

Vitality UK Taskforce on Climate-related Financial Disclosures Report

for the year ended 30 June 2024





A message from our Chief Sustainability Officer

DEEPAK JOBANPUTRA

Climate change remains one of the greatest challenges facing society and we see this from the continuing volatility of extreme weather events and their impacts. 2023 was the warmest year since global records began in 1850 and the 10 warmest years have occurred during the last decade.¹ There are many more evidence points that are regularly reported and the important considerations around the potentially devastating effects on communities and human health and wellbeing.

Dr Tedros, Director General at the World Health Organisation, has expressed that “the climate crisis is a health crisis”. The interconnectedness of the social impacts from the effects of climate change can be related to the UN’s Sustainable Development Goals indicating the complexities and the need for all stakeholders to work towards reducing the impact of climate change.

The UN and governments around the world are working together to address this through the COPs and it is evident that there is an expectation that businesses are expected to play a leading role. There is a growing societal expectation for action around Sustainability and climate action that are becoming a licence for businesses to operate and thrive, and those that do not embrace action may be adversely impacted. We believe that businesses have a role to play in being a force for good and committing a proportionate response towards sustainability and climate change which can at the same time create value for all stakeholders.

Vitality are focused on health risk prevention through behaviour change and recognise the need to mitigate the impact of our business on the environment. Our core purpose is to make people healthier and to enhance and protect their lives. Our ability to operate and deliver on this purpose is fundamentally linked to maintaining an environment that enables and sustains good health. The healthcare



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industry contributes to over 4% of global emissions, which is higher than the aviation industry,² and hence has a role to play in balancing decarbonisation alongside delivering quality healthcare.

We work closely with our parent company, Discovery, a global leader in the provision of financial services and health and wellbeing. We support the goals of the Paris Agreement to limit global warming to well below 2°C and to pursue efforts to limit global warming to 1.5°C. Accordingly, we are committed to aligning our actions with best practice to drive change and advocate for a low-carbon future through engagement at a national and industry level. We have made good progress to embed sustainability into our culture and decision making to allow us to deliver on our commitments to be Carbon Neutral in our operations by 2025 and Net Zero by 2050 or earlier. We have also committed to publishing our first Net Zero transition plan by Q4 2025 as part of the Discovery Group.

We have reduced emissions in our own operations by over 50% since 2019, and plan to make a bigger impact by positively influencing our stakeholders to deliver on our commitment to be a Force for Good. We see opportunities to build on our unique Shared Value insurance model³ to incentivise more sustainable choices and drive changes in behaviour that create value for our members and make a positive contribution to society. We will build on the positive social impact we deliver through incentivising engagement with our Vitality Programme, to drive healthier behaviours, which we measure as part of Discovery’s target of achieving one billion healthier activities by 2030.

Vitality UK is committed to reporting on our plans and progress. We are actively embracing emerging guidance and regulation, such as the ISSB S1 and S2 standards, that will support best practice across the market and help enhance transparency. Discovery has been reporting against TCFD recommendations since 2020 (ESG Reports - Discovery). We have embedded processes within Vitality to ensure we continue to mature our understanding of the risks and opportunities from climate change and will continue to develop our disclosures over time.

¹2023 was the warmest year in the modern temperature record | NOAA Climate.gov. ²HealthCaresClimateFootprint_092319.pdf (noharm-global.org). ³Vitality | Shared Value Insurance.

Our strategic response to climate change

With 2023 being the hottest year on record,⁴ it is clear that climate change remains a key risk facing governments, businesses and society, with the full impacts still unknown - there are many interdependencies that will affect society globally. These impacts are being considered by credible entities such as the UN, World Economic Forum, the Geneva Association to name but a few. We know from reports by the UN Intergovernmental Panel on Climate Change (IPCC) that human activities are indisputably warming the planet, and that this warming is already affecting weather and climate in every region across the globe.⁵

The indirect impact from climate change on the world's food and water security, air quality, and livelihoods, will have adverse health outcomes globally. The magnitude and timing of the subsequent risks of greater prevalence of disease, mass migration and economic impact are uncertain, given the complexities and interdependencies associated with climate change.

The direct physical risks from climate change such as increased heat waves leading to wildfires and droughts, with the combination of sea-levels rising which will result in to more frequent floods and tropical storms, all result in worse economic and health outcomes for society at large.

The World Economic Forum Risk Report 2024⁶ cited the top 4 risks in the next 10 years to be environmental risks for the second year running, including:

- Extreme weather events
- Critical change to Earth systems
- Biodiversity loss and ecosystem collapse
- Nature resource shortage

For insurers, the urgency of addressing the climate crisis is accelerating, especially given the interdependencies between health and climate-related risks, and for which evidence continues to emerge:

- The World Economic Forum estimates that by 2050, climate change will place immense strain on global healthcare systems, causing 14.5 million deaths and \$12.5 trillion in economic losses.⁷
- The Lancet Countdown on health and climate change 2023 report stated that the global land area affected by extreme drought increased from 18% in 1951-60 to 47% in 2013-22, jeopardising water security, sanitation, and food production. This shows climate change is already damaging the natural and human systems on which people rely for good health.⁸
- At COP28 the first Health Day was hosted, resulting in 123 countries signing the COP28 UAE Declaration on Climate and Health, which includes building more climate-resilient health systems.⁹
- The WHO has prioritised climate change and health in their General Programme of work 2025-2028¹⁰, with the Director-General, Dr Tedros Adhanom Ghebreyesus stating that “the climate crisis is a health crisis”.¹¹

Creating healthy environments for populations is thus one of the most effective ways to reduce long-term health impacts from, and to increase resilience to, climate change.

⁴2023: The warmest year on record globally - Met Office. ⁵IPCC_AR6_SYR_SPM.pdf. ⁶Global Risks Report 2024 | World Economic Forum | World Economic Forum (weforum.org). ⁷Quantifying the Impact of Climate Change on Human Health | World Economic Forum (weforum.org). ⁸The 2023 report of the Lancet Countdown on health and climate change: the imperative for a health-centred response in a world facing irreversible harms - The Lancet. ⁹Over 120 countries back COP28 UAE Climate and Health Declaration delivering breakthrough moment for health in climate talks. ¹⁰WHO General Programme of Work 2025-2028 prioritizes climate change and health. ¹¹WHO issues urgent call for global climate action to create resilient and sustainable health systems.

Our position on climate change

We have an opportunity to contribute to reducing the impact of climate change by exploring the potential of our Shared Value Insurance¹² model to create change, while ensuring our business operations have a positive impact.

Since its genesis, Vitality has seen the power of aligning its interests with those of its clients and society - applying its business model to be a Force for Good and using this model to help tackle climate change with its approach of health risk prevention.

Vitality's Climate Strategy
Vitality's response to climate change is captured in two overarching goals:

1

Short term

Carbon neutral operations by 2025

> Operations include our scope 1 and 2 emissions.

2

Long term

Achieve Net Zero by 2050 or earlier

> Publish a credible science-aligned Net Zero plan with our parent company, Discovery, by Q4 2025.

Our goals will be achieved through three strategic pillars:

Align 1

Sustainability is embedded in our culture and decision making.



Influence 2

Create positive change through collaborating with partners and suppliers.



Impact 3

People make more sustainable choices through Vitality products and services.



¹²Vitality | Shared Value Insurance.

Our position on climate change *continued*

Align



1

Enhancing the measurement of our carbon footprint

We have been measuring our scope 1 and 2 emissions since 2019 and have started calculating our scope 3 emissions using spend data. We are working towards acquiring more supplier-specific data to enhance our calculation of our scope 3 emissions. This baseline is informing our decarbonisation strategy and emission reduction targets, both in the short- and long-term. Assumptions for modelling the reduction of our carbon footprint over the next 5 years are being validated across our business. Our transition plan, as part of our parent company Discovery Group, detailing our Group Net Zero strategy and targets will be published by Q4 2025. In conjunction with Discovery, we plan to align our targets to the Science-Based Targets initiative (SBTi).¹³

Reducing emissions in our operations

We continue to reduce emissions associated with running our business in terms of the buildings we operate, the vehicles we run and the choices we make in how we source energy. We transitioned our entire fleet of Vitality nurses' cars to hybrid cars (a mixture of self-charging and plug-in), have reduced our office space by 15% from our Croydon, London and Bournemouth office moves since 2022, and source almost 100% of the electricity in our Vitality occupied office buildings from renewable sources. We are improving the data we collect around our waste and water use amongst other areas to ensure that we have maximum visibility of our consumption, impact on nature, and manage carbon emissions from these sources taking an approach of proportionality and materiality.

¹³Ambitious corporate climate action - Science Based Targets.

**Embedding sustainability in our culture****We have multiple initiatives for our employees to help them live greener lives:**

- Electric Vehicle leasing scheme, which enables Vitality employees to lease an electric or hybrid vehicle at a reduced cost through a salary sacrifice arrangement.
- Sustainability training which covers environmental and social issues, such as Climate change and Diversity & Inclusion. This programme delivers greater awareness of the impact of human activity on our planet and empowers our people to recognise the benefits of making small changes in their daily lives.
- Access to an eco-platform which enables employees to review their personal carbon footprint, as well as discover ways to reduce their carbon impact. We run focused campaigns every year encouraging employees to track actions in the eco-platform.
- Car-pooling scheme access for Bournemouth and Stockport employees, to encourage lift sharing and reduce emissions from commuting to the office.
- Creating an environmentally friendly workspace of our office relocation projects in London and Bournemouth. Over 70% of the furniture was re-used and re-purposed, with the rest either recycled or donated to charity. We included over 2000 live plants in both offices to enhance the air quality and wellbeing of staff.
- We ask employees to complete an annual commuting survey in order to estimate our employee commuting emissions more accurately and ensure we are offering them relevant commuting and working from home support.
- We have a volunteering platform for employees to give back to their community. We had multiple biodiversity focused volunteering events in March 2024.
- Our Green champions across the business regularly share the sustainability stories through our internal communications channels.



Our position on climate change *continued*

Responsible investment

As an institutional investor and regulated business, we have a duty to act in the best long-term interests of our members and this includes taking a responsible approach to investment. Vitality’s investment portfolio consists predominantly of cash and corporate bonds. Our bonds are managed by external asset managers who have adopted principles for responsible investing into their portfolio management processes and investment philosophy and actively engage with companies on our behalf. We actively engage with our asset managers to discuss our quarterly ESG investment report. ESG principles are integrated into the investment process, and we adopt specific portfolio exclusions.

Digitising our operations

The digitisation of health and wellbeing services is a crucial solution for decarbonising the healthcare and insurance industries alongside prevention of health risks. Digital solutions enable members to access and manage care online and to reduce unnecessary travel which in turn, reduces emissions.

