



DISCOVERY

TAX TRANSPARENCY REPORT

for the year ended 30 June 2022





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NAVIGATING OUR REPORT

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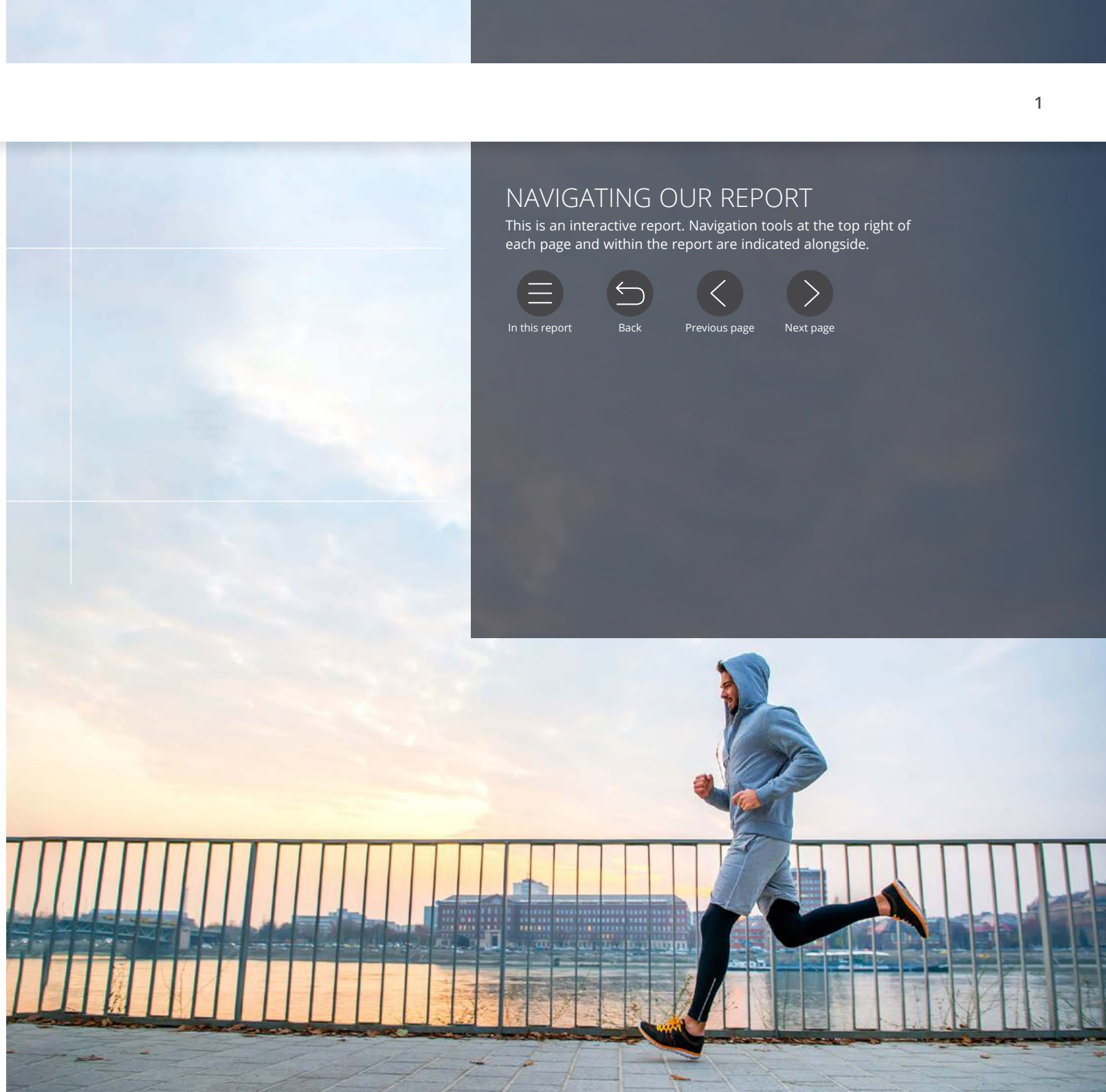
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ABOUT THIS REPORT

Discovery Limited (Discovery) is proud to present its inaugural Tax Transparency Report for the year ended 30 June 2022. This report provides details on our:

These disclosures demonstrate our commitment to tax transparency and operating as a force for economic and social good through tax contributions. We understand that tax is a material consideration for many of our stakeholder groups. Discovery is committed to responsibly arranging its tax affairs and structuring commercial activities to sustainably maximise value for shareholders and other stakeholders.

This report aims to clearly and concisely communicate information that is material to our stakeholders in order to improve our reporting on this topic.

REPORTING FRAMEWORKS

Our tax transparency reporting approach is guided by the principles and requirements contained in the Global Reporting Initiative's Sustainability Reporting Standard on Tax (GRI 207), International Financial Reporting Standards (IFRS), King Report on Corporate Governance for South Africa, 2016 (King IV™)*, Companies Act, No. 71 of 2008, as amended (Companies Act) and the JSE Limited Listing Requirements.

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INTEGRATED REPORTING

This report is one component of our integrated reporting suite. To derive a comprehensive understanding of Discovery's ability to create and transform value, and how our tax-related activities are integrated with and relate to the rest of our business, this report should be read in conjunction with our:





DEON VILJOEN AND TARYN GREENBLATT

MESSAGE FROM OUR GROUP CFO AND HEAD OF GROUP TAX

“The mobilization and effective use of domestic resources are central to the pursuit of sustainable development. Taxation is a powerful tool to help finance achievements of the SDGs, and it can also spur inclusive and sustainable development in other ways. Fiscal policies can simultaneously mobilize resources, reduce inequalities, and promote sustainable consumption and production patterns.”

