

# UNITED NATIONS GLOBAL COMPACT (UNGC)

## 2018 COMMUNICATION OF PROGRESS

Discovery became a signatory to the UNGC in June 2015. In the 2018 Sustainable Development Report, we include the first annual Communication on Progress to stakeholders.

### Integration of the United Nations Global Compact (UNGC) principles

#### HUMAN RIGHTS

##### Principle 1

**Businesses should support and respect the protection of internationally proclaimed human rights**

Discovery has put in place and published a human rights policy statement. It sets out the principles that are applied by the business in support of universally-proclaimed human rights. These encompass a wide-ranging definition of human rights, including child labour, forced labour and freedom of association as detailed below.

##### Principle 2

**Make sure that they are not complicit in human rights abuses**

Due to the nature of our business this has not been considered to be a material issue to date. However we understand the need to evaluate whether there are direct or indirect impacts on human rights as a result of our business and to address these if required.

#### LABOUR

##### Principle 3

**Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining**

Our human rights policy, which is publically available on our website, covers the freedom of association. We uphold the freedom of association in businesses where we have a controlling interest, and recognise the right to collective bargaining.

##### Principle 4

**The elimination of all forms of forced and compulsory labour**

Our human rights policy includes provisions upholding the elimination of all forms of forced and compulsory labour.

##### Principle 5

**The effective abolition of child labour**

Our human rights policy includes provisions prohibiting all forms of child labour.

##### Principle 6

**The elimination of discrimination in respect of employment and occupation**

In South Africa, where 83% of employees are located, there is pressure to ensure that our workforce adequately represents the demographic profile of the country. We are making progress in achieving employment equity goals in this area, as detailed in the 'Healthy organisation' section of our 2018 Sustainable Development report.



**ENVIRONMENT**

**Principle 7**

**Businesses should support a precautionary approach to environmental challenges**

We have put in place an environmental policy which is publically available on our website.

The policy affirms our commitment to providing products and services in a manner that ensures a safe and healthy workplace for employees and minimises our potential impact on the environment.

It provides for a range of actions to reduce our environmental impact, including the integration of considerations relating to environmental concerns and impacts into all of our decision-making and procurement processes and the promotion of environmental awareness among employees.

Our environmental policy additionally provides for disciplinary action to be taken in instances of non-compliance with the policy and for all instances of non-compliance to be included within the regular risk reporting process.

Risk assessment processes apply to environmental issues.

**Principle 8**

**Undertake initiatives to promote greater environmental responsibility**

Our environmental policy commits us to reducing our environmental impact where possible, including through the following measures:

- Operating in compliance with all relevant environmental legislation and striving to use pollution prevention and environmental best practices in all that we do
- Integrating the consideration of environmental concerns and impacts into all of our decision-making and procurement processes by promoting environmental awareness among our employees
- Training, educating and informing our employees about environmental issues that may affect their work
- Promoting efficient use of materials and conserving resources throughout our facilities including water, electricity, fuel, waste, transport and other activities, particularly those that are non-renewable
- Applying renewable energy alternatives and other green technologies within our facilities, wherever these alternatives are available, economical and suitable

**Principle 9**

**Encourage the development and diffusion of environmentally friendly technologies.**

Our products are mainly concerned with improving health outcomes rather than with the development of environmental technology. However, within the scope of our business, we work to encourage the development of environmentally responsible behaviour, including in the design of our new headquarters in Johannesburg along environmentally friendly principles. For example, in our insurance division we have innovated products that encourage safer and therefore more environmentally-friendly driving behaviour. We also provide incentives for the use of public transport as part of our vehicle insurance products.

In addition to these actions taken through our core products and services, we strongly support the development of urban and community infrastructure that supports the use of public transport. As an example, we participate actively on the Sandton Sustainability Forum and input into consultative processes re infrastructure, transport and safety.

**ANTI-CORRUPTION**

**Principle 10**

**Businesses should work against corruption in all its forms, including extortion and bribery.**

The Ethics Office is an independent function tasked with assessing and promoting the ethical corporate culture of the Discovery Group. It provides information to the Social and Ethics Committee of the Board on the formal structures safeguarding ethics within the organisation, their effectiveness in promoting an ethical culture, and the way in which employees perceive the Group's efforts in pursuit of integrity. Our 2018 performance on Ethics can be found in the 'Healthy Organisation' section of our 2018 Sustainable Development report.