <p>MCSAH performed an initial high level risk assessment of its impact on the environment through direct green house gas emissions the year under review. The coming year will be utilised to expand these efforts in the relevant areas.</p>
2	Organisational Profile	
2.1	Name of the organisation.	MultiChoice Africa Holdings (Proprietary) Limited
2.2	Primary brands, products, and/or services.	Annual report for the period ended 31 March 2008: review of operations as well as www.multichoice.co.za / our brands.
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	<ul style="list-style-type: none"> • Annual report for the period ended 31 March 2008: review of operations, • The annual financial statements for the year ended 31 March 2008, note 35 on page 67, 68: analysis of subsidiaries, joint ventures and associates • www.multichoice.co.za / our company.
2.4	Location of organisation's headquarters.	<p>251 Old Oak Avenue Randburg, 2194 South Africa</p> <p>P O Box 1502 Randburg, 2125 South Africa</p>
2.5	Number of countries where the organisation operates, and names of countries with either major operations or	<p>Annual report for the period ended 31 March 2008: review of operations</p> <p>The MultiChoice group comprises businesses that operate</p>

	that are specifically relevant to the sustainability issues covered in the report.	pay television subscriber platforms, pay television channels and internet and mobile platforms in South Africa.
2.6	Nature of ownership and legal form.	Annual financial statements for the year ended 31 March 2008: directors' report, page 4. MCSAH's principal shareholders are MIH Holdings Limited (80%), Phutuma Nathi Investments Limited (13.3%) and Phutuma Nathi Investments 2 (6.7%). The ultimate controlling party is Naspers Limited, listed on the JSE Securities Exchange in South Africa.
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Annual report for the period ended 31 March 2008: review of operations as well as www.multichoice.co.za / our company and our brands.
2.8	Scale of the reporting organisation	<ul style="list-style-type: none"> • Annual report for the period ended 31 March 2008: chairman's review and review of operations • Annual financial statements for the year ended 31 March 2008
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	<ul style="list-style-type: none"> • Annual financial statements for year ended 31 March 2008, operating and financial review on page 4 and note 3 on pages 28 – 30: significant acquisitions and divestures. • As a subsequent event after year end, on page 5 of the Annual financial statements for year ended 31 March 2008, the group announced the auction process of M-Web, its internet service provider business.
2.10	Awards received in the reporting period	none
3	Report Parameters	
3.1	Reporting period	The reporting period is the same as the financial year of the company April 2007 till March 2008
3.2	Date of most recent previous report (if any).	No previous reports
3.3	Reporting cycle (annual, biennial, etc.)	Annual

3.4	Contact point for questions regarding the report or its contents.	gri@naspers.com
3.5	Process for defining report content	MCSAH aimed to meet the reporting standards for Level C as a starting point for 2008 for all South African operations under its management control.
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	Refer 3.5. MCSAH's operations are in South Africa
3.7	State any specific limitations on the scope or boundary of the report	There are no specific limitations other than defined in 3.5 and 3.6
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and / or between organisations.	The operations and boundaries identified in 3.5 and 3.6 are 100% included in this report, where-as operations not under the management control of MCSAH are completely excluded.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers / acquisitions, change of base years/periods, nature of business, measurement methods).	This is the first GRI report for MCSAH, therefore no restatements are applicable, other than restatements of a financial accounting nature, in compliance with international financial reporting standards (IFRS), which are detailed in the notes to the annual financial statements for the year ended 31 March 2008.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	MCSAH prepared a sustainability report for the first year according to the Global Reporting Initiative for the period ended March 2008.
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI reporting framework as disclosed in this document
4	Governance, Commitments, and Engagements	
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or	Annual report for the period ended 31 March 2008: governance

	organisational oversight	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	The Chairman of the Board is Mandla Langa who is an independent, non-executive director.
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	<ul style="list-style-type: none"> • Annual report for the period ended 31 March 2008: directorate • 10 board members, of whom four (4) are independent, non-executive and five (5) are non-executive members.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	<p>The company's website (www.multichoice.co.za) provides the latest and historical financial and other information, including financial reports. The board encourages shareholders to attend and participate in the annual general meeting of which the notice is contained in the annual report. Shareholders will receive the opportunity to put questions to the board, including the chairs of the various board sub-committees.</p> <p>Employee Relations on www.multichoice.co.za / our people.</p> <p>The Workplace Forum is there to protect the interests of employees. It provides every one of our employees, no matter what position, representation. The Workplace Forum's major functions are to:</p> <ul style="list-style-type: none"> • Promote the interests of all employees • Enhance the efficiency in the workplace • Be consulted by the employer with the objective of reaching consensus • Participate in joint decision-making
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	<p>Annual report for the period ended 31 March 2008: governance / conflict of interest.</p> <p>MCSAH has adopted formal procedures that deal with the management of potential conflicts of interest to ensure that candidate directors, as well as existing directors are free from conflicts of interest between the obligations they have to the company and their private interests. Any interest in</p>