United Nations Department of Economic and Social Affairs

It is a great privilege for us to share Discovery's first Tax Transparency Report for the year ended 30 June 2022.

This report demonstrates the Group's commitment to sustainability reporting and stakeholder transparency. It provides a source of transparent, trustworthy and quality information to stakeholders who are interested in our tax-related approach, activities and governance. This report supports the aim of our wider integrated reporting suite to build stakeholder understanding and trust. Most importantly, it provides insight into a key mechanism linking our ability to create value with our wider impact on society.

Discovery is founded on the premise that businesses, citizens, and society are inextricably linked, and that shared value creation is not only possible, but preferable. We view tax as an environmental, social and governance consideration, – one which is aligned with the Group's purpose, values and support for the United Nations' agenda on sustainable development and associated goals.

Taxation represents an acknowledgement of the fact that the Group's success is derived from the society in which we operate, a moral obligation to improve society, and continuously reinforcing the social contract between citizens, business and government.

Taxes fund essential public services in areas including education, healthcare and the justice system. They fund public infrastructure, public investment and the mechanisms of the state. Therefore, tax directly supports a society which is better able to achieve Discovery's core purpose: **to make people healthier and enhance and protect their lives.**

The Group acknowledges that its approach to and payment of tax impact the tax-collecting authorities, the economies, and the societies in which it operates. It is in Discovery's best interest that the return on its tax contribution is maximised. It is therefore important that the Group remains informed of how its tax contribution is used for the broader benefit of society, and its contribution to public conversations around the effectiveness of that use.

The Group's approach to tax governance extends beyond compliance and reflects its broader approach to governance as an enabler of value creation and preservation. The Group's approach to tax is likewise supported by responsible and ethical behaviour, accountability, leadership, risk management, performance management and transparency.

This report was prepared in line with the GRI 207 standard, demonstrating the Group's commitment to integrated reporting and stakeholder transparency.

Alongside a description of the Group's management approach in relation to tax, this report presents an overview of our tax footprint per jurisdiction. With global tax initiatives working toward addressing disparities in regional tax collections of multinational groups, this disclosure demonstrates how Discovery's tax contributions per region align with value creation across the Group.

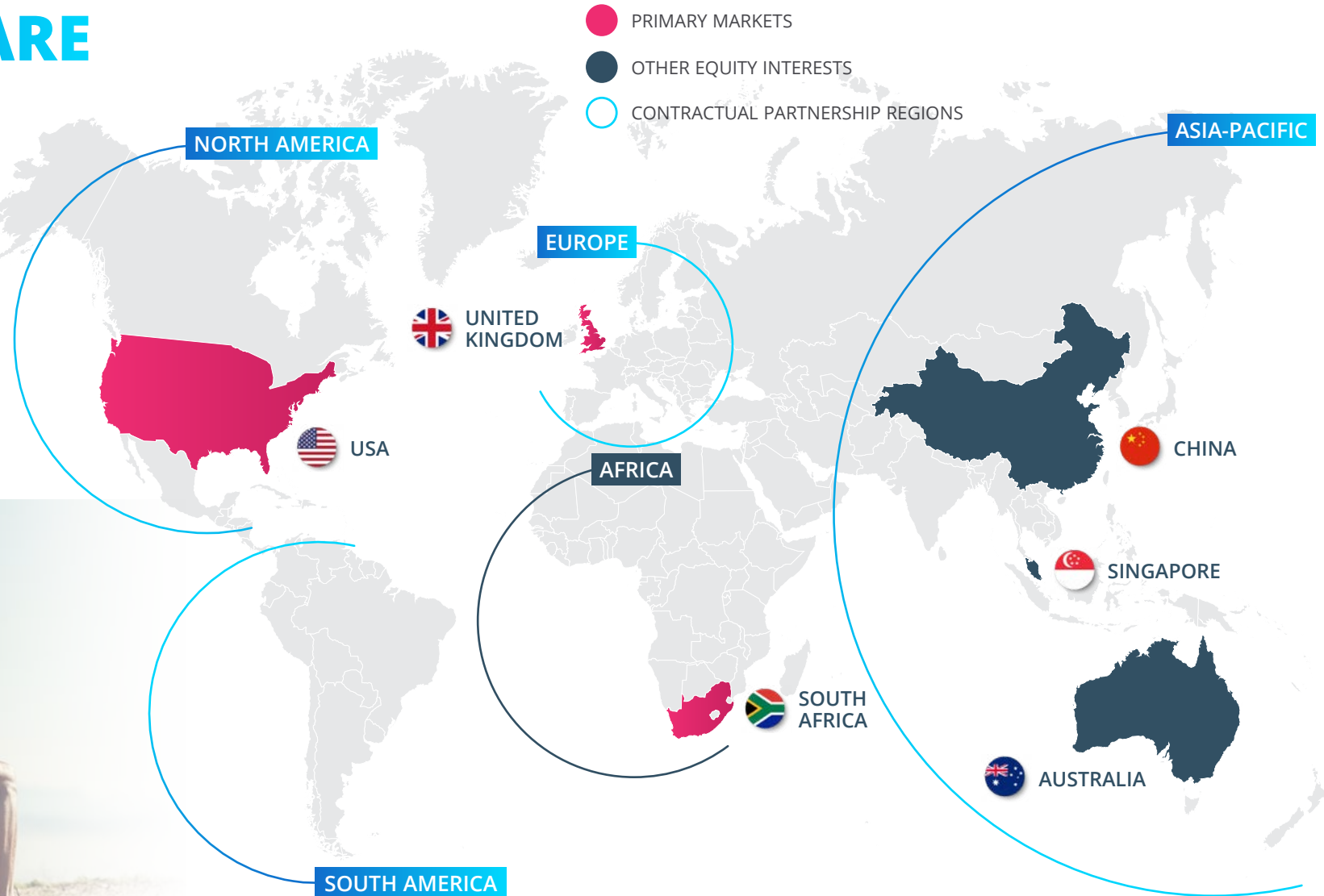
The Group's global fiscal contributions in excess of R7.8 billion are a testament to the efficacy of Discovery's Shared-value Insurance model and the positive societal impact Discovery has in supporting government collections and national budget expenditure initiatives.