- Vitality has been pioneering the use of digital solutions in the UK to deliver virtual GP appointments since 2015. We have seen demand for this service increase sixfold from 2019 to 2023.¹⁴
- Members have been quick to adopt the online claims experience with 64% of all Vitality Health claims now starting online through the Vitality GP app or the Care Hub – up from just 6% in 2019.¹⁴
- Claims for our mental health online service, Talking Therapies, increased by 179% since 2019, whilst in-patient mental health claims went down 69%.¹⁴
- In 2024 we introduced an automated underwriting experience which enables immediate decisions for customers going through full medical underwriting without the need for a referral to an underwriter. This is already delivering decisions for approximately 60% of cases we underwrite.¹⁴

We have taken steps to understand and manage the carbon intensity of our existing bond portfolio and enhanced our bond choices from an overall ESG rating perspective. We support the Principles for Responsible Investment (PRI) through our parent company, Discovery who are a signatory. We have set internal threshold targets as part of our risk management framework that measure the carbon intensity and the ESG ratings of our invested assets. We support the principles of engagement and a just transition.

% of all Vitality Health claims now starting online **64%**

Talking Therapies claims increased by **179%**

In-patient mental health claims went down **69%**



Digital solutions are also reducing our need for printing documents and therefore contribute towards reducing our scope 3 emissions. We have digitised our onboarding documents where possible, to ensure members are still provided with the information they need.

In addition we have converted our *Vitality Magazine*, our voice to connect with our members and beyond, to a digital platform¹⁵. Whilst this reduces emissions, it also enables us to connect with our members in new ways, to keep encouraging them to lead healthier lives.

¹⁴Health Claims and Insights Report | Advisers | Vitality. <https://adviser.vitality.co.uk/media-online/advisers/literature/health/general-sales-literature/guides/health-claims-insights-report-24.pdf>. ¹⁵Vitality Magazine goes digital | Magazine | Vitality.

Our position on climate change *continued*Influence  2**Working with suppliers and partners**

We are working with our suppliers and partners to better understand their approach to managing environmental, social and governance issues (ESG). We have integrated ESG considerations into our supplier onboarding and ongoing supplier relationship management processes. Our Supplier Code of Conduct¹⁶ clearly outlines our ESG expectations of all our suppliers and partners, as well as encouraging them to continue to embed climate change and nature into their strategies and governance. We have a Sustainability award at our annual Supplier awards,¹⁷ to recognise those suppliers who are aligned with Vitality's sustainability ambitions and have delivered a sustainability initiative over the past year that has had a positive impact. We also engage directly with our suppliers who are most material to our scope 3 emissions reduction.

As a health and life insurer, our supply chain emissions are heavily influenced by our hospital providers who provide care for our members. The healthcare sector contributes 4.4% of global emissions¹⁸ – higher than the aviation sector.¹⁹ We are working with industry bodies such as the Association of British Insurers (ABI²⁰) and Independent Healthcare Providers Network (IHPN²¹) to encourage our healthcare providers to share best practice in order to accelerate the decarbonisation of the healthcare sector.

Other supply chain emissions are generated as a result of the services we purchase, such as IT software and data centres, printing and couriers, property management, professional services, marketing and sponsorship, and our Vitality Programme partners. We are taking a collaborative approach to working with these suppliers, aiming to understand the emissions associated with our demand and considering options for a more sustainable supply chain. For example, we are considering the impact of our cloud providers on the environment and how these are evolving with the use of AI. As a result,



WE HAVE INTRODUCED SUSTAINABILITY PRINCIPLES FOR ALL MERCHANDISE ORDERED. THESE INCLUDE AVOIDING SINGLE-USE PRODUCTS, STRIVING TO USE RECYCLED MATERIALS OR ABLE TO BE RECYCLED, REDUCING AIR MILES, AND USING SUPPLIERS WHOSE ESG COMMITMENTS ALIGN WITH OUR OWN

we aim to reduce the carbon footprint of both our business and that of our suppliers through engagement, thereby embedding our Shared Value model ideology into our supply chain.

We have introduced sustainability principles for all merchandise ordered. These include avoiding single-use products, striving to use recycled materials or able to be recycled, reducing air miles, and using suppliers whose ESG commitments align with our own. We are reporting on exceptions and looking into ways in which we can improve and educate the business to adopt a responsible approach when purchasing marketing and other merchandise.



¹⁶vitality-supplier-code-of-conduct-2024.pdf. ¹⁷supplier-and-partner-awards-2023-brochure.pdf (vitality.co.uk). ¹⁸https://noharm-global.org/sites/default/files/documents-files/5961/HealthCaresClimateFootprint_092319.pdf. ¹⁹<https://www.serres.com/blog/environmental-impact-of-the-healthcare-sector-a-deep-dive/>. ²⁰<https://www.abi.org.uk/about-the-abi/sustainability/climate-change-roadmap/>. ²¹<https://www.ihpn.org.uk/net-zero-resources/>.

Our position on climate change *continued*

Impact  **3**

The opportunity presented by our business model

Our incentive-based behavioural and wellness programme enables us to reward healthier choices. We have used this model to empower our members to make choices that can also contribute towards a healthier environment.

We know at Vitality that prioritising prevention or early intervention reduces the need for hospitalisation and further treatment, creating both social and environmental benefits from the lower demand for healthcare services.

We aim to evolve our products and services to support and enable our members to further reduce their environmental footprint and to do so in a way that is sustainable for the long term.

UK government commitments and individual behaviour change

The UK government has made significant commitments to reducing the UK's carbon emissions by 2025 and 2030 leading to a net zero position by 2050. The role that individuals can, and must, play to enable the UK to reach this target is significant with 40% of the UK's emissions reduction targets attributed to individual behaviour.²³

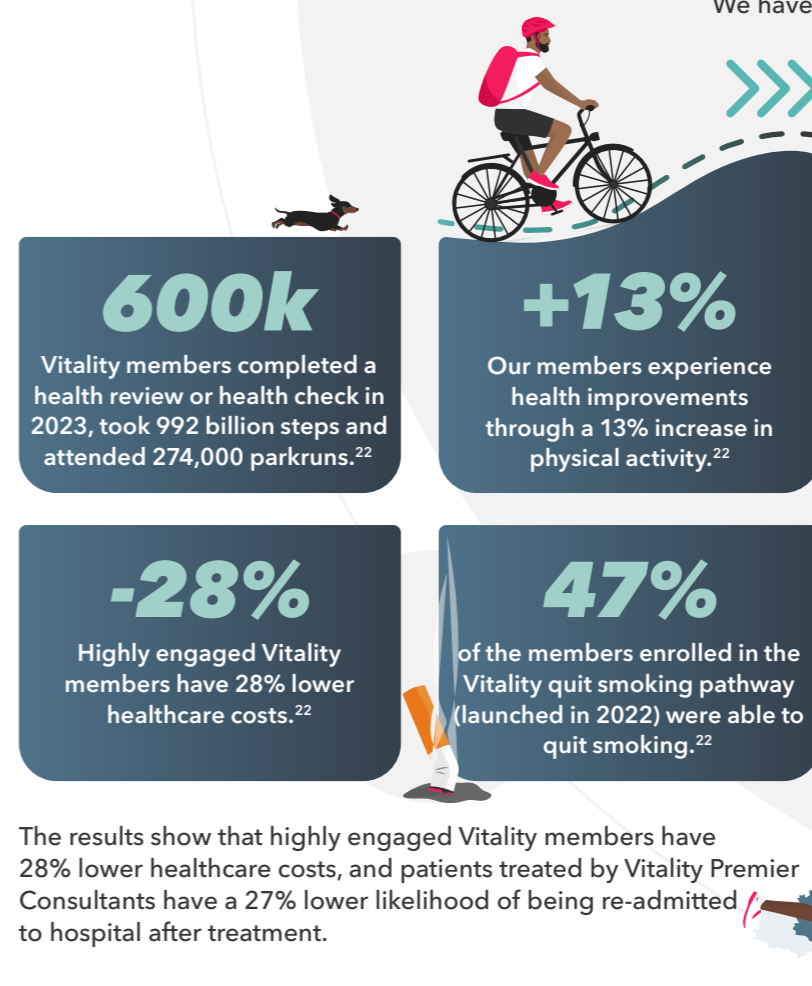
From installing low carbon heating and energy efficient measures, to walking or cycling instead of driving, or consuming less meat and dairy, there are many changes UK society will need to make to deliver the UK's carbon reduction goals. As an organisation built on incentivising behaviour change, we recognise the power of our model to make a positive impact and we will continue to evolve products and services that support the transition to a lower carbon economy.

The NHS Net Zero plan reinforces this message, as many parts of their decarbonisation ambitions are reliant on both staff and patient behaviour change, including more active travel²⁴ and more sustainable models of care.

²²health-claims-insights-report-24.pdf (vitality.co.uk). ²³https://www.theccc.org.uk/wp-content/uploads/2016/07/5CB-Infographic-FINAL-.pdf. ²⁴https://www.england.nhs.uk/greenernhs/wp-content/uploads/sites/51/2022/07/B1728-delivering-a-net-zero-nhs-july-2022.pdf.

Working with our Vitality partners

We are actively seeking opportunities to collaborate with Vitality Programme partners to drive better, more sustainable choices. Our Vitality Programme is how we incentivise and reward our members for making healthier lifestyle choices and these incentives and rewards are delivered through our many programme partners. We have:



The results show that highly engaged Vitality members have 28% lower healthcare costs, and patients treated by Vitality Premier Consultants have a 27% lower likelihood of being re-admitted to hospital after treatment.

Mindful Chef

Mindful Chef, a certified B Corp recipe box provider, as a partner so members can order a recipe box in the knowledge that their food has been ethically supplied and sustainably sourced.
Mindful Chef



MR & MRS SMITH

Giving our members the opportunity to book a hotel through our partner Mr & Mrs Smith, also a certified B Corp, and choose an eco-friendly place to stay.
Mr & Mrs Smith



CAFFÈ NERO

Members receive an extra stamp through Caffè Nero when they use a reusable cup to redeem their Vitality hot drink voucher.
Caffè Nero



runnersneed

Members can recycle their old trainers and gear through Runners Need.
Runners Need



TCFD Disclosures

We are reporting against all TCFD recommended disclosures:

1 Overview of the Board oversight and management’s role in assessing and managing climate-related risks and opportunities.

1

2 The actual and potential impacts of climate-related risks and opportunities on our business strategy and financial planning, including scenario testing.

