



DISCOVERY GROUP



Political Party Funding Policy

Discovery - Company Confidential



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1. INTRODUCTION

Discovery Limited and its subsidiaries (the Group) strives to be a responsible corporate citizen and is committed to contributing towards a strong democratic society.

As political parties play a key role in democratic processes, funding them is one of the mechanisms the Group utilises to support this and, consequently, deepen democracy. They are critical to ensuring participation in political life, the expression of the will of the people, and serve a wide range of functions. To fulfil these functions, political parties require financial resources.

The purpose of this Policy is to articulate the Group's position on the funding of political parties.

The following principles inform this policy:

- a positive contribution to society with the aim of deepening democracy; and
- transparency.

2. APPLICATION

This policy applies to Discovery Limited and its South African and international subsidiaries. This includes:

- all executive and non-executive directors;
- all senior managers;
- full time, part time or temporary employees; and/or
- any independent contractors or consultants that may be contracted.

3. IMPLEMENTATION

Each entity within the Group must have procedures in place to align its operations with the spirit and purpose of this policy.

Each directly held intermediate holding company of Discovery Limited must facilitate the adoption of this Policy by the boards of its directly or indirectly held subsidiaries and is responsible for oversight of adherence to this Policy by its direct and indirect subsidiaries.

As there is no intermediate holding company in respect of the South African domiciled subsidiaries that are directly held by Discovery Limited, the Chief Executive Officer (CEO) of SA Inc fulfils the role of oversight and other responsibilities of directly held intermediate holding companies as set out in this Policy.

4. OUR APPROACH

GENERAL

- Only Discovery Limited may make funding available to any political party. No subsidiary or any person referred to above may make any funding available to any political party on behalf of the Group.
- Discovery Limited may make funding available to political parties registered in South Africa under the Electoral Act, 1998 and in accordance with the Political Party Funding Act, 2018 only.



- Discovery Limited may make contributions, in the amount allocated for this purpose in its annual budget, but not exceeding R1m in any financial year, subject to any limitations that have been imposed under the Political Party Funding Act, to –
 - the Multi-Party Democracy Fund established under the Political Party Funding Act;
 - any political party registered in South Africa.
- The contribution referred to above may also be in kind, such as a sponsorship.
- The Chief Financial Officer (CFO) of SA Inc. must prior to making contributions -
 - to the majority party and the main opposition party in Parliament, secure the approval of the Group Chief Executive Officer (CEO); and
 - to any other registered political party, secure the approval of the Executive Committee of Discovery Limited.

DONATIONS MADE IN PERSONAL CAPACITIES

Whilst the Company cannot prescribe any terms and conditions to employees and directors with regards to political party donations, it should be noted that donations in excess of R100,000 per annum made to any party is required to be disclosed to the Independent Electoral Commission in terms of the Political Party Act “disclosable donations”.

Accordingly, employees and directors are requested to exercise discretion when donations of this nature are made and consider reputational risks to the company which may arise. It is recommended to discuss disclosable donations with the Group CEO prior to disbursement.

REPORTING AND DISCLOSURES

- The CFO of SA Inc. must report contribution(s) made in accordance with the above to:
 - Group Executive Committee and the Social and Ethics Committee (SEC) at the first meeting following the date on which the contribution(s) were made; and
 - the SEC must report any contributions made in its report to the Board.
- The CFO of SA Inc. must make or authorise any necessary disclosures to the Electoral Commission within the prescribed timeframe where required to do so under the Political Party Funding Act, and to any other stakeholders where needed.

5. ATTESTATION

Each directly held intermediate holding company of Discovery Limited must provide an annual attestation on the adherence to this policy, including that of its direct and indirect subsidiaries, facilitated by a Discovery Limited platform.

6. COMPLIANCE WITH THIS POLICY

Our policies support our Values and reflect what is important to us. We take breaches of our policies seriously. Depending on the severity of the breach, consequences may range from a warning to termination of employment.

Any breach of, or non-compliance with this policy must be communicated to the Policy owner as soon as reasonably practical. The Policy owner, with input from key stakeholders, will consider the appropriate action(s) required. All instances of non-compliance with this policy will be included within the regular risk and compliance reporting processes and reported to the relevant board committee.

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