

TO: THE INTENDED USERS AND STAKEHOLDERS OF DISCOVERY LIMITED

- **Organization:** Discovery Limited
- **Address:** Group Head Office, 1 Discovery Place, Sandton, 2196, Gauteng
- **Verification Standard:** ISO 14064-3:2019 ‘*Specification with guidance for the verification and validation of greenhouse gas statements*’
- **Reporting & Verification Criteria:** WRI/WBCSD Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard*, 2004, and subsequent Amendments (*GHG Protocol Corporate Standard*).
- **Level of Assurance:** Limited
- **GHG Consolidation Approach:** Operational Control
- **GHG Inventory Period:** 01 July 2024 to 31 June 2025 (FY2025)
- **GHG Statement:** Refer to: *Discovery_GHG Inventory_FY25_v6_VERIFIED_08 Sept2025.xlsx*

Discovery Limited (“Discovery”) is a global financial services organization operating in the healthcare, life assurance, short-term insurance, banking, savings and investment products, and wellness markets. Historically the Group has operated through three entities, Discovery SA, Vitality UK and Vitality Global. South Africa (SA) and the United Kingdom (UK) are the primary markets, where the Group owns and operates the financial services provider or insurer. Vitality Global manages expansion into global markets through partnerships and JVs with established global insurers who benefit from implementation of the Vitality shared-value model.

During FY2025 Vitality UK and Vitality Global were merged into a single global composite, now called Vitality, offering corporate wellness and insurance products in approximately 40 countries.

Discovery engaged Verify CO₂ to conduct an independent third-party verification of the Group’s greenhouse gas (GHG) emissions for the financial reporting period 01 July 2024 to 30 June 2025 (FY2025), as calculated and presented in the GCX Analytics online dashboard.

This *GHG Verification Opinion* is issued following in-depth review of the FY2025 GHG inventory calculations and supporting information based on the scope of work detailed below. Due to the volume of data and calculation requirements, scope 3 reporting is divided into two stages, with this *GHG Statement* representing the first stage.

RESPONSIBLE PARTIES

Discovery nominated GCX, a third-party consultancy, to prepare the *GHG Statement* set out below but retains sole responsibility for its preparation and fair presentation in accordance with the stated criteria.

Verify CO₂’s responsibility is to express an independent assurance opinion on the *GHG Statement* and to evaluate whether, based on the evidence obtained, the following verification objectives have been met:

1. Conformity to the principles and reporting requirements of the *GHG Protocol Corporate Standard*; and
2. Completeness and accuracy of the activity data and GHG emissions quantification.

The ISO 14064-3 GHG Verification Standard requires that ethical standards are upheld in planning and performing a verification engagement to attain the agreed level of assurance that the *GHG Statement* is not materially misstated.

LEVEL OF ASSURANCE

The verification activities carried out provide a limited level of assurance on the *GHG Statement* below. A materiality threshold of 5% per emission source category was applied.

GHG quantification is subject to inherent uncertainty as the methods used to estimate GHG emissions rest upon incomplete scientific knowledge. Reasonable assurance provides a high level of assurance but is not a guarantee that an audit carried out according to the ISO 14064-3 Standard will always detect a material misstatement when it exists. Misstatements are considered material if, individually or aggregated, they could reasonably be expected to influence the intended user's decisions. The verification activities performed to achieve a limited level of assurance are less extensive in nature, timing and extent than those for reasonable assurance.

GHG VERIFICATION ACTIVITIES

The evidence-gathering procedures performed to achieve a limited level of assurance included, but were not limited to:

- Risk assessment based on a high-level overview of the initial FY2025 GHG data and historical GHG reporting.
- Communication with Discovery and GCX to clarify anomalies and provide supporting evidence as required.
- Analytical procedures to assess completeness and accuracy of the GHG data, including year-on-year variance checks, recalculation, tracing and/or retracing of primary data and GHG information.
- Evaluation of the appropriateness of emission factors, estimation methodologies and assumptions.
- Evaluation of the accuracy and consistency of the GHG emissions calculations.
- Evaluation of conformity of the *GHG Statement* with the verification criteria referenced above.
- Liaison with Discovery and GCX regarding the verification findings and recommended corrective action.
- Since all Group activities take place in office facilities, site visits are deemed unnecessary.
- Due to time constraints an independent review was not completed.
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VERIFICATION SCOPE & EXCLUSIONS

Reporting Boundaries:

In accordance with the operational control approach for consolidating GHG emissions, the reporting boundary included GHG emissions for all Discovery-occupied and operationally controlled facilities.

- **Structural Change:** The various structural changes that took place during FY2025 did not impact GHG emissions.
- **Organic Change:** Office relocations, closures, new facilities and changes to space occupied were considered.
- **Other Change:** From FY2024, the reporting and verification boundary was expanded to include all relevant scope 3 categories. Scope 3 reporting is divided into two stages, with this *GHG Statement* representing the first.