“THE GROUP ACKNOWLEDGES THAT ITS APPROACH TO AND PAYMENT OF TAX IMPACT THE TAX-COLLECTING AUTHORITIES, THE ECONOMIES, AND THE SOCIETIES IN WHICH IT OPERATES.”



WHO WE ARE

Discovery is a global, integrated financial services organisation that uses a pioneering Shared-value Insurance model across businesses. Discovery has leveraged fintech, actuarial and behavioural science for more than two decades to deliver on its core purpose – to make people healthier and enhance and protect their lives.





To understand our business is to understand our **WHY, HOW and WHAT.**



WHY WE ARE IN BUSINESS

Our core purpose

To make people healthier and enhance and protect their lives.



HOW WE OPERATE

What sets us apart

Our core purpose manifests through our pioneering and bespoke Shared-value Insurance model across our three market-specific strategic strands of South Africa, the United Kingdom and Vitality Global – underpinned by our leading behaviour-change platform, Vitality, and supported by our unique foundation and operating model.



WHAT WE DO

Our products and services

- Health insurance, administration and managed care of medical schemes
- Life insurance
- Short-term personal and commercial insurance
- Long-term savings and investments
- Banking
- Behaviour-change programmes

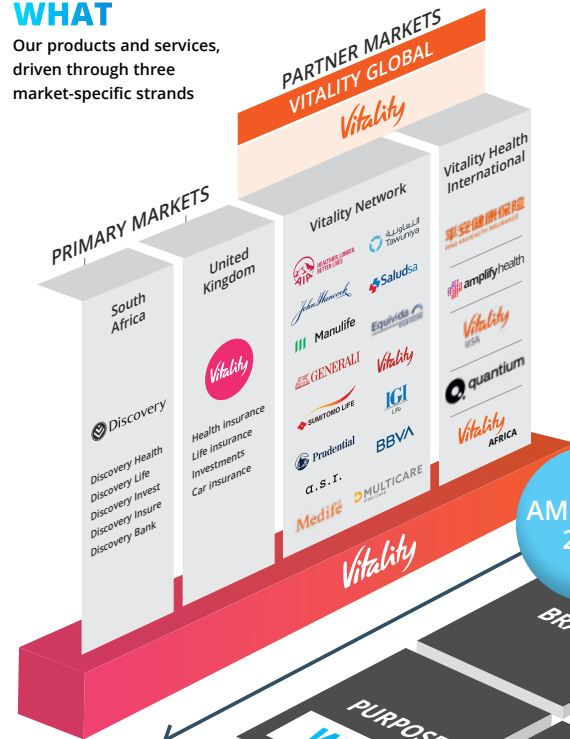
To deliver on our core purpose and strategy to achieve certain ambition statements, we focus on three strategic objectives:

- 1** Building brilliant businesses
- 2** Strengthening our foundation
- 3** Enhancing our financial and social impact

1 Building brilliant businesses

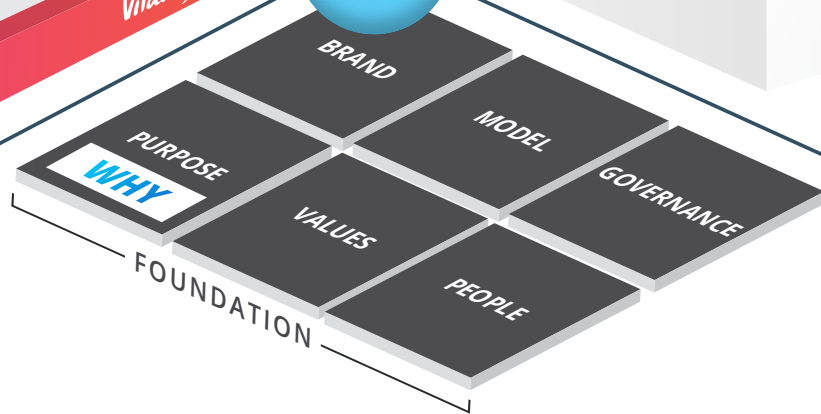
WHAT

Our products and services, driven through three market-specific strands



2 Strengthening our foundation

HOW



AMBITION 2023

3 Enhancing our financial and social impact

HOW

Our operating model



AMBITION 2023

Our strategic focus
Being a leading financial services organisation globally, utilising an insurtech platform through the pioneering Vitality Shared-value Insurance model, positively influencing 50 million lives – with more than 10 million directly insured – and being a powerful force for social good.



