

RISK MANAGEMENT

The media and entertainment landscape continues to evolve rapidly, shaped by changing audience preferences, platform fragmentation, technological advancement, regulatory developments and macroeconomic uncertainty. These shifts create growth opportunities while introducing risks that may affect our operations, financial performance, reputation and long-term value creation.

OUR ENTERPRISE RISK MANAGEMENT FRAMEWORK

Our Enterprise Risk Management framework is guided by the Board-approved Risk Management Policy, which defines the governance structure, risk culture and responsibilities across the organisation. It covers the identification, assessment, prioritisation, mitigation and monitoring of existing and emerging risks.

Risks are evaluated against our strategic objectives, operating environment and defined risk appetite. Material risks are assigned to designated risk owners responsible for implementing mitigation plans, monitoring risk indicators and reporting progress. The framework is reviewed periodically to maintain its relevance as the business and risk environment evolve.

FOUR STAGE PROCESS FOR RISK MANAGEMENT

Key risk exposures as detailed below are clearly identified, with defined risk appetite and structured mitigation plans in place to ensure a proactive and resilient response.

Operational and liquidity risks

Technology, environmental and social risks

Legal and regulatory risks, including ESG-related risks

Governance, market, product and reputational risks

The Chief Risk Officer (CRO), supported by the internal team and external experts, leads periodic Enterprise Risk Management (ERM) assessments to identify emerging risks and mitigation strategies.



Risk culture

‘Z’ is committed to embedding a strong risk culture across all levels of the organisation, where awareness, accountability, and proactive risk management are integral to everyday operations.

Risk governance

Our risk governance structure establishes oversight and accountability across the Board, the RMC, executive management, risk owners and assurance functions.

RISK MANAGEMENT COMMITTEE

The RMC oversees the end-to-end risk management process.

At ‘Z’, the RMC plays a central role in fostering a proactive, enterprise-wide risk culture aligned with strategic objectives. Comprising one independent director, one non-independent director and the CFO / Chief Risk Officer (CRO), the Committee ensures experienced and balanced oversight.

POLICY AND COMPLIANCE

The Board has adopted the Risk Management Policy based on the RMC’s recommendations, guided by a defined Charter.

Annual assessments are conducted to evaluate key risks and the overall effectiveness of the risk framework, ensuring accurate identification, prioritisation, and mitigation aligned with business goals, besides regular reviews throughout the year to monitor major risk exposures, assess internal controls, and ensure accurate, timely risk reporting to support informed decision-making.

BOARD’S CAPABILITY ENHANCEMENT

Non-executive directors engage in regular risk management training through structured familiarisation programmes, strengthening oversight and strategic alignment.

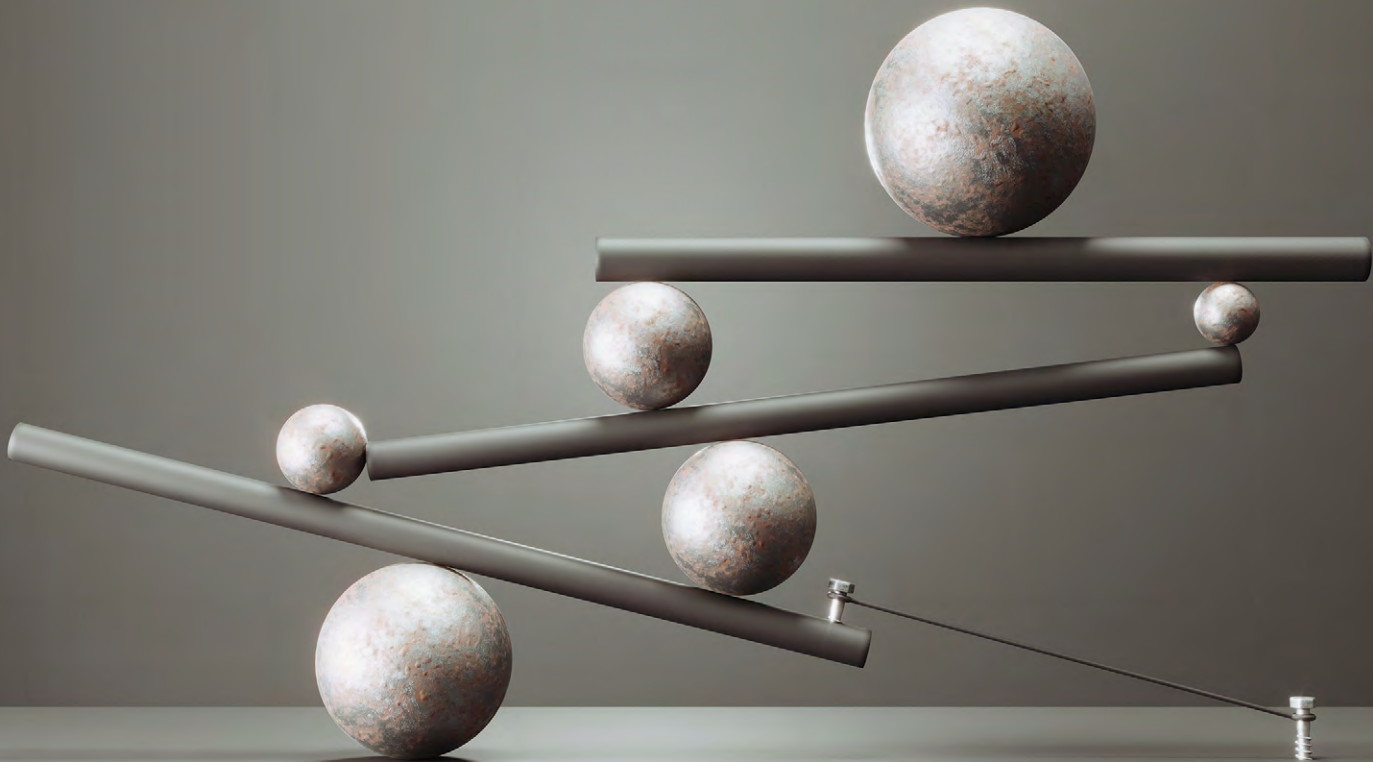
Roles and responsibilities of employees in risk governance

