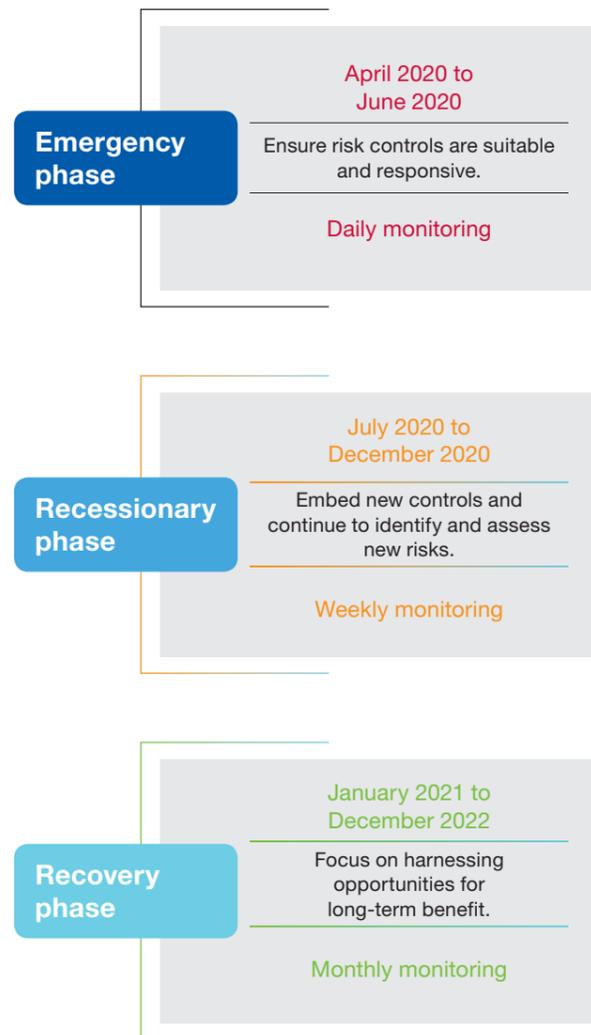


Managing Risks and Opportunities

COVID-19 Risk

Following the onset of COVID-19 and the declaration of a national state of disaster during March 2020, the Board tasked the executive management team with developing and implementing specific risk responses to the impact of COVID-19 on the Group. Accordingly, the Group adopted a three-phased approach to identifying and addressing these risks:



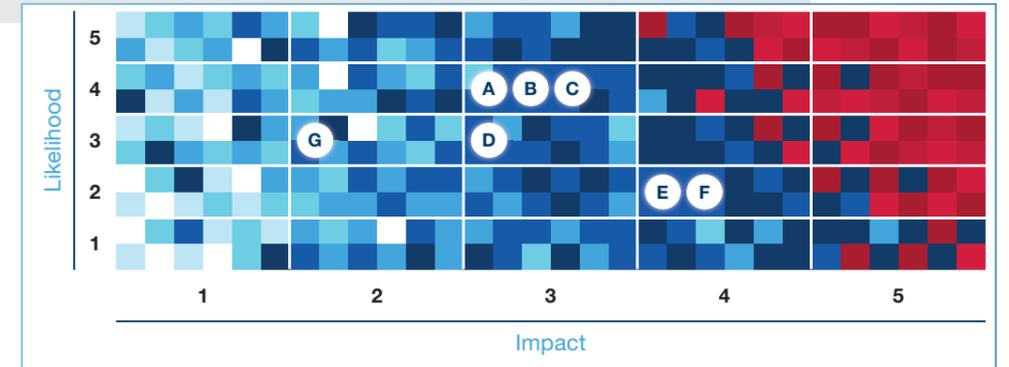
COVID-19 Mitigating Response

The Board identified the following factors which mitigate the risks relating to COVID-19 and which are inherent in the Group's various business models. It is expected that these factors will assist the Group in remaining resilient to the impact of COVID-19:

- Decentralised, asset-light business models across all of the operating companies.
- Telecommunication and connectivity products and services classified as essential services.
- Annuity, compounding nature of the businesses and their revenues provide greater security of revenue streams and customer retention.
- Low concentration of the vast majority of the operating companies' customer spend offsets the risks relating to some of the Group's larger customers.
- Diversified, third party sales channels continue to provide access to markets in a quick, efficient and cost effective manner.
- Flexible and agile management structures mean the Group is able to be very responsive to challenges.
- Previous challenges have directed the Group to focus on sustainability and risk management.
- Challenging economic environment in recent years has enabled the operating companies to strengthen internal processes and procedures to address risks relating to a declining customer base.
- Cohesive teams with low employee turnover promote resilience in human capital.
- Mature and experienced executive and senior management teams at Board and operating company level.