Reporting Exclusions:

- The following SA facilities were excluded based on insignificance: Nanolabs¹ and Sasolmed facilities²
- Reporting GHG intensity metrics is optional and were not included with the GHG Statement.

GHG STATEMENT

Due to the volume of data and calculation requirements, scope 3 reporting is divided into two stages, with this representing the first stage.

¹ Discovery has a 52% stake in Nanolabs (4 facilities, +/- 20m² each).

² Discovery administers Sasolmed which operates through 3 small offices (+/-250m² combined).

After correction of omissions and misstatements, the GHG Statement below reflects Discovery Ltd.'s 100% verified FY2025 scope 1, scope 2 and preliminary scope 3 emissions.

FY2025 GHG Emissions	South Africa Tonnes CO ₂ e	UK Tonnes CO ₂ e	USA Tonnes CO ₂ e	TOTAL Tonnes CO ₂ e
Scope 1	1 855	190	0	2 045
Scope 2 (location-based)	22 378	441	76	22 895
Scope 2 (market-based) ³	22 378	193	79	22 649
Total Scopes 1 & 2 (location-based)	24 233	631	76	24 940
Total Scopes 1 & 2 (market-based)	24 233	383	79	24 694
Category 1 – Purchased Water	83	4	-	87
Category 1 & 2 – Purchased Goods & Services ⁴	881			881
Category 3 – Fuel- & Energy-related	6 889	192	15	7 096
Category 4 – Transport & Distribution	129			129
Category 5 – Waste	54	6		60
Category 6 – Business Travel	5 217			5 217
Category 7 – Employee Commute	13 575			13 575
Category 8 – Upstream Leased Assets	230	-	-	230
Category 13 – Downstream Leased Assets ⁵	830	-	-	830
Category 14 – Franchises	482			482
Category 15 – Investments				
Scope 3:	28 370	202	15	28 587
Total Scope 1, 2 & 3 – Market-based	52 603	584	94	53 281
Outside of Scopes – HCFCs (R-22)	11	-	-	11
Outside of Scopes – Biogenic (biofuels)	-	4	-	4

Incomplete – Additional data to follow in Stage 2

Carbon Offsets⁶				
		383		383

Additional FY2025 Verified Information	SA	UK	USA	Discovery Ltd.
Non-renewable electricity purchased (MWh)	24 036	0.8	79	24 116
100% renewable electricity purchased (MWh)	0	1 416	0	1 416
100% renewable electricity generated on-site (MWh)	1 270	0	0	1 270
Total electricity consumed (MWh) ⁷	25 306	1 416	79	26 802
Municipal water supply (kl)	89 712	10 361	-	100 073
Year-on-Year Change in emissions	Scope 1; Scope 2; Scope 1 & 2; Scope 3 (Water & Waste)			

³ UK offices used mostly 100% green energy backed by certificates that complied with the GHG Protocol's *Scope 2 Quality Criteria*. No renewable energy was purchased for the SA and USA offices. SA consumed 1,270 MWh renewable energy generated onsite. Since a residual mix emissions factor is not available for SA, location- and market-based scope 2 emissions

⁴ Incomplete. Includes office paper and cloud storage (AWS) for SA only.

⁵ Includes electricity consumption for sublet space at 1 Discovery Place.

⁶ Vitality UK will voluntarily purchase and retire verified carbon credits for the above scope 1 and 2 (market-based) emissions. In line with the GHG Protocol, these carbon credits are not used to reduce reported emissions but are disclosed separately.

⁷ Includes 1,270 MWh direct supply solar energy. Excludes purchased heating and DCS franchise electricity consumption.

KEY VERIFICATION FINDINGS AND QUALIFICATIONS

Findings:

- **GHG Quantification:**

- The following GHGs are relevant to Discovery's business activities: CO₂, CH₄, N₂O, HFCs and HCFCs.
- IPCC AR5 100-year GWPs were applied where possible.
- Aside from natural gas usage in the US, country-specific fuel and electricity emissions factors were applied.
- The DFFE⁸ national grid emissions factor (GEF, 2022) is used to quantify SA scope 2 emissions.

- **Scope 1 - Refrigerants**

- Multiple chiller and air-conditioning unit failures at the SA Head Office resulted in significant gas losses.

- **Scope 1 - Generator Fuel**

- SA experienced no loadshedding in FY2025 leading to a 73% drop in diesel use. However, this decrease in scope 1 emissions are offset by a rise in fugitive gas emissions.

- **Scope 1 – On-site Renewable Energy**

- Three of the four SA offices have rooftop solar PV installations which provide Discovery with a direct supply of renewable energy, two of which are landlord-owned. In both cases it was confirmed that Discovery is the only party to benefit from these environmental attributes, which were therefore accounted for at zero CO₂e for both the location- and market-based calculations.

- **Scope 2 – Purchased Electricity and Heating**

- Scope 2 also includes heating consumed at multi-tenanted leased premises in the UK and USA, and electricity used to charge hybrid UK company-owned vehicles.
- Group electricity consumption decreased by 6% and scope 2 emissions by 11.5% compared to FY2024. This is partly due to a lower SA grid emissions factor (-5.5%), but also, despite no loadshedding, there was a notable decrease in electricity consumption across all regions (SA -5%, the UK -23% and the USA -15%).