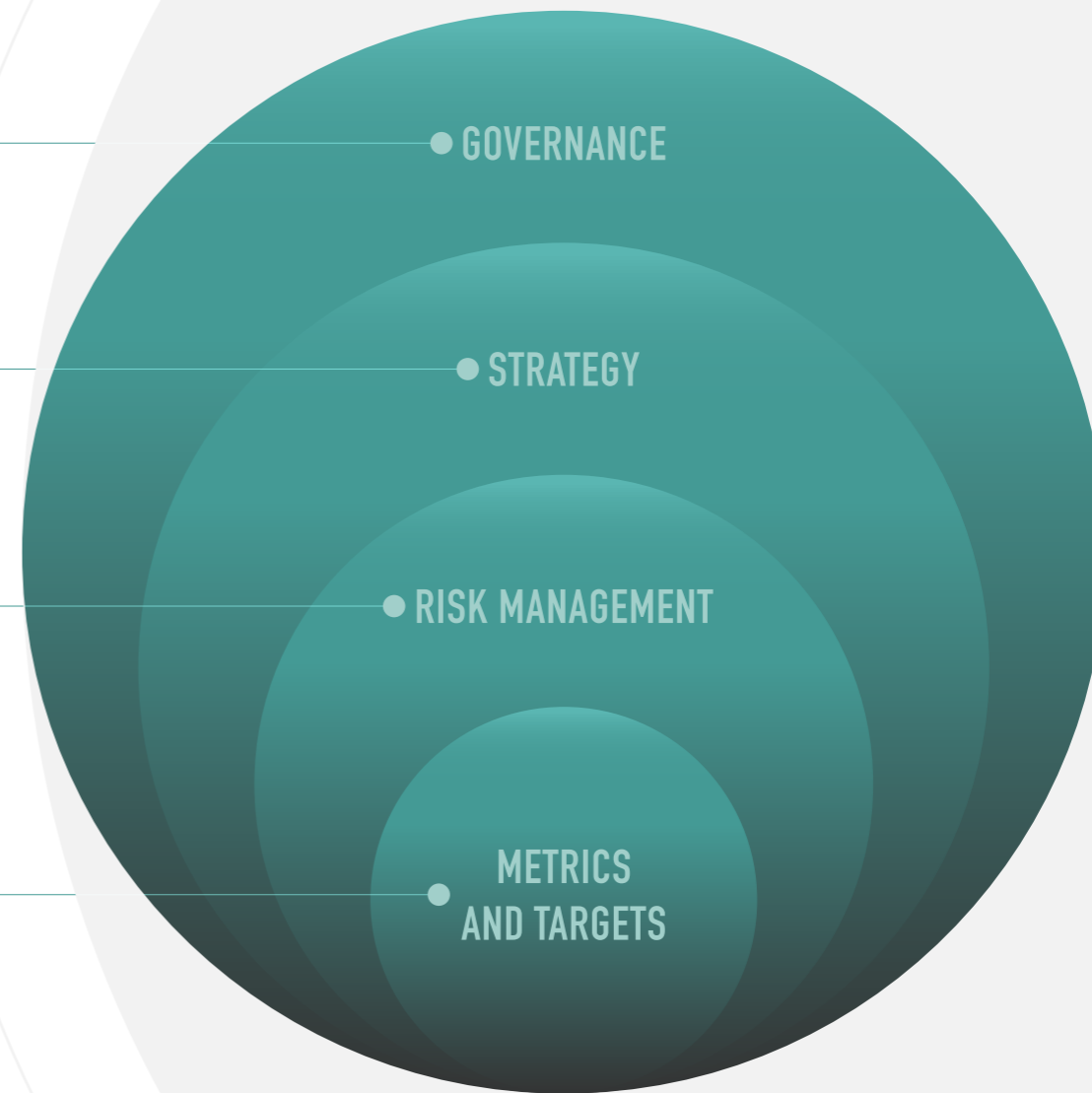
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3 How we identify, assess and manage climate-related risks.

3

4 The metrics used to assess climate-related risks and opportunities, including our scope 1 and 2 GHG emissions, and the targets used to manage climate-related risks and opportunities and measure our performance.

4



Governance

We assess and manage the risks and opportunities associated with climate change and have governance in place to ensure that we do so appropriately. Our Board and Executive Management take an active interest and are committed to ensuring that the potential impacts of climate change are assessed and managed across the business.

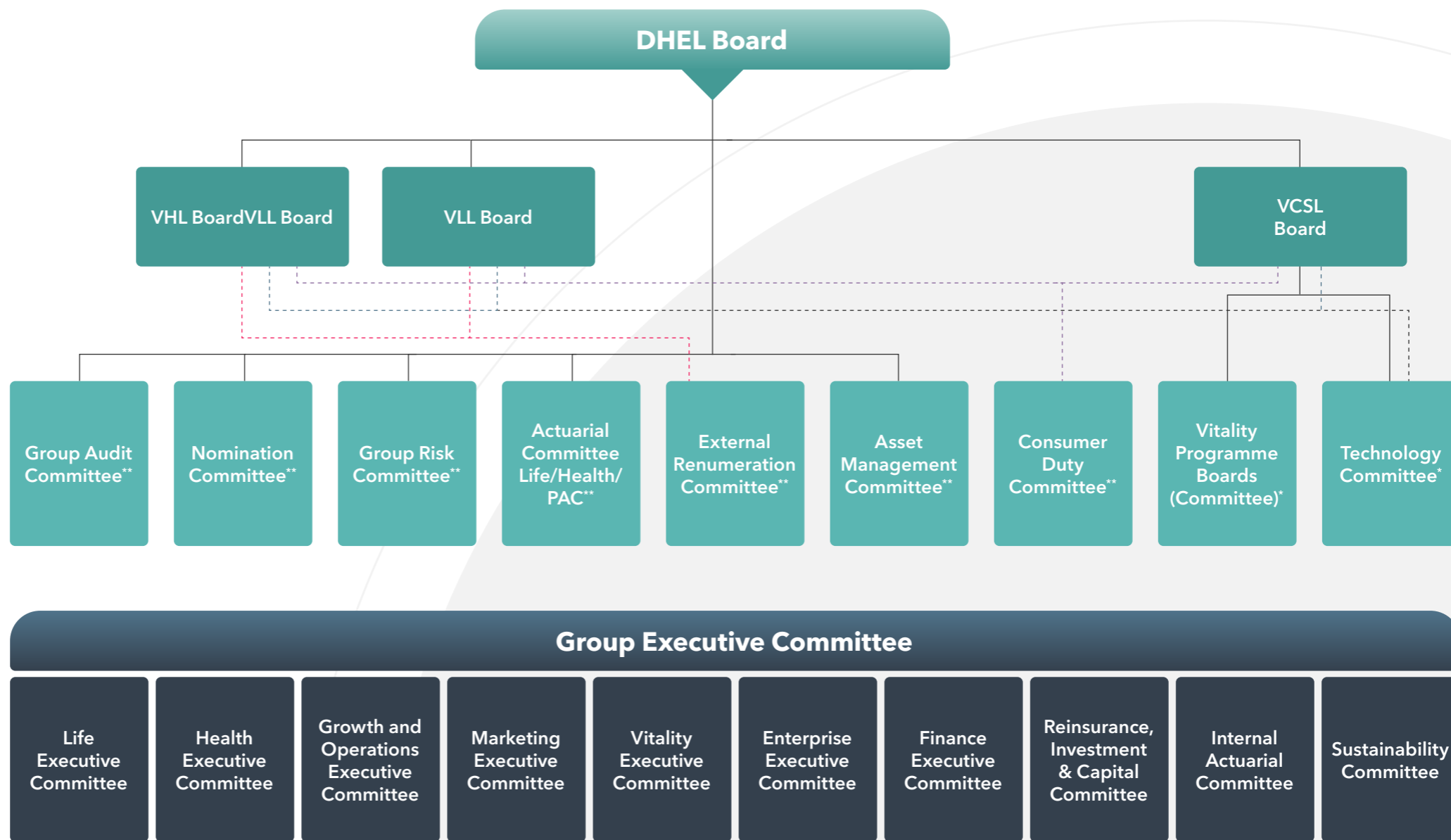
Committee or Role	Responsibilities	FY 2024 update
Board	<ul style="list-style-type: none"> Approves Vitality's Sustainability strategy Oversight of climate change strategy, developments, risks and opportunities, including policies relevant to the management of environmental issues. Updates are presented at each board meeting around the key market developments with a particular focus on regulatory change Presented with a quarterly assessment of the risks and opportunities associated with climate change 	<p>Updates were taken to the Board on Sustainability in August 2023, October 2023, January 2024, April 2024 and July 2024.</p> <p>Updates included Net Zero project progress, internal climate-related initiatives, external engagement, regulatory updates/changes and market updates (such as information on nature and biodiversity)</p>
Chief Sustainability Officer (CSO)	<ul style="list-style-type: none"> Member of the Group Executive Committee (Group ExCo) and a member of the Group Board Designated Senior Manager Function (SMF) individual with clear responsibility for the financial risks from climate change. Collaborates with members of the Group Executive Committee to ensure that all business functions are effectively engaged on climate-related issues, that Sustainability is embedded within our employee culture, and to share knowledge from external risk forums. 	Continued focus on enhancing and delivering on agreed strategy.
Risk and Audit Committees	<ul style="list-style-type: none"> Overseeing the management of Sustainability risks, which includes the management of climate-related financial risks Monitor the Key Risk Indicators for all Sustainability risks, which are presented at the Risk Committee on a quarterly basis through the Chief Risk Officer (CRO) report, with deeper dives on an ad-hoc basis and are supported by appropriate metrics and targets Audit Committee approves the annual report and accounts, which includes the Strategic Director's Report, and this covers environmental and sustainability reporting. 	<p>The climate change scenario analysis paper was shared with the Risk Committee and Actuarial Committee.</p> <p>Quarterly assessments of sustainability risks were carried out as per the ERM process.</p>
Board Remuneration Committee	<ul style="list-style-type: none"> Approves the corporate scorecard which includes several ESG related measures that affect the incentives for all employees 	ESG targets were set for each half year.