AT A GLANCE

OUR TAX CONTRIBUTION FOR THE YEAR ENDED 30 JUNE 2022

NUMBER OF SUBSIDIARIES IN THE GROUP

49

FY2021: 47



EMPLOYEES

>13 450

FY2021: >12 650



GROUP INCOME STATEMENT PROFIT BEFORE TAX

R6 944 million

FY2021: R4 195 million



GROUP INCOME STATEMENT TAX EXPENSE

R1 465 million

FY2021: R975 million



NORMALISED PROFIT FROM OPERATIONS

R9 384 million

FY2021: R6 494 million



TOTAL TAX CONTRIBUTED¹ BY TYPE

CORPORATE INCOME TAX

14%

R1 151 million²

FY2021: R1 717 million

EMPLOYMENT TAXES³

43%

R3 397 million

FY2021: R2 865 million

VAT AND GST⁴

24%

R1 882 million

FY2021: R1 810 million

INSURANCE PREMIUM TAX

18%

R1 396 million

FY2021: R1 300 million

OTHER TAXES⁵

1%

R63 million

FY2021: R49 million

TOTAL CONTRIBUTION

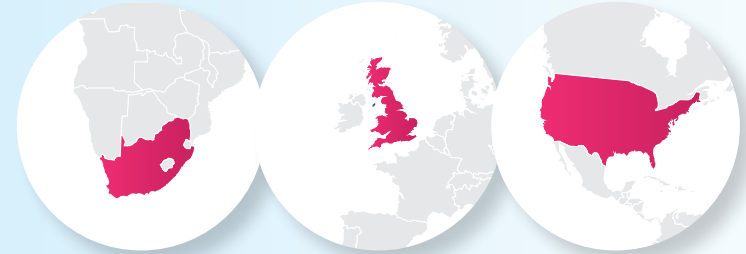
R7 889 million

FY2021: R7 741 million



1. Tax contribution includes both those taxes borne by the Group as well as those collected on behalf of the revenue authorities.
2. FY2021 value included an exceptional payment of £14m (R293 million) by the Vitality UK Group for profits arising on fair value derivative movements in FY2020. FY2022 value includes the repayment of this amount due to a loss carry back claim on the reversal of those fair value movements in FY2021.
3. FY2022 value includes employment taxes collected and paid over on behalf of policyholders.
4. Includes VAT expensed and not recovered.
5. Other taxes include franchise taxes, withholding taxes, dividend withholding taxes (excluding amounts withheld by other regulated intermediaries) customs duties and carbon taxes.

TOTAL TAX CONTRIBUTED BY REGION



SOUTH AFRICA

68%

R5 407

million

FY2021: R4 965 million

UNITED KINGDOM

29%

R2 271

million

FY2021: R2 575 million

UNITED STATES

2%

R170

million

FY2021: R169 million

OTHER*

1%

R41 million

FY2021: R32 million

* Other regions include Australia, Singapore, Isle of Man, Nigeria, Eswatini, Democratic Republic of Congo and Mauritius.

Alignment to Discovery's sustainable development commitments

Our tax contributions support the following goals



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



OUR APPROACH TO TAX

Our core purpose has manifested in a globally relevant Shared-value Insurance model which creates value for our businesses, clients and society.

Discovery's tax strategy is captured in our Tax Policy Principles, which are aligned to our purpose and business model, and supports the contribution of a variety of local and international taxes that arise in the normal course of business, including corporate income taxes, as well as other direct and indirect taxes.

Discovery's Tax Policy Principles, which provides strategic guidance, has been reviewed and approved by the Group Audit Committee, Group Risk and Compliance Committee and the Board of Directors. Group Tax and the Finance Executive Committee considers the tax strategy on an annual basis, and brings updates to the tax policies for review and approval as required. The Board has delegated responsibility for the oversight of tax matters and the review of the tax strategy to the Group Chief Financial Officer.

OUR TAX PRINCIPLES

Five tax principles guide Discovery's approach to tax.

- 1 Commitment to compliance
- 2 Responsible attitude to arranging tax affairs
- 3 Constructive approach to engaging with tax authorities
- 4 Tax reporting procedures and provisions
- 5 Monitoring, control and tax risk management

Our approach to regulatory compliance

Discovery is committed to operating in a sustainable manner and complying with all statutory tax obligations in the regions in which we operate. Our focus extends beyond basic compliance to ensure that our approach to tax management creates value for our stakeholder groups. We achieve this by giving due consideration to the tax-related legislation of the countries where we operate and embedding a Tax Risk Management Framework and Transfer Pricing Policy across the Group. In addition to this, our Annual Financial Statements are prepared in accordance with IFRS, and specifically IAS 12: Income Taxes, which requires the accurate reflection of all taxes incurred and owing.

Discovery is committed to complying with the spirit and letter of the tax laws and regulations in the countries in which we operate. This includes paying taxes according to where the value is created.

AS HIGHLIGHTED IN OUR TAX POLICY PRINCIPLES, OUR APPROACH TO COMPLIANCE INCLUDES:

- Filing accurate, timely tax returns and settling any tax obligations in the correct reporting period
- Disclosing relevant facts and circumstances to tax authorities when required
- Claiming tax reliefs and incentives where these are available and appropriate.