		contracts with the company must be formally disclosed and documented. Directors must also adhere to the formal policy in respect of the trading of securities of Naspers, the holding company.
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	Annual report for the period ended 31 March 2008: governance / orientation and development.
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	The board has a process to review, on an annual basis, the effectiveness and role of the board and its chair as well as the effectiveness of the respective board committees. Planning and reporting on the group's corporate social investments has been reviewed.
4.14	List of stakeholder groups engaged by the organization.	See Stakeholders
4.15	Basis for identification and selection of stakeholders with whom to engage.	See Stakeholders
PI	Performance Indicators	
EC	Economic Performance Indicators	
EC1	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	<ul style="list-style-type: none"> Annual financial statements for the year ended 31 March 2008 on www.multichoice.co.za / investor relations. Annual report for the period ended 31 March 2008: chairman's review
EC6	Policy, practices and proportion of spending on locally based suppliers at significant locations of operation.	All suppliers are local, except for items that cannot be sourced within South Africa such as certain content such as international sporting events, feature films as well as leases of satellite equipment.
EN	Environmental Performance Indicators	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	MCSAH performed an initial high level risk assessment of its impact on the environment through direct green house

		gas emissions the year under review. The coming year will be utilised to expand these efforts in the relevant areas.
EN23	Total number and volume of significant spills.	There were no significant spills during the year.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	There were no significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.
LA	Labour Practices Performance Indicators	
LA1	Total workforce by employment type, employment contract, and region.	Annual financial statements for the year ended 31 March 2008: note 27 on page 57. The total number of full time employees of MCSAH group at 31 March 2008 was 3 444 (2007: 2 215), of which the majority is employed in South Africa.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	There were no fatalities or serious injuries to employees for the period.
SO	Society Performance Indicators	
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	<ul style="list-style-type: none"> • Annual report for the period ended 31 March 2008: empowerment and sustainability. • www.multichoice.co.za / social investment
SO2	Percentage and total number of business units analyzed for risks related to corruption	<ul style="list-style-type: none"> • 100% of MCSAH divisions and significant business units have been analysed as part of the risk management and internal audit processes. • Annual report for the period ended 31 March 2008: governance / business ethics.
SO4	Actions taken in response to incidents of corruption	<ul style="list-style-type: none"> • All alleged incidents of corruption are reported to management are investigated. • Known incidents of corruption are reported to the Audit and Risk management committee and dealt with in

		terms of the South African Prevention and Combating of Corrupt Activities Act, No. 12 of 2004.
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Stakeholders

MultiChoice South Africa Holdings' significant stakeholders are:

- Our viewers: MultiChoice Enriches Lives. It's our mission to brighten people's lives with compelling digital media content. Whether it's through Pay TV, the Internet, mobile phones or any other device on the digital horizon, our goal remains the same: We Enrich Lives. It can happen anywhere. In a city. In a remote village. To millions of people. To one person. To someone we don't know. To someone we work with. To the fortunate. To the less fortunate.
- Employees: who drive the success of our business with their energy, innovation and commitment
- Suppliers: who we rely on to supply us with high quality products
- Advertisers: who entrust the promotion of their products to our channels
- Local communities: where our operations are based
- Regulators: who provide the regulatory framework within which we operate
- Shareholders: who underpin our business and to whom we have to deliver value

A range of methods are used to generate feedback from stakeholders on the issues that are of importance to them. These include:

- Feedback from viewers through channels such as the customer call centres
- Interaction with viewers, the community as well as the cultural community through various hosted or sponsored cultural events
- Employee newsletters, management briefings and Intranet sites
- One-to-one meetings with suppliers, business partners and opinion formers
- Participation in industry groups to develop relevant shared practices
- Engagement with our shareholders through the annual general meeting and www.multichoice.co.za
- Regular engagement with the local community principally through our corporate citizenship activities
- Public policy engagement with regulators and parliament where relevant
- We engage regulatory bodies both formally and informally. These are done through written representations and oral hearings in response to draft regulations or discussion papers issued by the sector regulator, ICASA. In respect of the Competition Authorities, these are usually in response to a question or investigation or because we are applying for approvals for a merger.