Governance *continued*

Committee or Role	Responsibilities	FY 2024 update
Discovery Climate and Environment Steering Committee	<ul style="list-style-type: none"> • Considers the risks and opportunities associated with climate and environment issues at a Group level. • Monthly tracking of group emissions and carbon reduction opportunities. • UK CSO is an active member 	Focus on Group operational emissions reductions, including through Discovery Green ²⁵ and other energy efficiencies. Inclusion of nature and biodiversity risks and opportunities.
Discovery Group ESG Executive Committee	<ul style="list-style-type: none"> • Establishes the ESG strategy and drives implementation of this strategy across the Group • This includes establishing and monitoring performance against aligned near-term targets and long-term aspirations, to drive and demonstrate scaled impact which is aligned with the UN SDGs. • Chaired by Discovery Group CEO and founder, Adrian Gore. 	The ESG ExCo met in September 2023 and January 2024. Updates included Net Zero and climate targets progress, Global ambition progress, and ESG reporting.
Group Executive Committee	<ul style="list-style-type: none"> • The CSO presents at least quarterly to the Group Executive Committee on both risks and opportunities associated with climate change and sustainability forms a key part of the quarterly Group CEO report to the Board. 	Updates were taken to the Group ExCo in July 2023 November 2023, February 2024, and May 2024.
Sustainability Committee	<ul style="list-style-type: none"> • The CSO chairs Vitality's Sustainability Committee. • The Sustainability Committee develops and continues to evolve the Sustainability strategy across the UK Group in line with the core purpose, values and strategy of the organisation as established by the Board. • The Committee drives action in line with the approved strategy and monitors and provides oversight of delivery. • Business areas represented at the Sustainability Committee include People, Property & Facilities, Risk, Finance, Sourcing, Vitality Partners, R&D, Distribution and Marketing. These business areas own the actions and work closely with the Sustainability team to set and meet their targets. • An internal dashboard and roadmap form part of the ongoing management of Sustainability that is reviewed at the Sustainability Committee with updates from this reported to the Group ExCo. 	Met eight times from July 2023 to June 2024. Continued updates on sustainability strategy within each committee member's business area and update of internal dashboard and roadmap. Inclusion of representation from our distribution team.

²⁵<https://www.discoverygreen.co.za/portal/dgr/home>.

Governance continued



*Advisory Committee to the Board(s). **Responsibilities for all UK operating entities.

Governance continued

External governance

We recognise the need for market knowledge and external expertise and as such we engage with specialist consultancies to gain insight into best practice and participate and present at industry forums. We recognise that our non-executive Board members bring a diverse range of experience that helps guide discussion and provides challenge. We have also engaged an experienced team of external sustainability specialists to provide insight, guidance, support and challenge around our approach, and the development and delivery of our strategy.

We are committed to aligning with best practice and engagement at a global level. Discovery Group, our parent company, has been a part of the UN Global Compact since 2015,²⁶ with a focus on the following Sustainable Development Goals (SDGs):



Discovery Group are committed to global sustainability reporting and disclosure frameworks and align to the GRI²⁷ reporting standard for our Sustainability reporting.²⁸ We have voluntarily submitted to the CDP²⁹ climate change, water security and deforestation for scoring, maintain an overall rating of B in the last reporting cycle (2023). We are committed to improving our CDP rating by identifying areas needing attention as we enhance our environmental stewardship.

Discovery Group has been a signatory of the UN Principles for Responsible Investment (PRI) since 2020.³⁰ Discovery Group has a group-wide responsible investment policy,³¹ which Vitality UK aligns with.

Vitality UK and Discovery are signatories of the UN's Principles for Sustainable Insurance (PSI) and a member of its working group for health and life insurance. We fully support the vision of the PSI, for the insurance industry to play a key role in enabling a healthy, safe, resilient and sustainable society and we are committed to sharing our expertise in pursuit of the UN Sustainable Development Goals.

In June 2023, Vitality co-led the launch of a report by the PSI's health and life working group³², exploring the role of life and health insurers in facilitating a more inclusive and preventative healthcare model globally. Launched at Vitality's London offices, health and life insurers came together to discuss how to amplify the sustainability agenda in the UN Decade of Action.³³

Given our supply chain emissions are heavily influenced by our hospital providers, we are also working with industry bodies such as the Association of British Insurers (ABI) and Independent Healthcare Provider Network (IHPN) to encourage our healthcare providers to share best practice in order to accelerate the decarbonisation of the healthcare sector.

²⁶Limited | UN Global Compact. ²⁷Home (globalreporting.org). ²⁸ESG Reports - Discovery. ²⁹Home - CDP. ³⁰Discovery Limited | Signatory profile | PRI (unpri.org). ³¹Responsible Investment Policy (discovery.co.za). ³²Health is Our Greatest Wealth: How life & health insurers can drive better health outcomes and address the protection gap - United Nations Environment - Finance Initiative (unepfi.org). ³³Health is our greatest wealth: Setting the global sustainability agenda for the life & health insurance industry - United Nations Environment - Finance Initiative (unepfi.org).

Governance continued

The four principles for sustainable insurance:

1



We will embed in our decision-making environmental, social and governance issues relevant to our business.

2



We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

3



We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

4



We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the principles.





Risk management

Victality has a well-established UK Enterprise Risk Management (ERM) Framework** which is underpinned by a comprehensive set of risk policies, frameworks and guidelines to ensure that processes and procedures are embedded to effectively manage risk. The ERM framework, outlined below, is aligned to regulatory requirements and sustainability and climate-related financial risks form a key part of this framework.

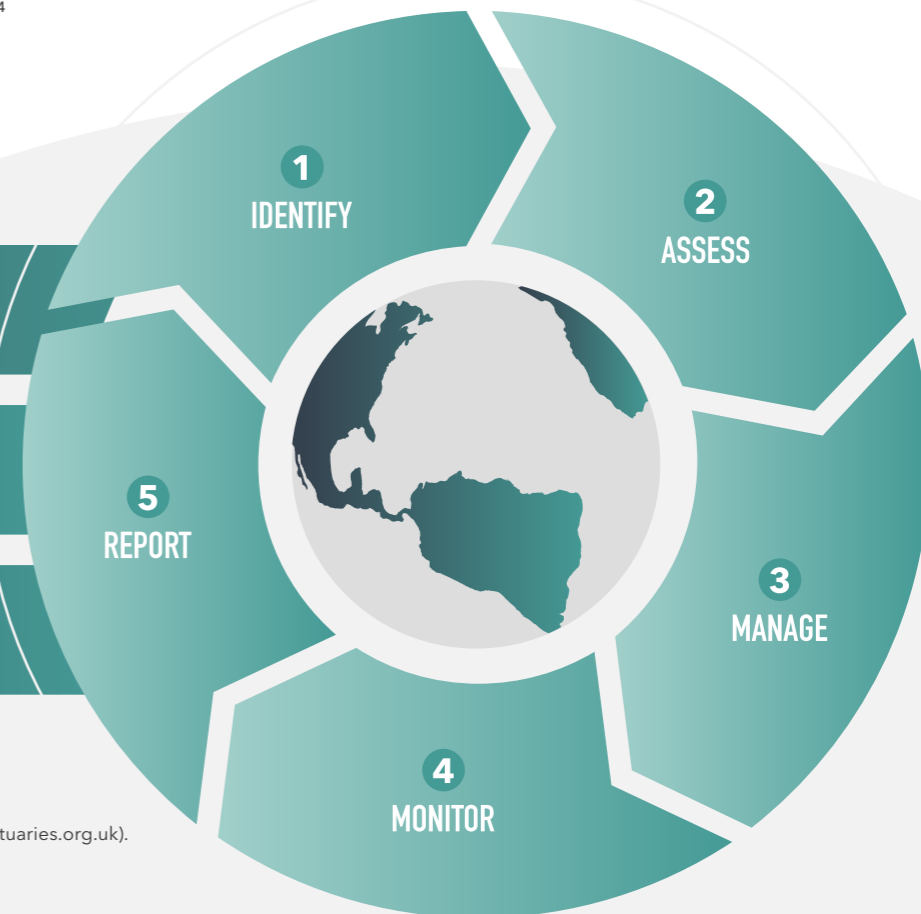
We recognise that despite the complexities in assessing climate-related financial risk, the scientific evidence available on the impacts of climate change is unequivocal and we must incorporate climate change risk considerations into our risk management. This is echoed by the Institute and Faculty of Actuaries (IFoA): “while there remains uncertainty over the range of ways that climate risks can emerge, economic projections that do not allow for the risks from a climate transition or emerging physical risks do not reflect the scientific evidence.”³⁴

The IFoA’s papers on climate scenarios³⁵ as well as the risk alert on climate change scenario analysis highlights a particular focus on not underestimating climate risk due to data challenges and asks that actuaries:

- > demonstrate an understanding of the sensitivities, limitations and uncertainties when evaluating climate related financial risks;
- > refer to the limitations and uncertainties when communicating outputs to users of the information; and
- > consider whether the impacts of a realistic worst-case scenario may be greater than currently anticipated in the standard climate scenarios used in financial services, and if so, communicate this.

We endeavour to improve our climate scenarios in line with the IFoA’s risk alert.

³⁴Emperor’s New Climate Scenarios - a warning for financial services (actuaries.org.uk). ³⁵Climate Scorpion - the sting is in the tail (actuaries.org.uk).
³⁶IFoA Risk Alert on climate change scenario analysis (actuaries.org.uk).
 **For more detail on our ERM framework please see our Annual Report and Accounts.



Risk management *continued*

1 Identify >

2 Assess >

3 Manage >

4 Monitor >

5 Report >

Vitality's Risk Taxonomy includes sustainability and climate-related financial risk, ensuring these risks and opportunities are taken into consideration. Vitality references industry standards, guidance and publications and works with external consultants and industry bodies such as the ABI, to identify climate-change related risks and opportunities as part of the wider ERM framework. Risks are identified, assessed and rated within our taxonomy and a rating matrix that considers the potential likelihood and impact of any risks occurring.

In addition, the Risk and Compliance Function administer the Emerging Risk process and assessment with a full annual review completed and presented to the Risk Committee annually and updated and reported within the quarterly CRO report for any material changes. A member of the Sustainability team attends the quarterly emerging risk forum and the CSO approves the emerging risk report as a member of the Group Executive Committee. Throughout the year individual emerging risks may be selected for deep dives at the Risk Committee at the request of the Chair.

It is important to Vitality that sustainability is embedded in our culture and decision making, therefore helping us identify climate change risks throughout the whole business, rather than within specific teams. All Vitality employees complete environmental training as well as being encouraged to participate in engagement campaigns, in order to improve their understanding of the impact of climate change and their ability to identify climate-related risk.

Risk Taxonomy is a comprehensive, common and stable set of risk categories that encourage those involved in risk identification to consider all types of risks that could affect the organisation's objectives. Vitality has incorporated climate change and sustainability within its Risk Taxonomy.



Risk management *continued*

1 Identify >

2 Assess >

3 Manage >

4 Monitor >

5 Report >

The impact from identified climate change risks are assessed by their potential likelihood and impact. Well-developed tolerances and thresholds are listed in our risk rating matrix allowing for a materiality assessment of all identified risks across the business. Each risk is individually assessed while considering linked risks, issues and other items influencing it. This is particularly important for emerging climate-related and sustainability risks where there is potential for these to affect a wide variety of interconnected issues over a range of time-horizons. This approach allows for a positive and mature risk culture to evolve and for a range of mitigating actions to be taken depending on the severity of the risk. The CRO report is presented at the Risk Committee, including the output of the assessment of all risks across the business, in order to compare the materiality of all risks and the impact on business resource and financial planning.