INCORPORATING TAX CONSIDERATION INTO BUSINESS AND SUSTAINABLE DEVELOPMENT STRATEGIES

By operating as a responsible tax payer and engaging constructively with tax authorities, we are able to support sustainable development in the jurisdictions in which we operate, which aligns with our objective to be a force for good.

Our tax strategy aligns with the wider Group strategy and the Group Tax function is an active strategic business partner, understanding the tax implications and ensuring that business strategies are executed in the most tax efficient and responsible manner.

The Group Tax function is involved in the planning, implementation and documentation for material business combinations, changes in corporate structure, cross-border financing and trading arrangements, funding transactions and significant new processes or products affecting tax compliance.

Responsible attitude to arranging tax affairs

Commercial activities are structured to maximise value sustainably for shareholders and all other stakeholders. Tax planning is undertaken within this context:

- Economic substance and commercial rationale for transactions undertaken are paramount. All transactions are required to have a business purpose. Therefore, no artificial arrangements may be implemented, particularly in order to transfer value to low tax jurisdictions.
- So-called tax havens are not used as a means to avoid taxes on business activities that would in the normal course of events take place elsewhere.
- Due consideration is given to the tax laws of the countries in which Discovery operates and double taxation is eliminated where possible.
- Cross border intragroup transactions are undertaken on an arm's length basis in accordance with the Organisation for Economic Co-operation and Development (OECD) transfer pricing principles.



TAX GOVERNANCE AND TAX RISK MANAGEMENT

GOVERNANCE

The Discovery Board, as the highest governing body within the Group, together with the Group Audit Committee and Group Risk and Compliance Committee, oversees the Group's tax practices and affairs.

Responsibility for compliance with the Group's tax strategy lies with the Board. The Board delegates the day-to-day responsibility for tax risk management to the respective Chief Financial Officer's (CFO) and finance teams of the various business areas, who are supported by the Group Tax function and the in-country Group tax specialists, where applicable. Together, the business CFOs, Group Tax and in-country tax specialists are responsible for monitoring the Group's overall tax compliance, monitoring changes in tax legislation while proactively managing the impacts thereof, and ensuring that appropriate financial controls are in place in terms of King IV.



GROUP BOARD

Provides oversight of the Group's tax practices and affairs and is responsible for compliance with the Group's tax strategy

GROUP AUDIT COMMITTEE

Provides oversight of the Group's tax practices and affairs. Reviews detailed tax updates twice a year per tax jurisdiction.

Bi-annual tax update report by the Head of Group Tax to the Group Audit Committee include (per tax jurisdiction):

- Status update of in-country tax return submissions and outstanding queries from revenue authorities
- Any material pending legislative changes and the relevant impact
- An update on indirect taxes
- An update on material items in terms of IAS 12: Income taxes, for example, deferred tax assets recognised
- An update on compliance with the Group Transfer Pricing Policy
- Details of material tax opinions sought
- Any other relevant matters impacting the tax control environment and tax risk management status.

GROUP RISK AND COMPLIANCE COMMITTEE

Provides oversight of the Group's tax practices and affairs as it relates to tax risks and the management thereof.

GROUP CHIEF FINANCIAL OFFICER

Supported by the Head of Group Tax and the Finance Executive Committee. Provides oversight of tax matters and the review of the Group tax strategy.

GROUP TAX FUNCTION AND IN-COUNTRY TAX SPECIALISTS

Provide advisory support and guidance to CFOs and finance teams including implementation of tax policies and monitoring of the control environment.

Provide tax updates per jurisdiction to the Head of Group Tax for the bi-annual Group Audit Committee submission.

CFOs AND FINANCE TEAMS

Responsible for day-to-day tax risk management.



TAX RISK MANAGEMENT

Tax risk management forms part of the Group's wider Enterprise Risk Management Framework. The framework has a clearly defined risk taxonomy, which includes a risk-rating matrix that assesses the likelihood of certain risks and the magnitude of their impact. Our risk appetite and limits are set at business entity and Group level, with clear accountability and reporting requirements. Tax risk is further managed through Discovery's three lines of defence model to monitor risk and provide assurance.



Ongoing tax risk identification and assessment

Potential tax risks are monitored on an ongoing basis by finance and tax teams across the business. Where business identifies transactions where the tax treatment is uncertain, the treatment is escalated to the Group Tax and/or in-country tax specialist who analyses the transaction and using their professional skills and judgement, advise on the appropriate route in order to achieve tax compliance and efficiency. When making tax decisions, consideration is given to the materiality of any item, the financial impacts and any perceived reputational risk that may arise. If the Group Tax specialist identifies that there is uncertainty of interpretation or complexity in relation to a particular matter, external advice is sought as needed.

Typical transactions or events that require external advice include transactions, issues or risks that are significant to Discovery and/or where the impact on Discovery is material but the legislation is unclear. An event, transaction or risk is significant if it would markedly affect Discovery's compliance, operational, financial or strategic outcomes or processes. For example, if it results in a tax outcome that varies from industry patterns or past performance of Discovery, or results in a considerable variation between economic and tax performance. Where relevant, a formal opinion of support for a transaction would be obtained or a ruling may be sought from the tax authorities as appropriate.

Our Group Tax specialists – a team of in-house tax specialists with a combination of commerce, chartered accountancy and taxation qualifications. The teams' specialist areas include direct and indirect tax compliance, international tax considerations, transfer pricing and IFRS tax reporting in the insurance and financial services industry.

