



DISCOVERY GROUP

Political Party Funding Policy



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1. Introduction

1.1 PURPOSE

The Discovery 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 Discovery 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.

This Policy articulates the Discovery Group's position on the funding of political parties.

1.2 SCOPE

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

1. All executive and non-executive directors;
2. All senior managers;
3. Full time, part time or temporary employees;
4. Any independent contractors or consultants that may be contracted.



Each entity within the Discovery Group –

- must follow the legislation applicable in that country's jurisdiction;
- must have procedures in place to align its operations with the spirit and purpose of this policy; and
- may elect to have its own policy in respect of political party funding, provided that the policy is consistent with this policy and that the required procedures are in place. The Board of Discovery limited must approve any deviation from this policy.

2. Policy principles

The following principles inform this Policy:

- A positive contribution to society with the aim of deepening democracy
- Transparency

3. Contributions

3.1 Only Discovery Limited may make funding available to any political party. No subsidiary or any person referred to in paragraph 2 may make any funding available to any political party on behalf of the Discovery Group.

3.2 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.

3.3 Discovery Limited may make contributions, in the amount allocated for this purpose in its annual budget, subject to any limitations that have been imposed under the Political Party Funding Act, to –

- 3.3.1 the Multi-Party Democracy Fund established under the Political Party Funding Act;
- 3.3.2 any political party registered in South Africa.

3.4 The contribution referred to in paragraph 4.3.2 may also be in kind, such as a sponsorship.

- 3.5 The Head of Corporate Services must, prior to making contributions -
- 3.5.1 to the majority party and the main opposition party in Parliament, secure the approval of the Chief executive Officer; and
 - 3.5.2 to any other registered political party, secure the approval of the Executive Committee of Discovery Limited.

4. Reporting and Disclosures

- 4.1 The Head of Corporate Services must report contribution(s) made in accordance with paragraph 4 above to –
- 4.1.1 Group EXCO and the Social and Ethics Committee at the first meeting following the date on which the contribution(s) were made; and
 - 4.1.2 the board of Discovery Limited quarterly.
- 4.2 The Head of Corporate Services 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. Compliance with this Policy

Discovery views any non-compliance to this Policy and its obligations in terms of legislation in a serious light.

Compliance with this policy will be monitored. 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. If agreement on the appropriate action(s) cannot be reached, the matter will be escalated to the Chair of the Social and Ethics Committee. The Chair of this Committee will decide whether the breach or non-compliance is sufficiently material to be escalated further, and if so, to which Board/committee/person.

All instances of non-compliance with this framework will be included within the regular risk and compliance reporting process.