As part of our Own Risk and Solvency Assessment (ORSA) process, we consider a specific climate change scenario in order to assess the short-term impact of both transitional and physical risks. This year we analysed several climate scenarios which are more focused on short-term impacts, and from this designed a quantitative scenario to model within our ORSA Stress and Scenario Testing programme. In addition to the climate scenario, every stress/scenario in the ORSA programme was reviewed to reference, where appropriate, the link to climate-related risks. One example of this was to reflect the potential impact of social and regulatory expectations on Vitality's reputation, and therefore the relevance of climate-related risk in the reputational scenario. Our assessment shows that we expect transitional risks to be of higher impact than physical risks in the short to medium term (next five years).



Risk management *continued*

1 Identify >

2 Assess >

3 **Manage** >

4 Monitor >

5 Report >

The output of the risk rating is used as a basis for determining the appropriate risk response decision; this will include treating, tolerating, terminating, or transferring the risk. Consideration of sustainability and climate change are mandated in our Product Governance Framework and our pricing models reflect the assessment of capital in the ORSA, which considered a broad range of sensitivities and scenarios that included climate-risk.

Controls have been put in place for sustainability risks, such as the sustainability strategy directed by the CSO, SS3/19 and TCFD adherence, regulatory change identification and management processes, corporate bond thresholds and monitoring, supplier due diligence and management, and use of external sustainability consultants.

It is recognised that given the emerging nature of climate change risks, ongoing risk reviews and industry collaboration is needed and actively pursued to ensure best practice and resilience. Vitality is therefore working with external consultants and industry bodies, such as the ABI and IHPN, to ensure the right controls are in place to manage our sustainability risks.



Risk management *continued*

1 Identify >

2 Assess >

3 Manage >

4 Monitor >

5 Report >

All management decisions and corrective actions undertaken are captured and reported to the respective committees which includes, but is not exclusive to, the business aligned Executive Committees, Risk Committee and Board. For climate-related financial risks the respective committee is the Sustainability Committee with all risks of note provided to the Risk and Audit Committee; this represents the second line and third line assurance that the risk is being managed appropriately.

The business has a well-developed set of risk appetite statements and tracks a broad range of qualitative and quantitative key risk indicators to monitor performance against our appetite. These statements and indicators include both sustainability and climate-related financial risks which are approved at Board level.

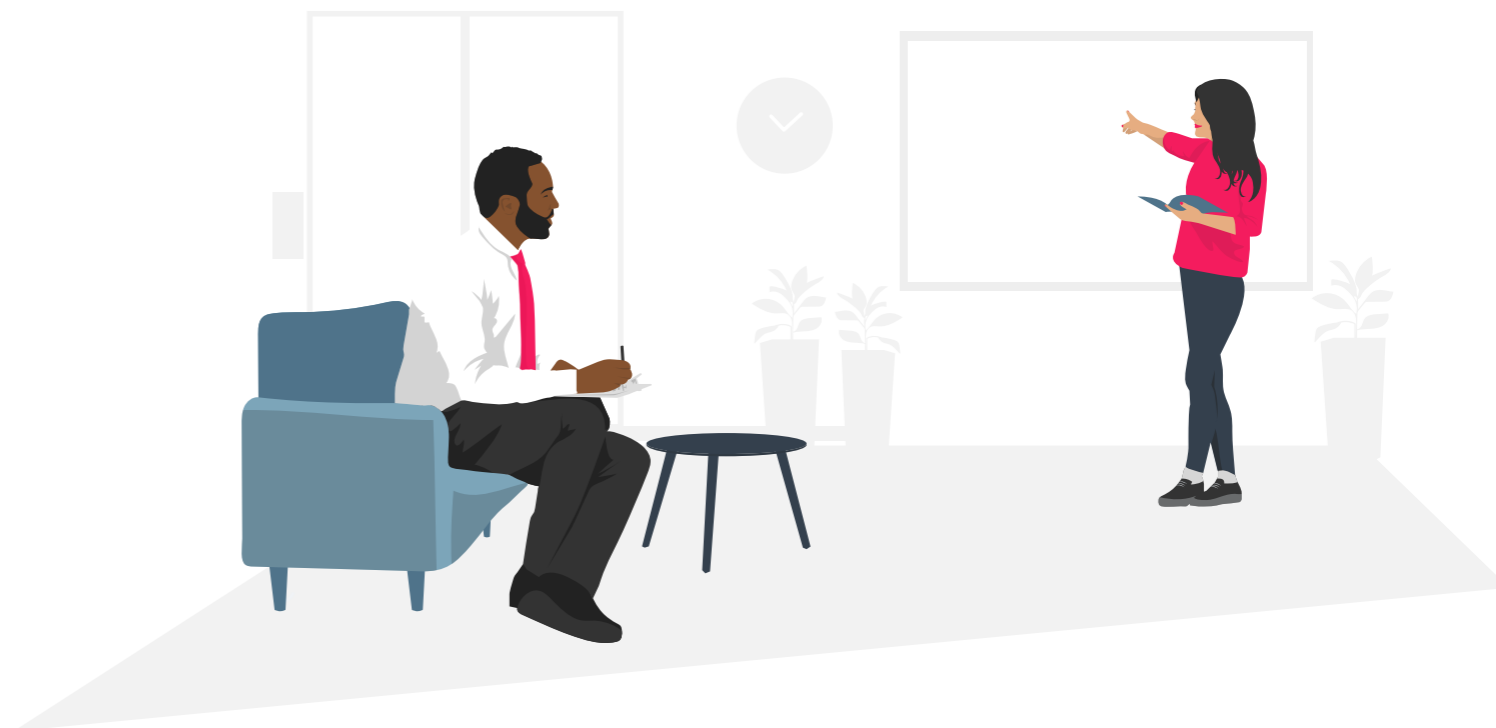
Supporting information including risk models, scenarios, sensitivities, and other models will be included during any assessment. Sustainability risks and controls are identified and updated through the Risk and Control Self-Assessments (RCSAs) which are conducted every quarter. The process is guided by the risk management team to ensure appropriate assessment and analysis of the RCSAs are conducted. In addition, the Sustainability Committee is kept informed of reports relating to risks, opportunities, issues, and corrective actions associated with climate change.



Risk management *continued*

- 1 Identify >
- 2 Assess >
- 3 Manage >
- 4 Monitor >
- 5 Report >**

Reporting of sustainability risks is conducted throughout the risk management cycle. The outputs of both the RCSAs and reports to the Sustainability Committee are summarised and shared on a quarterly basis and reported up to the Risk Committee including a sustainability risk rating in the Chief Risk Officer’s report. Current residual and emerging risks outside of appetite are flagged by default and other issues of note can be raised. A summary of this report is provided to the Board to ensure full transparency and awareness of the material risks across the business. Finally, the annual ORSA provides Vitality with another instrument to consider a broad view of Vitality’s current and future risk profile, from a quantitative and qualitative perspective.





Strategy

Overview of climate-related risks

We have identified and assessed transition, physical and liability risks that could impact our business. These risks are distinguished between the short term (less than one year), medium term (one to five years), and long term (beyond five years).

While all risks could have some level of impact over the whole period, transition and liability risks are generally expected to materialise sooner compared to physical risks. Vitality's exposure to geographies outside the UK is low, and our parent company Discovery Group's exposure is assessed within the Discovery Group TCFD report. Assessments of climate change impacts on Vitality indicate that risk remains within appetite, based on our current understanding and information. Therefore our current response to transition and physical risks does not require significant deviation from our strategic and financial planning.

Short term (less than one year)

<1

Medium term (one - five years)

1-5

Long term (beyond five years)

5+



Transition risks

are those that emerge as a result of evolving and emerging regulation, and societal and economic shifts. They can include; policy, legal, technological and market changes.



Physical risks

are the acute and chronic physical effects of climate change including extreme weather events, high rainfall and flooding, high temperatures, drought, and sea level rise.



Liability risks

are those that arise from a customer or company seeking compensation for losses that they may have suffered as a result of the physical or transitional risk related to climate change.



Transitional Risks

Regulatory Risks *(short to medium term)*

We recognise that the UK government is at the forefront of efforts to tackle climate change and improve transparency in climate change reporting through mechanisms such as TCFD, Streamlined Energy and Carbon Reporting (SECR) and other environmental reporting.

We are also actively planning for phase 4 of Energy Savings Opportunities Scheme (ESOS), which includes additional compliance stages including an ESOS action plan and annual progress updates. Businesses must disclose how they are integrating climate change into governance arrangements, policies and practices, investments, procurement, product development, service offering, and partnerships.

We are monitoring the updates from the UK government on the Sustainability Reporting Standards³⁷ which are expected to endorse ISSB/IFRS S1 and S2,³⁸ building on the TCFD requirements and guidance from the Transition Plan Taskforce (TPT). We plan to publish the Discovery Group transition plan in Q4 2025. We expect emerging regulation will also include the recommendations of the Taskforce for Nature-related Financial Disclosures (TNFD) as per the ISSB's announcement in April 2024 to commence research on disclosure of risks and opportunities associated with biodiversity, eco-systems and eco-system services, and human capital.³⁹

Vitality has zero appetite for non-compliance: meeting regulatory requirements ensures that we avoid potential impacts such as legal



OUTSOURCING RISK AND COUNTERPARTY CARBON EXPOSURE ARE KEY RISKS THAT VITALITY HAS CONSIDERED IN ACHIEVING OUR NET ZERO AMBITION AND WE HAVE IDENTIFIED OPPORTUNITIES TO MANAGE THIS POTENTIAL RISK

recourse, regulatory sanctions, financial loss and reputational harm. We recognise that compliance brings benefits which include the provision of greater information to stakeholders making relevant decisions and opportunities to use our shared value model to drive favourable outcomes for our members through product design.

Reputational Risks *(short to long term)*

Growing expectations that businesses play a positive role in society places ever greater scrutiny on the actions of organisations. Additional risk is created when rhetoric and action are not perceived to align. This has been reinforced by the FCA's anti-greenwashing rule⁴⁰, ensuring that firms are fair, clear and not misleading regarding the sustainability of financial products and services. Businesses need to monitor the evolving expectations of key stakeholders and authentically demonstrate and communicate action being taken to drive positive outcomes for society. A failure to do so will affect their ability to attract and retain business, to form and maintain sourcing relationships and strategic partnerships, and to recruit and keep the best talent within the business. Vitality ensures that these considerations are fully considered and debated as described by our governance framework.