Our in-country tax specialists – tax specialists across our countries of operation that have the requisite knowledge and expertise to support the CFOs on country-specific tax issues.

External advisers – an expert selected based on their particular area of industry and subject matter expertise, who is engaged to provide advice as required.

Tax risks are assessed as low, medium or high by considering the key components of tax risk and understanding the particular events that could trigger them, the chance of these events occurring and their associated impact. Tax risks considered include transactional, operational, compliance, financial accounting, tax management and reputational risks.

Additional mechanism to assess tax risks

- Group Internal Audit reviews the Group Tax function as part of the annual financial control review
- External audit reviews compliance with the Income Tax Act and IFRS reporting requirements as a part of the annual reporting audit process
- External advisers review significant transactions including internal restructures for tax purposes
- External advisers review annual transfer pricing documentation in line with OECD requirements

Tax risk management

Tax risks arising from changes in legislation are actively managed through participation in industry workgroups and appropriate government engagement (for example through National Treasury workshops).

Tax risk reporting mechanisms

Employees are encouraged to report any unethical behaviour directly to the Ethics Office or to use the anonymous whistleblowing hotline. The whistleblowing hotline is the main mechanisms for reporting tax-related concerns about unethical or unlawful behaviour.



TAX RISK MANAGEMENT *continued*

ASSURANCE OF TAX DISCLOSURES

The respective finance teams led by their CFOs are responsible for ensuring that the tax risk management and transfer pricing policies are appropriately adopted and applied to business operations. In addition, they oversee the implementation of effective compliance relating to tax reporting as required by legislation.

Each CFO is required to provide an attestation on tax to support the tax disclosures in the Annual Financial Statements, which includes (among others):

- Confirmation of adherence to Discovery's Tax Policy and Risk Management framework
- Confirmation of compliance with the relevant taxation requirements of all countries in which they have oversight and that we have brought to account all liabilities for taxation due to the relevant tax authorities, whether in respect of any corporation or other direct or indirect taxes
- Confirmation that they are not aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest; alternatively, if there has been an incident, confirmation that these values have been correctly provided and, where applicable, disclosed in the financial statements
- Confirmation that the systems in place are capable of identifying all material tax liabilities and the appropriate documentation and record keeping as required under the law of each country has been maintained
- Confirmation that all returns and payments that were required to be made, within the applicable time limits, to the relevant tax authorities have been made
- Confirmation that in managing the tax affairs of the company, they have taken into account any special provisions such as transfer pricing and controlled foreign company legislation applied in different tax jurisdictions
- Confirmation that deferred tax assets have been recognised for the carry-forward of unused tax losses and unused tax credits in accordance with the requirements of IAS 12: Income Taxes.

EVALUATION OF TAX GOVERNANCE AND TAX RISK MANAGEMENT

Group Internal Audit perform annual assessments on the tax control environment.

Tax risks are monitored by finance teams, Group Tax and in-country tax specialists. Potential financial consequences associated with these risks are evaluated in terms of IFRS reporting requirements. Any material tax risks are reported through to Discovery's Group Risk Management team who evaluate and monitor the ongoing risk as part of the Group's wider Enterprise Risk Management Framework.

UNCERTAIN TAX POSITIONS AND CONTROVERSIES

Uncertain tax positions arise when there is uncertainty over whether the relevant tax authority will accept the income tax treatment as submitted per the income tax return. For example, whether the tax authority would accept the treatment of an item as capital in nature or whether it will permit the deduction of certain expenditure.

Discovery considers IFRIC 23: Uncertainty over Income Tax Treatments to assess the disclosure, recognition, and measurement of "uncertain tax positions" in its Annual Financial Statements.



STAKEHOLDER ENGAGEMENT AND TAX LANDSCAPE



OUR ENGAGEMENT WITH TAX AUTHORITIES

In line with our tax principles, engagements with tax authorities are conducted in an honest, courteous, and timely manner. The Group endeavours to build sustainable transparent relationships with tax authorities. Should unintended errors arise, these will be corrected as soon as practicable after identification. The Discovery Group seeks to resolve any matters with the tax authorities through active and transparent discussion. However, should there be disagreement with a ruling or decision thereafter and the Group strongly believe that its interpretation of the law is correct, the Group is prepared to litigate.

OUR CONTRIBUTION TO INDUSTRY TAX ADVOCACY

The Group is represented on various industry bodies and seek to ensure that changes to legislation are robust and sustainable for both industry and the fiscus. In South Africa, Discovery is a member of the Association for Savings and Investments South Africa (ASISA), South African Insurance Association (SAIA) and the Banking Association of South Africa (BASA) tax committees. Through these memberships we advocate for tax reforms pertinent to our stakeholders. A recent focus area has been the tax amendments pertaining to the transition to IFRS 17: *Insurance Contracts* for insurance businesses.

ENGAGING WITH OUR STAKEHOLDERS ON TAX

Maintaining good relationships with key stakeholder groups is critical to creating and sustaining value across the Group. In support of this, our Board adopted a strategic approach to our stakeholder engagements, with principles formalised in our Stakeholder Engagement Framework. The framework includes a stakeholder matrix that guides our levels of engagement with each stakeholder group. This engagement varies depending on our objectives, outcomes, timeframes and resources, as well as levels of influence or interest of stakeholders.