COVID-19 Risk Response

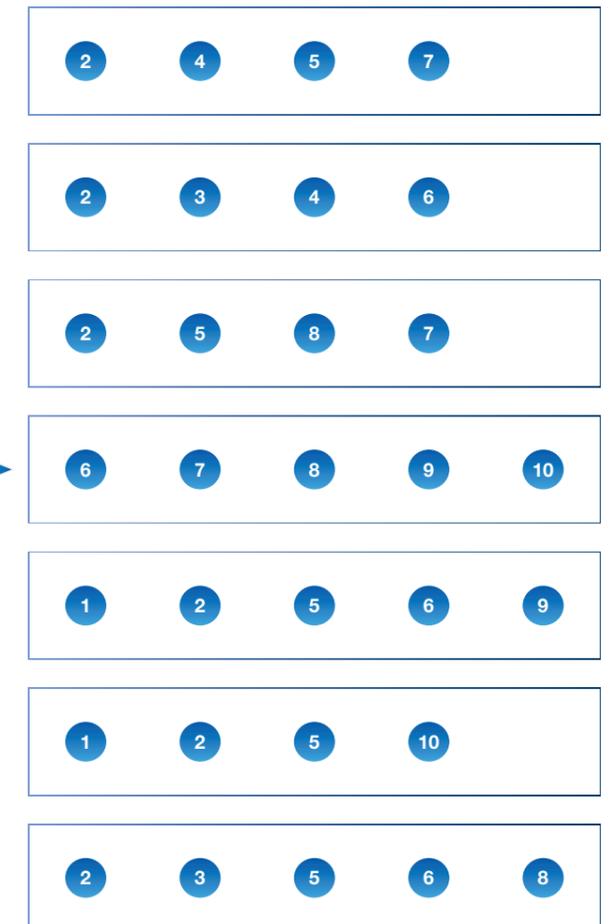
Short, medium and long-term risk registers have been developed in order to assist management in limiting the impact of COVID-19 on the Group. The most significant risks to the Group, in terms of short term risks, measured on a residual risk basis, are reflected accordingly:



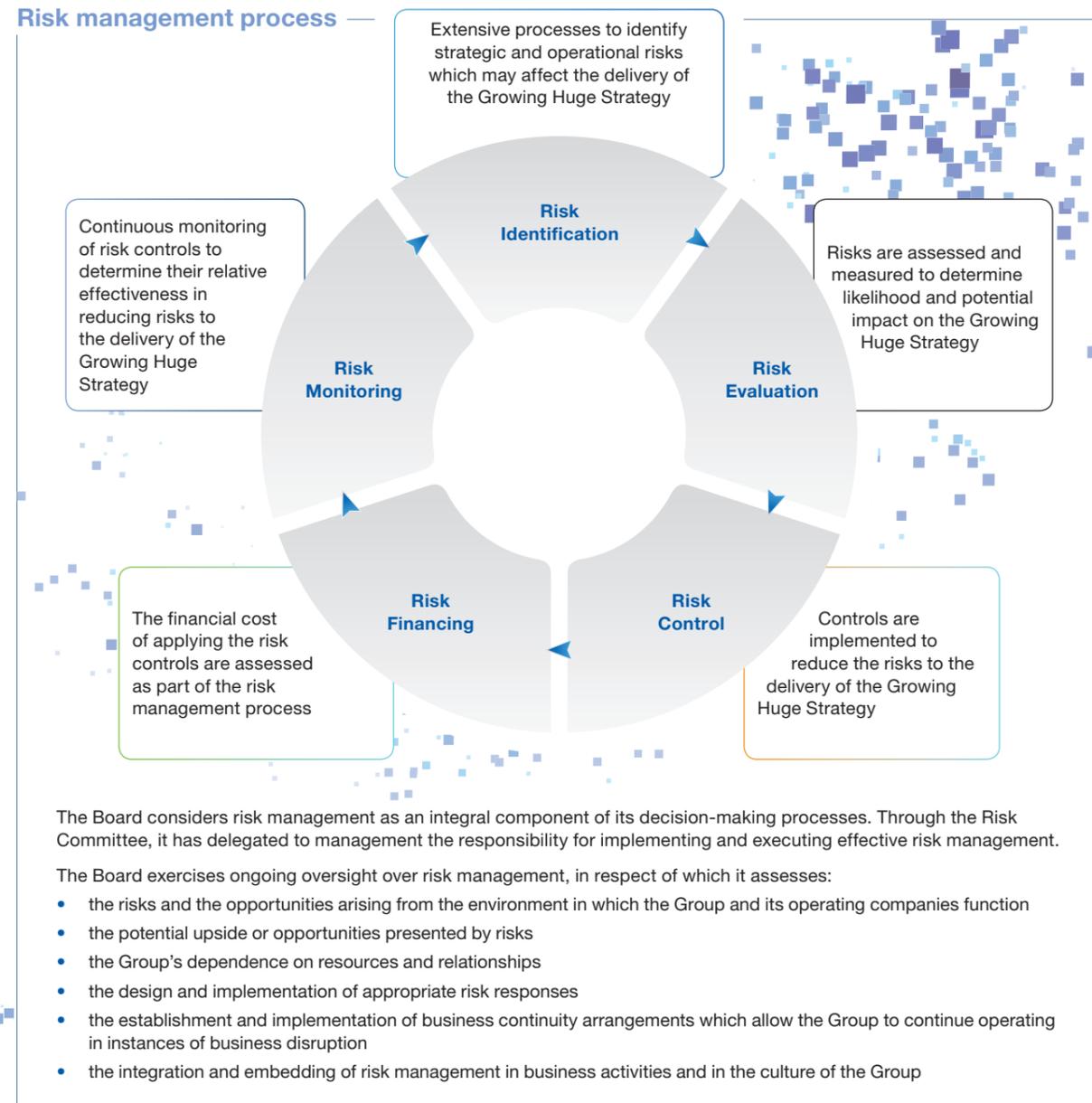
COVID-19 Risk

- A** Declining orderbook
- B** Credit risk
- C** Sustainability of customers and Business Partners
- D** Human capital – psychosocial consequences to employees
- E** Human capital – securing physical health & safety of employees
- F** Capacity to deliver
- G** Declining customer base