Outsourcing risk and counterparty carbon exposure are key risks that Vitality has considered in achieving our Net Zero ambition and we have identified opportunities to manage this potential risk. Healthcare represents a core business activity for Vitality and is a carbon intensive industry, representing 4.4% of global emissions⁴¹ (more than the aviation industry⁴²). We are, therefore, collaborating with our healthcare partners and the wider industry so that we can work towards more sustainable outcomes and reduce our scope 3 emissions. We are a part of a working group formed by the Association of British Insurers (ABI) and the Independent Healthcare Provider Network (IHPN) aiming to work to share best practice in

³⁷UK Sustainability Reporting Standards - GOV.UK (www.gov.uk). ³⁸IFRS - IFRS Sustainability Standards Navigator. ³⁹IFRS - ISSB to commence research projects about risks and opportunities related to nature and human capital. ⁴⁰FG24/3: Finalised non handbook guidance on the Anti Greenwashing Rule (fca.org.uk). ⁴¹HealthCaresClimateFootprint_092319.pdf (noharm-global.org). ⁴²Environmental Impact of the Healthcare Sector | Serres.

Transitional risks *continued*

reporting and decarbonising the industry. We are also engaging directly with other material suppliers and partners in order to create together a collaborative engagement strategy, which will form part of our Net Zero transition plan.

Vitality's agility, effective governance and business model act as a strong foundation on which to respond to emerging risks and grow new opportunities. Vitality is actively managing transitional risk with focus from the Board, Management and our parent company Discovery with a dedicated Chief Sustainability Officer, responsible for developing the strategy and ensuring it is executed.

We recognise that Net Zero targets have high dependencies on other sectors decarbonising and this leaves us exposed to the risk of not meeting those Net Zero targets.

Market Risks (*medium to long term*)

We have made assessments of the extent to which climate change poses a risk to demand for our products or might otherwise have an adverse impact. Risks identified include reputational issues driven by potential economic impacts from climate change. For example, reduced investment returns, or higher inflation may result in higher costs of insurance provision or change the demand for insurance products.

Climate change could potentially impact economic growth and investment returns. Investments in carbon intensive companies or those performing poorly in terms of their ESG practices may reduce significantly in value or become stranded unless they have robust plans to transition. Our exposure to carbon intensive assets is limited, but despite this, action has been taken to further reduce the carbon intensity of our asset portfolio and limit it through our market risk appetite. Additionally, Vitality UK supports the UN's Principles for Responsible Investment and maintains a responsible investment policy⁴³, which, e.g., excludes certain assets such as

⁴³<https://www.discovery.co.za/assets/discoverycoza/corporate/legal/responsible-investment-policy-website-version.pdf>.

direct investment in tobacco, controversial weapons and civilian arms producers and also incorporates ESG issues into investment decision making processes. We are actively engaging with our asset manager / banking provider to understand their RI policies. We are committed to our operations becoming carbon neutral by 2025. We have plans to reduce our scope 1 and 2 emissions as much as possible, however the residual emissions will need to be offset by purchasing carbon credits. This financial expense must be included in our business planning however carbon markets are still developing leading to uncertainty in terms of price. We believe carbon offsetting is a necessary action in the transition to net zero as part of our "beyond value chain mitigation". We will be seeking to use only high-quality carbon offsets, and only after seeking a reduction in our emissions.

Technology Risks (*short to long term*)

Vitality's technology assets consume energy including laptops, equipment, data centres and server rooms. We measure the contribution our technology makes towards the total greenhouse gas emissions for Vitality as part of our Scope 1 and 2 emissions, which are low due to the majority of our electricity being from renewable sources. This is in line with the market, as for most services companies their scope 3 emissions makes up most of their total emissions. We have started to measure our Scope 3 emissions, including the emissions from our datacentres and software, and will be considering ways in which to reduce or mitigate these emissions as part of our Net Zero transition plan.

We recognise that we are reliant on technology constantly evolving and improving, to enable greater efficiency and reduced energy use. For scope 1 and 2 emissions, this includes improved technology in the form of electric vehicles for our nurses and the availability of charging points, as well as the ability to convert all of our offices to electric heating. For scope 3 emissions, this includes technological advancements in healthcare and digital services.



**WE RECOGNISE THAT
WE ARE RELIANT
ON TECHNOLOGY
CONSTANTLY EVOLVING
AND IMPROVING, TO
ENABLE GREATER
EFFICIENCY AND
REDUCED ENERGY USE**



Physical Risks

Operational Risks (long term)

Climate related physical risk events are on the rise globally. In the UK this is likely to materialise in the form of warmer, wetter and windier winters and continued sea-level rises which increase the risk of flooding, while hotter and drier summers increase the risk of water shortages and affect agriculture and human health.⁴⁴

This is considered an operational business continuity risk in terms of its potential impact on our offices, nearby environment, data centres or the infrastructure to access those data centres. Prolonged periods of no water or electricity supply to our buildings may result in extended periods of systems or service disruption. This risk may also extend to our outsource partners based overseas who may be exposed to more extreme changes in weather.

Validity mitigates this risk through its business continuity plans which are tested regularly. It also diversifies this risk with operations able to switch between physical sites and IT infrastructure, making use of virtual cloud services spread between multiple providers and locations. Extreme weather events have not historically had any material impact on our operations, and our work-from-home strategy has been tested robustly during the pandemic and remains a strong mitigant to such potential risks. We will continue to monitor trends and risks related to extreme weather events.



EXTREME WEATHER EVENTS HAVE NOT HISTORICALLY HAD ANY MATERIAL IMPACT ON OUR OPERATIONS, AND OUR WORK-FROM-HOME STRATEGY HAS BEEN TESTED ROBUSTLY DURING THE PANDEMIC AND REMAINS A STRONG MITIGANT TO SUCH POTENTIAL RISKS

⁴⁴<https://www.theccc.org.uk/publication/independent-assessment-of-uk-climate-risk/>. ⁴⁵The risk of a lifetime: mapping the impact of climate change on life and health risks | Swiss Re.



Physical risks *continued*

Claims Risks (long term)

Increased Claims: The impact of physical risks on health from air pollution, rising temperatures and increased exposure to infectious diseases are expected to impact mortality and morbidity rates, resulting in an increase in both acute and chronic conditions and an increase in claims. It is anticipated that the most significant health effect will be a heightened risk of non-communicable diseases, primarily cardiovascular diseases, respiratory illnesses and cancers, and increased frequency and spread of vector-borne diseases.⁴⁵ The compounding effects of these as well as the impact on mental health make the threat even more significant. This will be most prominent among those most vulnerable, for example policyholders with pre-existing conditions and comorbidities, the elderly and children, the disabled and pregnant.

These risks are considered to be relatively limited in the UK, and they are likely to emerge slowly which increases adaptive capability.

Increased demand: Depending on the extent to which climate change impacts on health, we could see an increase in demand for insurance accompanied by changes to the provision of healthcare – this could change the relative importance of healthcare across society and to consumers in general. If the cost of healthcare provision across the market increases markedly, this may constrain the size of the broader insurance market and impact on the supply



AS INCENTIVISING
PHYSICAL ACTIVITY IS
A KEY FEATURE OF OUR
BUSINESS MODEL, A
WARMER UK CLIMATE
COULD LEAD TO MORE
OPPORTUNITIES FOR
OUTDOOR EXERCISE
IN COLDER MONTHS,
LEADING TO BETTER
HEALTH RISK
PREVENTION

and choice of insurance products for consumers. Greater volatility arising from physical risks may also lead to increased volatility in claims experienced.

Reduced Claims: There are studies that conversely suggest there could be a net reduction in excess mortality in the Northern European climate, due to the decrease in cold-related excess mortality being higher than increase in heat-related excess mortality.⁴⁶ As incentivising physical activity is a key feature of our business model, a warmer UK climate could lead to more opportunities for outdoor exercise in colder months, leading to better health risk prevention. However, this may be offset by the impact of air pollution increasing respiratory illnesses or extreme heat reducing the ability to exercise outdoors in summer, therefore affecting the underlying risk profile.

The risks to underwriting are uncertain and will emerge slowly and beyond the five-year planning horizon. The business closely monitors its demographic and economic experience and takes this into account in its strategy and business plan. Potential longer-term impacts on the plan are explored through sensitivity and scenario testing. The potential impacts from such risks are medium to long term and can be mitigated through a review of policy design and pricing for new business and protection through an effective reinsurance strategy.

⁴⁶Projections of temperature-related excess mortality under climate change scenarios - The Lancet Planetary Health.



Liability Risks

Legal Risks (medium to long term)

There has been an upward trend of climate related litigation worldwide⁴⁷ - the majority of cases being brought by citizens, corporations and NGOs against governments and major carbon emitting organisations.

There is a general expectation that this trend will increase and for this risk to manifest in the medium to long-term. In many observed cases in the media, litigation is used as a means of creating social awareness and influencing future legislative changes. This could result in reputational damage for businesses from negative media coverage and considerable legal costs. Given the nature of our businesses, we do not consider this to represent a significant risk and it is being mitigated by a robust governance, due diligence and disclosure framework that takes these potential risk exposures into account.










LITIGATION IS USED AS
A MEANS OF CREATING
SOCIAL AWARENESS AND
INFLUENCING FUTURE
LEGISLATIVE CHANGES


⁴⁷Climate litigation against companies is on the rise, report finds - Grantham Research Institute on climate change and the environment (lse.ac.uk).