As part of our engagements with government and regulators we engage with tax authorities. Tax authorities expect Discovery to pay taxes timeously and communicate openly and transparently. Discovery believes it has a good relationship with this stakeholder group based on feedback from government and regulators, and in meeting our obligations and commitments.

MANAGING TAX WITHIN A MULTINATIONAL TAX ENVIRONMENT

Discovery is a multinational enterprise operating across various tax jurisdictions. We keep abreast of the ever-changing tax landscape locally and internationally.

Our international tax landscape

In terms of the international landscape, Discovery Group formally adopted a Transfer Pricing Policy to ensure that all cross-border intercompany transactions are conducted using the 'at arm's length principle'. Transfer pricing documentation is prepared in line with the OECD's initiative to address base



MANAGING TAX WITHIN A MULTINATIONAL TAX ENVIRONMENT *continued*

erosion and profit shifting. This includes the annual submission of the Discovery Master File which includes a high-level overview of the Group's operations and Transfer Pricing Policies, as well as various subsidiary Local Files which include the detailed transfer pricing documentation on all material intercompany transactions specific to the entity's jurisdiction.

Discovery submits a country-by-country report on behalf of all its subsidiaries which details, among others, the revenues, profit before tax and number of employees per jurisdiction. This report allows revenue authorities to assess transfer pricing and other base erosion and profit sharing-related risks with regards to the multinational groups operating in their countries. Discovery has filed Master File, Local File and country-by-country reports based on financial reporting periods as required up to 30 June 2021. The June 2022 information is required to be submitted by 30 June 2023.

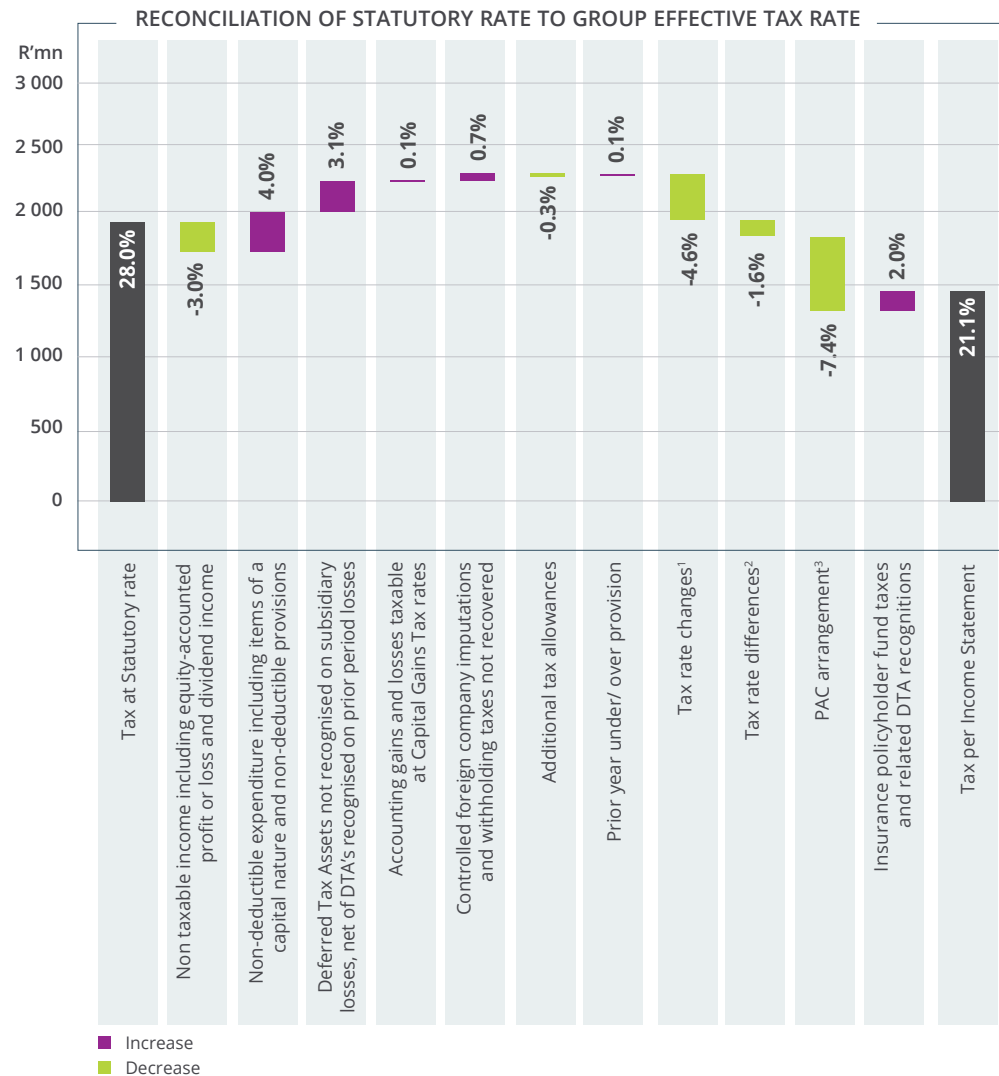
As a reporting financial institution, Discovery is required to provide client information and client data to the relevant regulatory authority in terms of the United States Foreign Account Taxation Compliance Act and the common reporting standards of the OECD.

The Group seeks to avoid double taxations as far as possible and utilises tax credits where these are available and appropriate.