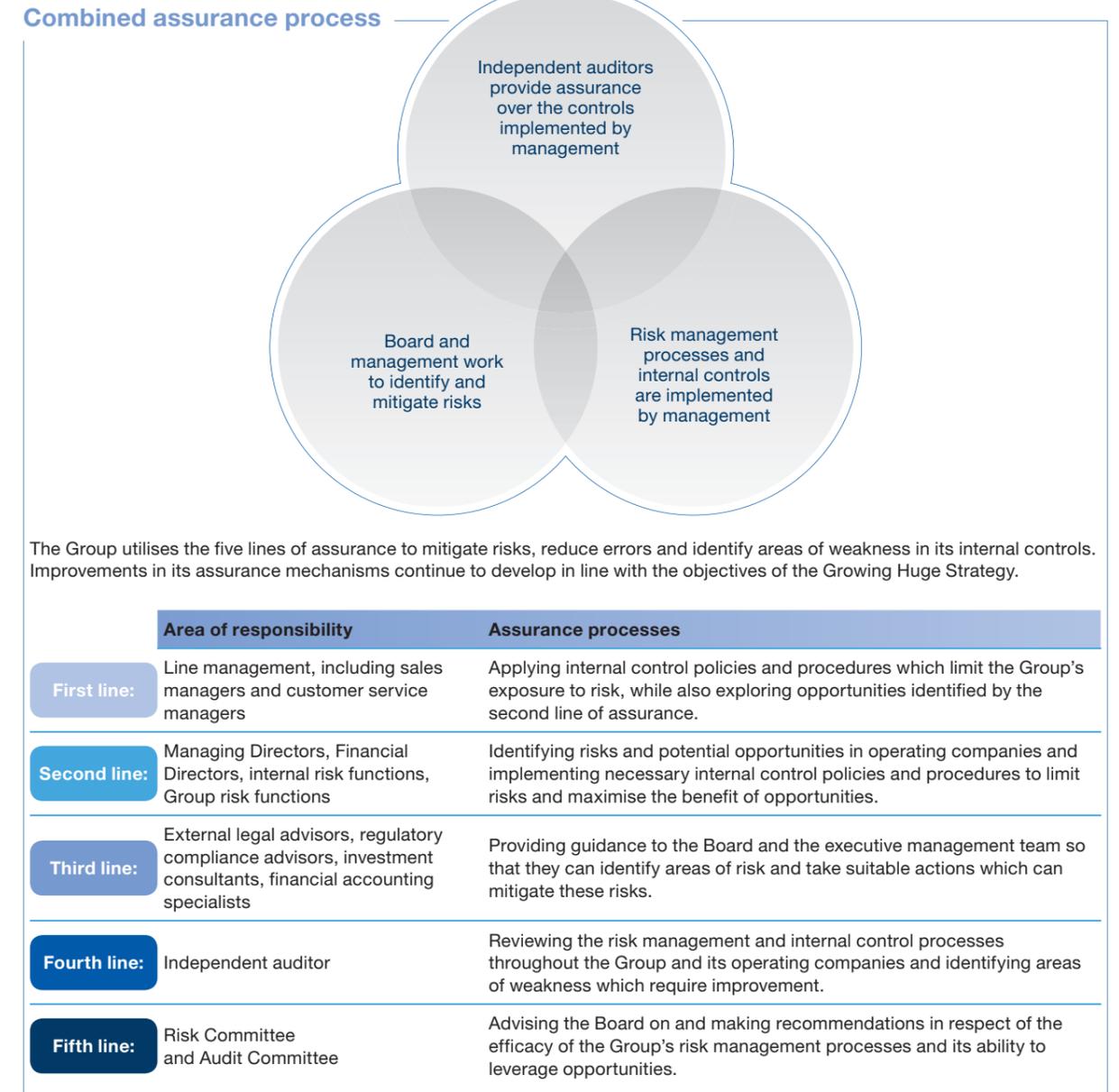
COVID-19 Mitigating Response



Risk management process



Combined assurance process

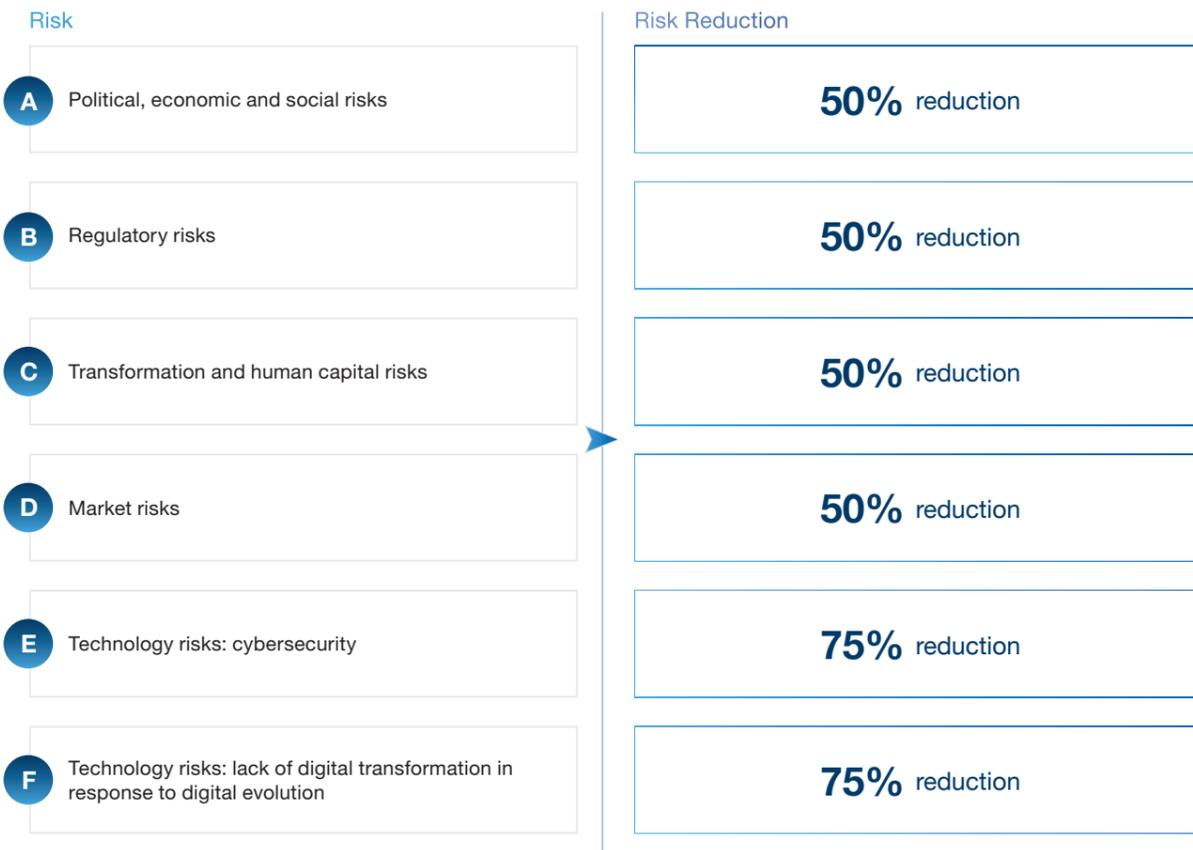
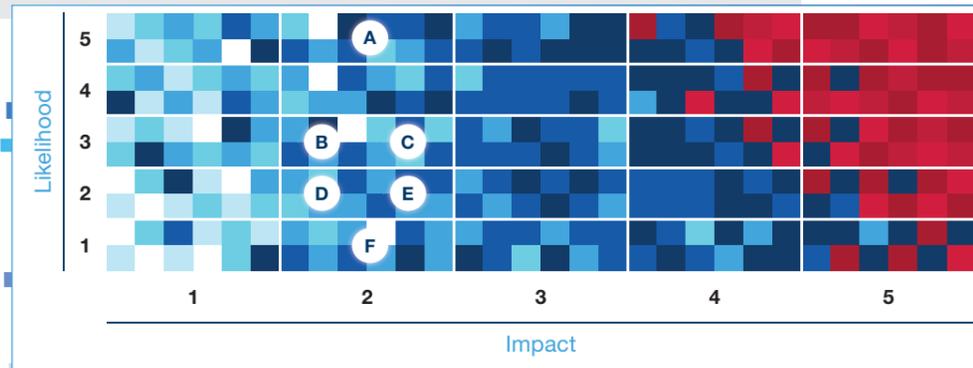