- Risk Owner:** Risk Owners are responsible for managing, and reporting risks within their functions while ensuring effective implementation of mitigation plans. They also educate teams, track risk indicators, and contribute to strengthening overall risk controls. Risks are actively discussed with designated owners, who are responsible for implementing mitigation strategies. Progress is reviewed to drive accountability and effectiveness.
- Internal Auditors:** Internal Auditors conduct risk-based audits, identify control gaps, and support the risk team in assessing and improving risk practices. They also advise management, promote risk awareness, and monitor the effectiveness of mitigation strategies.

Emerging Risks

The risk landscape for the media and entertainment industry is constantly evolving. At ‘Z’, we maintain a flexible ERM approach that allows us to adapt to new threats and opportunities. Key emerging risks are identified and monitored regularly, helping us build resilience and strengthen our proactive response strategies.

E1 — CONSUMER EXPECTATION IN A COMPETITIVE LANDSCAPE		
Risk description & impact	Mitigation actions	
The M&E space is becoming increasingly saturated with a growing volume of high-quality content, thereby increasing consumer expectations, which can potentially impact the network’s viewership share and consequently revenues.	• This is a long-term industry-wide risk stemming from gradual migration of higher income audiences towards digital platforms which is being addressed through a focussed, multi-pronged strategy aimed at sustaining audience relevance and monetisation across platforms	
	• Central to this approach is the creation of compelling, relatable and culturally rooted content that resonates across demographics, fostering viewer loyalty and engagement	• Continued expansion of the FTA portfolio, market-specific channel strategies and investments in flagship channels reinforce leadership across key language markets. Digital initiatives, including scaled content production across priority language markets, targeted CTV expansion, Multi-Channel Network (MCN) licensing and dedicated IP syndication capabilities, further support audience reach, platform diversification and long-term growth
Risk level	High	





E2— CONTENT PIRACY AND CYBER THREATS

Risk description & impact

A portion of Over-the-Top (OTT) content is illegally distributed through pirated websites and file-sharing platforms. This piracy impacts both subscription revenues and ad revenues, as it reduces legitimate viewership.

Risk level
High

Mitigation actions

- To address the evolving risk of content piracy, Z has adopted a multi-layered anti-piracy strategy focussed on strengthening platform security, leveraging proprietary technology for monitoring and rapid takedown of infringing content, and pursuing legal and enforcement actions against violators
- During the year, the Company further enhanced its content protection framework through the deployment of internal content infringement monitoring tools, user data encryption, token-based authentication, Hash-based Message Authentication Code (HMAC) authentication, enhanced proxy detection, content fingerprinting, user identification and tracking capabilities, and conditional playback restrictions designed to prevent screen recording and unauthorised content capture. Additional measures, including content resolution controls on vulnerable device categories, were implemented to further reduce piracy risks across digital platforms
- Governance oversight is provided by the Content Security Oversight Committee (CSOC) and cross-functional working groups that drive the Company's content security and anti-piracy initiatives
- These efforts resulted in the continued elimination of unauthorised mod APK and inline access to ZEE5, a significant reduction in Live TV piracy and content leakage, and enforcement actions against a large number of infringing websites, brand impersonation platforms, and online repositories facilitating piracy. The Company also completed targeted piracy investigations, supported legal actions against infringing entities, secured court-ordered dynamic blocking remedies, conducted successful on-ground enforcement actions including arrests related to theatrical piracy, and collaborated with internal stakeholders to pursue further action against identified piracy networks and platforms
- The Company's cybersecurity framework encompasses governance, risk management, technology controls and employee awareness initiatives designed to protect digital assets, content and customer information, while supporting business resilience. Through continuous monitoring of the evolving threat landscape, periodic reviews and ongoing enhancement of security capabilities, the Company is proactively managing cyber risks and strengthening its overall security posture

E3— GENERATIVE AI DISRUPTION & IP GOVERNANCE RISK

Risk description & impact

Rapid adoption of Gen AI is transforming content creation, localisation, dubbing, editing and audience personalisation. While artificial intelligence (AI) can significantly reduce production costs and turnaround times, it may also disrupt traditional content economics and create uncertainty around ownership and copyright of AI-assisted content.

Risk level
High

Mitigation actions

- An enterprise-wide AI governance framework has been established to support the responsible, ethical and compliant adoption of AI technologies across operations
- Clear protocols govern the use of AI in content creation, dubbing, translation, editing and personalisation, with appropriate legal and compliance oversight
- Proprietary content, scripts, archives, characters and talent rights are protected through a combination of contractual safeguards, technology controls and intellectual property protection measures
- Ongoing investments are being made to build AI capabilities that enhance operational efficiency in content production, improve content discovery and enable personalised consumer experiences
- Regulatory, legal and copyright developments relating to AI are closely monitored, with policies, governance processes and contractual frameworks being updated as required to address evolving risks and compliance obligations