Summary of climate-related risks and opportunities:






Type of risk/opportunity	Risk Category	Time frame	Materiality (Potential impact and likelihood)	Mitigation strategy
Transitional risks	Regulatory risks	Short to medium term 	Low likelihood High impact Reason: Zero appetite for non-compliance	Robust governance framework ensures adherence to regulation/legislation
	Reputational risks	Short to long term 	Low likelihood Potentially high impact Reason: Increasing expectations from all stakeholders and increased litigation around greenwashing.	Focus from board and management including a commitment to transparency, regular communication and reporting, and the delivery of a credible Net Zero Strategy.
	Market risks	Medium to long term 	Low impact Low likelihood Reason: Exposure to carbon intensive assets limited and Vitality investment portfolio is relatively simple. Carbon markets developing hence some uncertainty but not an imminent risk.	Responsible Investment Policy and low carbon intensity of our corporate bond portfolio. Delivery of a credible Net Zero Strategy, including reduction of our scope 1 and 2 emissions by 2025.
	Technology risks	Short to long term 	Medium impact Low likelihood Reason: Reliance on technology is a systemic risk	Delivery of a credible Net Zero Strategy.
Physical risks	Acute: Operational business continuity risks	Long term 	Low impact Low likelihood Reason: Not material given virtual working strategy tested robustly during pandemic	Business continuity planning
	Chronic: Claims risks	Long term 	Low impact Low likelihood Reason: Currently identified as relatively limited impact, but this is a developing area with more industry research becoming available.	New business reviews, benefit design and effective reinsurance programme



 Short term (less than one year)

 Medium term (one - five years)

 Long term (beyond five years)

Summary of climate-related risks and opportunities: *continued*

Type of risk/opportunity	Risk Category	Time frame	Materiality (Potential impact and likelihood)	Mitigation strategy
Liability risks	Legal risks	Medium to long term 	Low likelihood Potentially high impact Reason: Reputational damage from potential litigation expected to be limited due to robust sustainability governance and strategy.	Robust governance, due diligence and disclosure framework. Delivery of a credible Net Zero Strategy
	Resource efficiency	Short to medium term 	High likelihood High impact Reason: Reduced office space by 15% from strategic property moves since 2022. Nurse fleet converted to 100% hybrid. Suppliers are already finding more efficient ways to fulfil services.	Office building plans Nurse EV strategy Waste and recycling strategy Supplier engagement strategy
Opportunities	Energy sources and resilience	Short to medium term 	High likelihood High impact Reason: Almost 100% renewable electricity.	Continued investment in renewable energy tariffs. Reliant on the supply of 100% renewable gas to increase or to switch to electric heating in all offices.
	Products and Services	Short to long term 	High likelihood High impact Reason: Opportunity to expand shared value model to influence behaviour change.	Research & Development strategy Reduced demand for healthcare services through our behaviour change programme and prioritisation of prevention. Enhancing our digital healthcare pathways.
	Markets	Medium to long term 	Medium likelihood Low impact Reason: Opportunity to use green loans in the future, based on ESG criteria. Opportunity to build resilience to climate-related financial risks into our investment strategy as VitalityLife builds positive reserves.	Finance strategy Responsible Investment Policy

 Short term (less than one year) Medium term (one - five years) Long term (beyond five years)

Scenario analysis

Scenario analysis is a process intended to help companies understand how they may be impacted by a range of potential adverse events and to instigate measures to improve resilience, if needed. Vitality carries out scenario analysis and testing at least annually, as part of its risk management process, and considers a broad range of potential impacts, including those that could be caused by climate change.

The conclusions from this work are recorded in our Own Risk and Solvency Assessment. We aim to continuously mature our approach, and in 2024 built on the previous CBES-based approach and used a selection of well-regarded external papers which together set out several climate-related scenarios to broaden our work in this area. The benefit from using these papers is that they are well researched; include a mixture of real-world scenarios; and are used broadly across the industry, including by regulators. We analysed the scenarios set out in these papers with a particular focus on the impacts on the UK and, further, how they may impact Vitality's UK businesses.

Notably, many of the other stresses and scenarios present in our annual programme can also be connected to climate-change events, for example our reputational risk scenario which could be realised if our approach to sustainability does not keep up with societal, customers', and regulators' expectations. Other examples include an increase in the frequency or cost of claims, which may arise if health outcomes worsen and an increase to our expenses, which could arise following operational disruption caused by localised weather events.

From the analysis we developed a scenario for quantitative analysis. This was informed strongly by the 'Meltdown' and 'Boom and Bust' scenarios within the Exeter paper and the further conclusion from the papers on health outcomes, that as a UK insurer, Vitality might be expected to experience a small increase in the number of claims it will need to meet.

The Exeter paper focuses on short-term scenarios which can overcome challenges in macroeconomic and financial risk analysis stemming from the focus on long-term climate-economy relationships. They can account "for shocks that have a short-term impact and subside in the medium/long term; allow for a more dynamic translation of shocks to near-term impacts; and could provide insights into the economic transmission channels. They allow for the construction of a more realistic baseline; allow for the inclusion of plausible and adverse shocks; and allow for a sounder use of constant balance sheet in stress testing applications".

The paper sets out an underlying climate narrative applying to all scenarios which "explores a decade filled with climate changes and weather events between 2023 and 2030, based on scientific research, state-of-the-art modelling, and assessments of likelihood. The events described here showcase a wide range of climate-related disasters that are increasingly likely as the planet continues to warm, underscoring the diverse impacts of climate change on different regions".



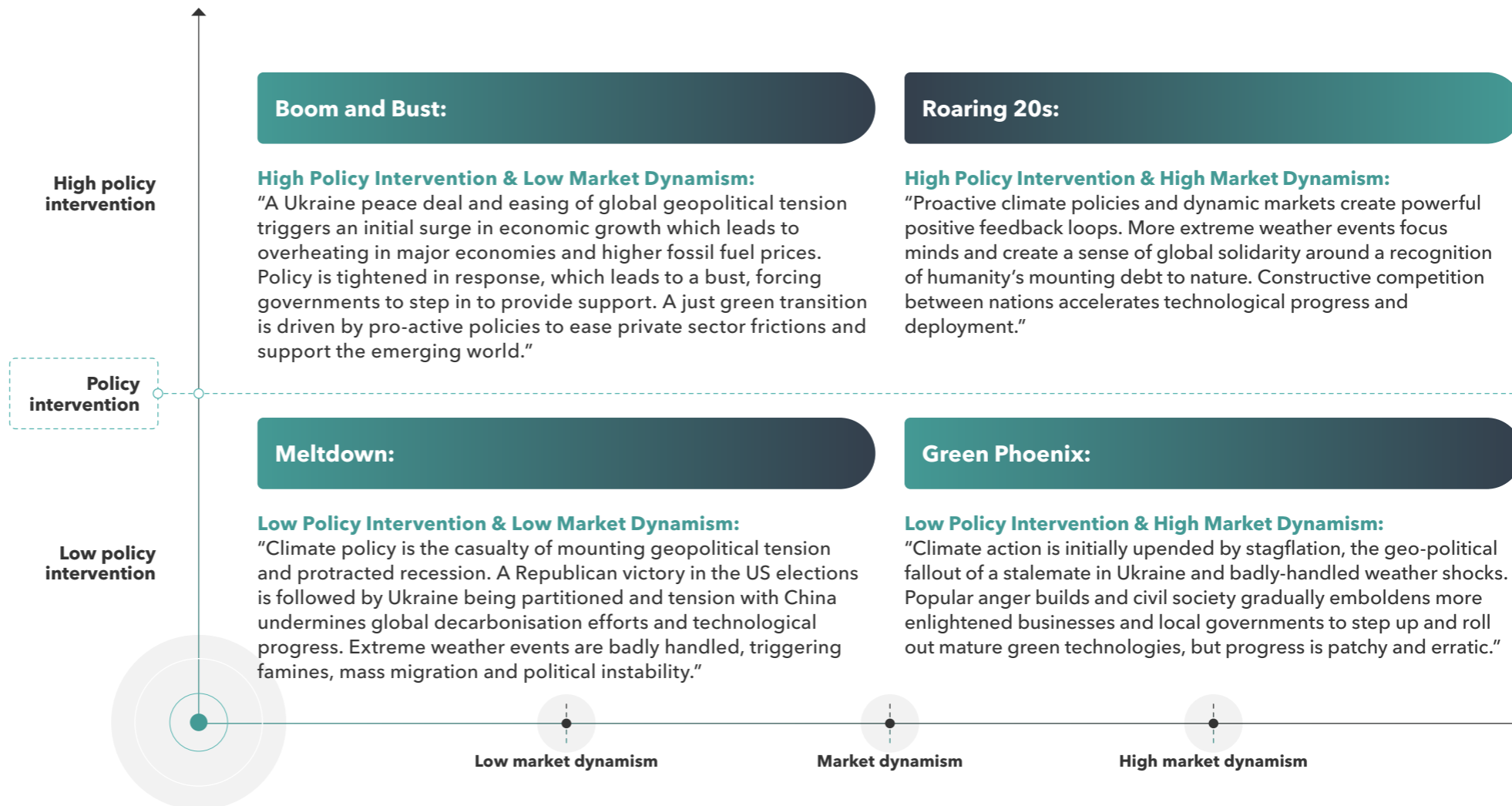
The sources, covering 11 scenarios, analysed were:

- University of Exeter and Universities Superannuation Scheme, 7 September 2023: "No Time to Lose: New Scenario Narratives for Action on Climate Change" ("the Exeter paper")⁴⁸
 - Network for Greening the Financial System, November 2023: "supervisors" ("NGFS4")⁴⁹
- In addition, the following inform our view of stresses to health outcomes where these are referenced in the scenarios:
- *The Lancet* study on the "impact on mortality of pathways to net zero"⁵⁰
 - *Swiss Re Institute's* paper on "mapping the impact of climate change on life and health risks"⁵¹;
 - *World Economic Forum*, 16 January 2024: "Quantifying the Impact of Climate Change on Human Health" ("WEF Human Health")⁵²

⁴⁸<https://greenfutureessolutions.com/wp-content/uploads/2023/09/No-Time-To-Lose-New-Scenario-Narratives-for-Action-on-Climate-Change-Full-Report.pdf>. ⁴⁹https://www.ngfs.net/sites/default/files/medias/documents/ngfs_climate_scenarios_for_central_banks_and_supervisors_phase_iv.pdf. ⁵⁰Impact on mortality of pathways to net zero greenhouse gas emissions in England and Wales: a multisectoral modelling study - The Lancet Planetary Health. ⁵¹The risk of a lifetime: mapping the impact of climate change on life and health risks | Swiss Re. ⁵²Quantifying the Impact of Climate Change on Human Health | World Economic Forum (weforum.org).

Scenario analysis continued

The Exeter paper then builds four potential scenarios around the physical climate narrative:



Scenario analysis continued

The most onerous impacts for Vitality, should they emerge, stemmed from analysis of the 'Meltdown' and 'Boom and Bust' scenarios which were used, along with the health outcomes papers mentioned earlier, to shape the scenario for quantitative analysis.

Results of our Scenario assessment

Both VitalityLife and VitalityHealth are expected to remain within their respective solvency and liquidity risk appetites after allowing for management actions. The potential impacts are likely to emerge gradually over time, giving the business time to monitor its experience, identify adverse trends, and to take appropriate management action wherever possible. Note, these are reference scenarios and not intended to be specific in relation to our business but act as a good guide.