Strategic Risk

Strategic risks which have been identified and which impact the delivery of the Growing Huge Strategy:

The Board is cognisant that risk management is integral to the Group's pursuit of its strategic objectives. Risk management is an ongoing exercise conducted across the Group and impacts daily decision-making in all operational areas. It also impacts on the broader, strategic objectives which are reviewed formally by the Risk Committee at the financial year-end and interim reporting periods.

The most significant risks to the Growing Huge Strategy, measured on a residual risk basis, are reflected accordingly:

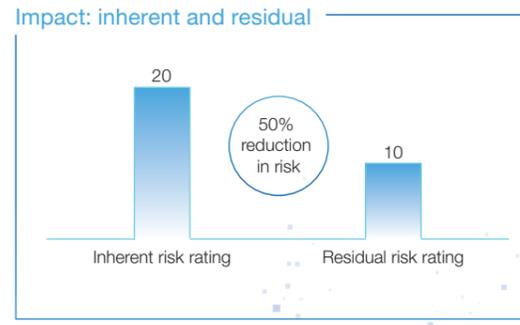


A Political, economic and social risks

Description
 Deterioration of general economic conditions as a consequence of political, social, macro-economic and pandemic risks may significantly reduce Huge's operating earnings.

Mitigating response
 Responsive action plans to mitigate risks and maintain operational activities, specifically those impacted by COVID-19 (through the COVID-19 Mitigating Response), government policy and regulation, equity markets and social behaviour.

Opportunities
 Optimise business models to address changing market conditions and leverage opportunities arising from the size of the customer real estate.



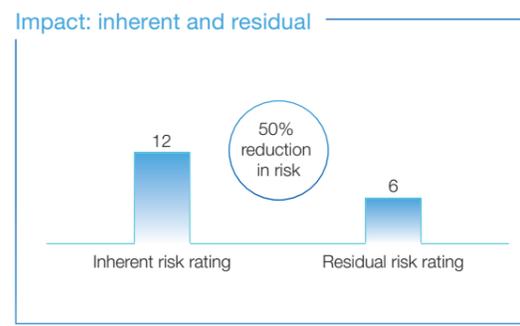
- Link to Huge Topic**
- Human Capital and Rewards
 - Debt Capital Market Appetite
 - Equity Capital Market Appetite
 - Customer Acquisition and Customer Real Estate

B Regulatory risks

Description
 Changes in regulation require a change to the Group's business models or result in increased expenditure to ensure compliance, which may adversely impact the Group's future operating earnings.