Our local tax landscape

For South African entities that are in a tax paying position, tax has been provided at 28% (FY2021: 28%). Discovery uses the South African tax rate in respect of its tax rate reconciliation as Discovery is domiciled in South Africa and the most significant operations are in South Africa. South Africa's corporate income tax rate is reducing to 27% which for Discovery is effective 1 July 2022. As the rate has been promulgated, deferred tax has been remeasured accordingly.

Taxation in respect of the South African life insurance operations is determined in accordance with the rates and basis applicable to section 29A of the Income Tax Act at the reporting date.



¹ Tax rate changes refer to the impact arising from a change in statutory tax rate.

² Tax rate differences refer to the impact of lower statutory tax rates in jurisdictions outside of SA for example the UK 19% and the US 22.3% (Federal 21% + combined state 1.3%).

³ Arrangement with Prudential Assurance Company (PAC) - accounted for in accordance with IFRS as a reinsurance contract which reflects in profit before tax.

Financial assistance received from governments

Discovery is committed to collaborating with governments in the jurisdictions we operate in. In terms of the South African Income Tax Act, a section 11D research and development incentive was approved by the South African Department of Science and Technology for the development of certain innovations pertaining to Discovery Bank. The funds were used to develop novel technological advancements to the financial industry. The independently verified amounts result in a tax saving of R24 million for FY2021 (FY2020: R21 million)

Learnership allowances claimed in terms of section 12H of the Income Tax Act resulted in a tax saving of R1.4 million for FY2021 (FY2020: R1.8 million).





COUNTRY-BY-COUNTRY REPORT

ECONOMIC CONTRIBUTION OF TAXES PAID FOR THE YEAR ENDED 30 JUNE 2021

The disclosure is based on the most recent required submission to the SA tax authorities. It is based on the requirements of the OECD as part of the Base Erosion and Profit Shifting Action plan 13 which requires all large multinational enterprises to submit the report for use by tax administrations in high level risk assessments. Note that values shown are aggregated and not eliminated based on consolidation methodology. The 30 June 2022 information is due to be submitted to the SA tax authorities by 30 June 2023.

TAX JURISDICTION	Regulated financial services/ Insurance	Administration management and support services	Sales, marketing and distribution	Other ¹	Unrelated party revenue R million	Related party revenue – local R million	Related party revenue – foreign R million	Total revenue R million	Profit (loss) before income tax R million	Income tax paid (cash basis) including all withholding taxes ² R million	Income tax accrued – current year ³ R million	Stated capital R million	Accumulated earnings R million	Number of employees ⁴	Tangible assets other than cash and cash equivalents R million
South Africa excluding SA CIS funds ⁵	✓	✓	✓	✓	54 371	5 990	1 526	61 886	2 335	1 354	1 368	29 345	30 728	10 220	3 622
South African CIS Funds ⁵	✓				10 012	-	-	10 012	7 449	-	-	-	-	-	-
United Kingdom	✓	✓	✓	✓	18 035	5 797	20	23 851	(527)	361	-185	50 775	2 129	2 203	565
United States of America		✓		✓	2 161	72	279	2 512	657	34	63	5 385	(374)	215	74
Singapore				✓	20	1	26	46	*	2	4	211	(26)	13	-
Australia				✓	-	-	5	5	(4)	*	-	192	(44)	2	-
Isle of Man ⁶		✓			9	-	-	9	2	-	-	*	10	1	-
Democratic Republic of Congo		✓			6	-	1	7	*	-	*	*	1	9	*
Nigeria		✓			*	1	-	1	(1)	*	*	-	(11)	1	*
Eswatini		✓			3	-	-	3	1	*	*	*	*	3	*
Mauritius		✓			-	13	*	13	8	-	-	1	8	-	-
Guernsey ⁷	✓				1 044	-	-	1 044	48	-	-	-	1 334	-	-
TOTAL					85 661	11 873	1 857	99 390	9 967⁸	1 751	1 251	85 909	33 755	12 667	4 260

1. Includes, among others, internal group finance, holding company, purchasing and procurement.

2. The income tax paid per the Discovery Annual Financial Statements (AFS) is R1 717 million. The difference of R34 million relates to the inclusion of foreign withholding taxes as an OECD requirement for disclosure in this report.

3. Income tax accrued reflects the current tax accrued for the year and excludes deferred tax. Current income tax accrued per the Discovery AFS is R1 273 million. The difference of R23 million relates to IFRS adjustments on consolidation.

4. The number of employees is defined as permanent employees with benefits.

5. The Discovery Collective Investment Schemes (CIS) funds in South Africa (SA) are consolidated into Discovery AFS and have therefore been included in the Country-By-Country Report. However, as the income generated by the CIS funds are for the policyholders and not for the Discovery Group, they have been shown separately.

6. For FY2021, operations in the Isle of Man include the performance of client relationship management and sales/marketing to key group clients largely located in the UK and Europe.

7. Discovery Life Limited is tax resident in South Africa and pays tax on its worldwide income, including those generated from its Guernsey branch. While there is no tax paid in Guernsey, all related income is also included and taxed in South Africa in line with section 29A of the Income Tax Act.

8. This is an aggregated value. The main differences to the reported number per the Discovery AFS of R4 195 million relate to the SA CIS funds as well as consolidation adjustments relating to, among others, the arrangement with PAC.

* Amount less than R500 000

Discovery | +27 11 529 2888 | askthecfo@discovery.co.za | www.discovery.co.za

Subsidiaries of Discovery Limited are authorised financial services providers.