- **Scope 3.1 – Municipal Water**

- **SA:** FY2025 municipal water consumption is aligned with that for FY2024.
- **UK:** Municipal water usage data was reported for the first time.

- **Scope 3.1 – Cloud Data Storage**

- **SA:** The rise in FY2025 emissions compared to FY2024 is due to the outsourcing of data storage.

- **Scope 3.5 – Waste**

- **SA:** Discovery's four main offices, along with the creche, pharmacy and Discovery-managed off-site clinics, manage the disposal of medical and general waste through a range of waste diversion initiatives aimed at reducing landfill contributions. In FY2025, a total of 503 tonnes of waste were generated, resulting in 54 tCO₂e. Landfilled waste made up just 6% of the total by weight but was responsible for 70% of waste emissions.

⁸ DFFE: South Africa (SA) Department of Forestry, Fisheries and the Environment.

- **UK:** Waste data was provided for the first time. Emissions are minimal as all organic and food waste is processed through anaerobic digestion. In FY2025, a total of 42 tonnes of waste were generated, resulting in 6 tCO₂e. Landfilled waste made up 28% of the total by weight and was responsible for 96% of waste emissions.
- **Scope 3.7 – Employee Commuting**
 - **SA:** The survey that was conducted for FY2024 reporting was extrapolated for FY2025. The increase in emissions is attributed to an 11% increase in the FY2025 headcount.
- **Scope 3.8 – Co-located Data Storage**
 - **SA:** The increase in emissions for FY2025 relative to FY2024 is attributed to the expansion of Discovery Bank and the strategic choice to outsource data storage.

Qualifications:

The following points regarding compliance with the GHG Protocol Corporate Standard are noted:

- A base year GHG emissions profile as well as the metric tonnes per GHG are omitted from the GHG Statement.
- GWPs from more than one IPCC Assessment Report are applied.

FUTURE RECOMMENDATIONS

• GHG Protocol Corporate Standard Compliance:

- The *GHG Statement* should contain a breakdown of GHG in metric tonnes by individual gas, along with a base year GHG emissions profile.
- Discovery is advised draw up a contract/PPA to formalize the supply of renewable energy from landlord-owned on-site solar PV installations and confirm that the allocated energy supply is bundled with the zero carbon environmental attributes.

• GHG Data Management:

Given the limited time available to complete the annual GHG inventory, there is an increased possibility of errors and omissions. To address this, the following is recommended:

- **Utilities:** Due to the delay in receiving monthly utility invoices, consumption should be reported according to the date on the landlord's invoice instead of the month in which usage took place.⁹ This approach will also minimise the necessity for estimates at the end of the reporting period.

• GHG Reporting:

- **Electric Vehicles:** It may be more appropriate to assign the indirect emissions from charging company vehicles off-site to scope 3, rather than scope 2.
- **DFC/DCS:** Since consumption is estimated using an average area-based consumption rate, site GLAs should be rechecked for each reporting period.

• GHG Targets

To reduce scope 3 emissions Vitality may purchase additional REGOs or energy attribute certificates equivalent to T&D losses. Using the market-based method, category 3.3 T&D losses can then be reported as zero tCO₂e, instead of using location-based emission factors.

⁹ For example: Growthpoint's June invoice can be used to report 1DP June instead of May consumption; RPA's June invoice can be used to report for Sable Park June instead of April consumption.

CONCLUSION AND FINAL VERIFIER OPINION - UNMODIFIED

Based on the evidence obtained in conducting the limited assurance procedures in accordance with ISO 14064-3 and with the application of the stated criteria, misstatements were identified and duly rectified.

Notwithstanding the above qualifications, it is our opinion that Discovery has established appropriate systems for the collection, aggregation and analysis of data for quantifying the GHG emissions for the stated period and boundaries. There is no evidence that the *GHG Statement* set out above:

1. does not conform to the principles and reporting requirements of the *GHG Protocol Corporate Standard*; and
2. does not provide a true and fair representation of Discovery's GHG emissions data and information for the stated inventory period and boundaries.

This *Verification Opinion Declaration* provides assurance only for Discovery's FY2025 *GHG Statement* above. The information presented in the GCX Analytics dashboard is not verified, as the verifier has no control over post verification changes made on this platform.

Verify CO₂ did not conduct any work outside of the agreed scope, and our opinion is therefore restricted to the agreed subject matter.

STATEMENT OF COMPETENCE, INDEPENDENCE, AND IMPARTIALITY

Verify CO₂ has 15 years' experience in corporate GHG verification across various sectors. We conducted this verification independently and, to our knowledge, there has been no conflict of interest.

No member of the verification team has a business relationship with Discovery beyond that required of this assignment.

ATTESTATION:



Signed: Kerry Evans

Lead GHG Verifier

Verify CO₂

Date: 12.09.2025