Mitigating response
 Active monitoring of and engagement with regulatory bodies to ensure timeous identification and comprehensive understanding of these risks; pursuing investment opportunities which improve compliance and which transform the Group.

Opportunities
 Adopting a proactive rather than a reactive response to regulatory changes and creating a competitive advantage because of this approach.



- Link to Huge Topic**
- Service Intensity, Efficiency and Innovation
 - Transformation
 - Mergers and Acquisitions

C Transformation and human capital risks

Description

Directors, executive management team and senior management do not reflect transformation or a diverse demographic, which may have a negative impact on growth potential and future operating earnings.

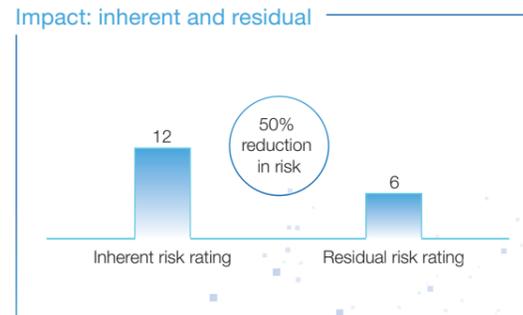
Mitigating response

Promoting diversity through filling existing vacancies.

Opportunities

Improving strategic and operational input through diversity of skills, experience, age, gender and race.

Capitals affected



Link to Huge Topic



E Technology risks: cybersecurity

Description

Increased risk of cyberattacks arising from external threats which advance at a rapid pace.

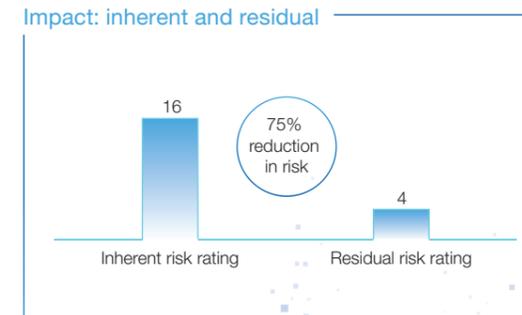
Mitigating response

Understanding and identifying new threats, improving the Group's ability to test for security breaches and upgrade defensive actions where required; investment in online security enhancements and allocation of suitable capital expenditure; improvements in governance of information and technology risk.

Opportunities

Providing cybersecurity services to Huge's customer real estate.

Capitals affected



Link to Huge Topic



D Market risks

Description

Competition to Huge's operating business models which may impede organic growth.

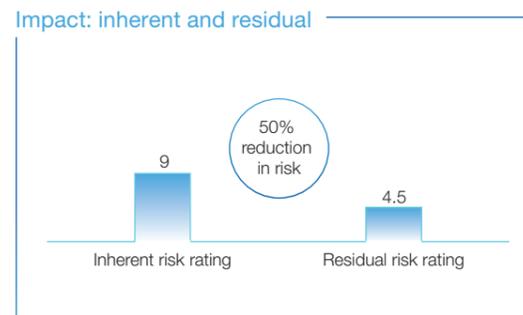
Mitigating response

Continuing to differentiate while investigating new markets for entry; introducing value-added services that create 'stickiness' in retaining customers.

Opportunities

Creating partnerships which expand offerings and exposure to other markets.

Capitals affected



Link to Huge Topic



F Technology risks: lack of digital transformation in response to digital evolution

Description

Changes in technology and the increased move towards automation and digitisation require continuing changes to the Group's business models.

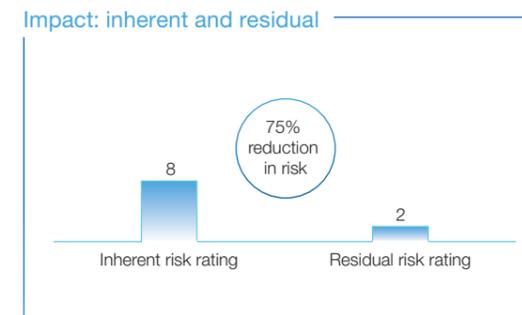
Mitigating response

Broadening the diversity of business models; digitally transforming the Huge business models; managing and controlling greater parts of the value chain; exploiting opportunities to increase mobility and remote working capacity.

Opportunities

Improving operational processes and business models in such a way that they become resilient to change; aggregating the value chain and increasing purchasing power.

Capitals affected



Link to Huge Topic