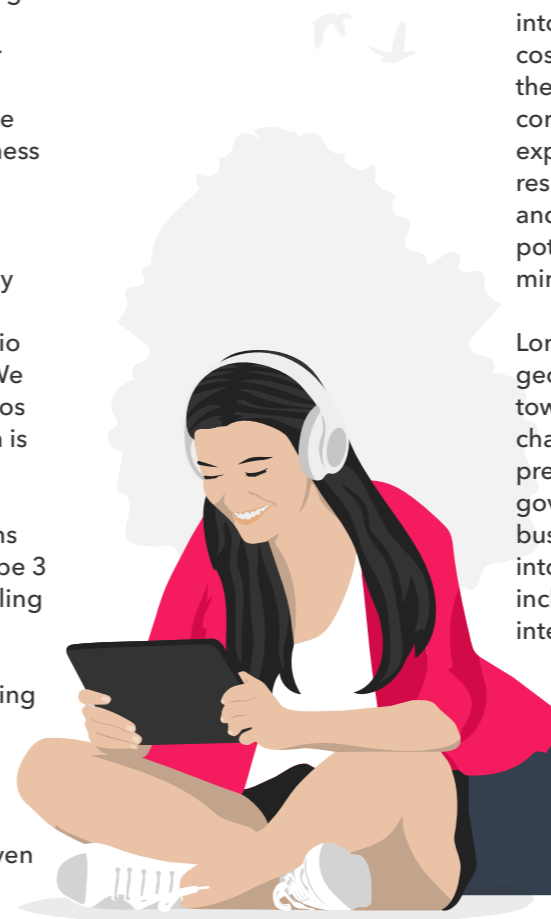
Future Scenario analysis

- Reiterating the earlier point around Vitality's asset and liability exposures, we note that there are several limitations in the industry-wide data used for planning and quantitative scenario testing that we will improve upon in future scenario testing. We will continue to qualitatively analyse a broad range of scenarios and refresh these as credible academic and industry research is published where this is relevant to our business model.
- Scope 3 emissions typically comprise the bulk of the emissions for service-based businesses. It is widely recognised that scope 3 emissions are challenging to measure due to data and modelling requirements being in the early stages of development for many industries and businesses. We are working closely with external sustainability consultants to ensure we adopt emerging best practice in this area to mitigate and avoid potential risks associated with this.
- We will look to incorporate nature-climate related scenario analysis, recognising that these cannot be done in isolation given their high dependency.

Assessment of impact

Our scenario analysis concludes that the main risks to Vitality are not the direct asset-side risks because of the limited risk exposure of its simple investment portfolio. Neither are immediate physical / liability risks (i.e. claims-related risks) within the planning horizon and in the following medium term given the speed at which the impacts on mortality and morbidity will emerge in the UK. The business closely monitors its demographic and economic experience and takes this into account in its plans. In the short-term we may see increased costs in response to policy risks which can be incorporated into the annual budgeting process. The primary risks are indirect and correspond to reputational risk if it fails to meet emerging social expectations and regulatory requirements; and to operational resilience from the impact of localised weather events on its UK and overseas outsourced operations. Reputational risks, and their potential impact on our sales volumes and retention rates are front of mind when setting the direction and strategy of each business.

Longer-term, there is considerable uncertainty relating to geopolitical instability that may arise from displacement of people towards those areas least affected and most able to adapt to climate change impacts, such as the UK. Few studies address this and the pressure it could place on social systems, depending on successive governments' approaches to immigration, and affect Vitality's business model. Conversely, it is possible that increased migration into the UK may lead to an easing of labour and skill shortages, including in the NHS, depending for example on the successful integration of the migrant populations.



**THE BUSINESS CLOSELY MONITORS ITS
DEMOGRAPHIC AND ECONOMIC EXPERIENCE
AND TAKES THIS INTO ACCOUNT IN ITS PLANS**

Metrics and Targets

Metrics and targets are a critical component for managing climate related risk as they support the definition of commitments and direction in achieving our goals. Vitality is strongly committed to contributing towards a healthier and more sustainable planet through its impact on society.



Our Climate Ambitions
(compared to FY 2019 baseline):

FY 2019 baseline

Short term

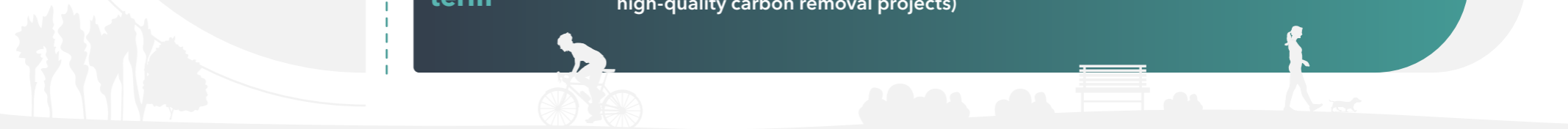
Carbon neutral within own directly controlled operations by 2025 (scope 1 and 2 emissions offset using high-quality carbon credits)

Medium term

By Q4 2025, we aim to publish our first transition plan to achieve net-zero GHG emissions by 2050 or earlier and adopt science-aligned targets across all activities

Long term

Achieve Net Zero by 2050 or earlier (a reduction in our scope 1, 2 and 3 emission of 90%, with the last 10% offset using only high-quality carbon removal projects)



In order to meet these interim targets, we are currently measuring and monitoring the following metrics:

Strategy alignment	Type of risk/opportunity	Metrics (unit)
1 Align Embedding Sustainability into our culture and decision making	Opportunity: Resource efficiency	<ul style="list-style-type: none"> • Scope 1 and 2 GHG emissions (tCO₂e) • The % of our fleet vehicles that are hybrid and/or EV (%) • The energy rating of our office buildings • The carbon intensity of our employees commuting to work and travelling for business e.g. the carbon emissions per employee (kgCO₂e per FTE) • Waste in all offices (kg) • Water usage in all offices (litres)
	Opportunity: Energy sources	<ul style="list-style-type: none"> • The % of our electricity coming from renewable sources (%) • The % of our gas coming from renewable sources (%)
	Transition risk: Reputational	<ul style="list-style-type: none"> • Employee engagement with eco-campaigns (%) • Average employee carbon footprint (kgCO₂e) • Employee take-up of sustainability benefits e.g. EV and carpooling schemes • Employee satisfaction metric, which gauges our employee's perception of our commitment to reducing our carbon footprint. (%) • The journey to increasingly digital journeys e.g. print spend, the % of claims completed digitally
	Transition risk: Market	<ul style="list-style-type: none"> • The carbon intensity (tCO₂e /\$m) and externally rated ESG ratings for our invested assets
2 Influence Driving positive change through collaborating with partners and suppliers	Transition risk: Reputational	<ul style="list-style-type: none"> • Scope 3 GHG emissions (tCO₂e) • The % of our partners and suppliers measuring and publishing their GHG emissions (%) • The % of our partners and suppliers with near-term and long-term Net Zero targets (%) • The % of our partners and suppliers who have had their Net Zero targets externally validated (%) • The % of our partners and suppliers who have published a Net Zero transition plan (%) • Supplier Engagement Framework with associated materiality-based Risk matrix
3 Impact Enabling people to make more sustainability choices through Vitality products and services	Opportunity: Products and services	<ul style="list-style-type: none"> • Healthy activities recorded by our members (#) • Life years saved by our members (#) • Lives impacted (#) • Shared Value dividend through rewards and incentives (£) • The % of claims started online and increase in virtual consultations through Care Hub.

The Sustainability Committee reviews and updates an internal dashboard and roadmap which includes the above metrics, as well as internal targets, to form part of the ongoing management of Sustainability. Progress is reported to the Group Executive Committee and Board regularly. We acknowledge that these metrics are a starting point from which we can build on in our Net Zero Transition Plan, alongside targets which are aligned to the Science Based Targets initiative (SBTi), which will be published in 2025.

The metrics and targets are deployed as a basis to inform the incentives for employees and included within the corporate scorecard that is board approved through the remuneration committee.

UK GHG emission

Our carbon footprint has been measured since 2019, using the Greenhouse Gas protocol methodology. The approach for determining our reporting boundary for consolidating emissions is the operational control approach. We plan to publish our full scope 3 emissions in 2025, alongside our transition plan for Net Zero.

GHG emissions (tCO ₂ e)		FY 2019 (baseline)	FY 2024	% reduction since baseline
Scope 1	Mobile combustion	124	73	41%
	Stationary combustion	336	234	30%
Scope 2	Purchased electricity (market based)	802	39	95%
	Purchased electricity: Vehicles (market based)	0	4	-
	Purchased heat (market based)	0	164	-
	Purchased electricity (location based)	593	379	36%
	Purchased electricity: Vehicles (location based)	0	2	-
	Purchased heat (location based)	0	164	-
Total Scope 1 and 2 (market based)		1263	513	59%
Total Scope 1 and 2 (location based)		1054	851	19%

Commentary:

Mobile combustion: We have phased out diesel and petrol ICE cars for our nurses' fleet to 100% hybrids, made up of 10 HEVs (Self-charging Hybrid) and 8 PHEVs (Plug-in Hybrid).

Note: figures have been verified by Verify CO₂ (Carbon Verification Statement): ESG Reports - Discovery

Stationary combustion: Since moving our London (April 2023) and Bournemouth (Jan 2024) offices to new sites, our gas heating now comes under scope 2 purchased heat, as we are in multi-tenanted properties. Therefore our only gas under scope 1 is now from our Stockport property.

Purchased electricity: We source almost 100% renewable electricity in Vitality-occupied offices, with Better Health sourcing electricity from both renewable and nuclear sources.

Purchased electricity (vehicles): We started tracking the electricity from our nurse's Plug-in Hybrids in FY 2024

Purchased heat: This includes heating from our London, Bournemouth and Better Health offices. As we are not the landlord or sole tenant, this is reported under scope 2 rather than scope 1.

Data gaps and plan to address them:

We have identified opportunities to enhance our data and have assessed the materiality of these to ensure we capture the most important data. Where methodologies can be improved by using different data sources, such as in scope 3 emissions, we are taking a proportionate approach, by focusing on our most material suppliers' data first. We believe these data improvements are also being addressed across the market and will improve as reporting on scope 3 becomes more embedded in sustainability reporting.

Plans to improve data include:

- Improve measurement of waste and water, and benchmark against the industry
- Improve our scope 3 emissions by using supplier emissions rather than using industry average emission factors for scope 3 calculations
- Estimate our insurance / underwriting emissions
- Explore metrics for our impact on nature and biodiversity, in preparation for the TNFD.

Looking ahead

We remain strongly committed towards ensuring that we play our part in working towards a sustainable future for current and future generations within our sphere of influence. Our core purpose is to make people healthier and enhance and protect their lives. This is reinforced by our values, one of which is to be a Force for Social Good.

We highlight within this report, the overlap between health and the environment and their interconnectedness. Healthy people need a healthy environment to thrive. We aim to continue to work closely with our stakeholders in a collaborative way for the collective benefit to society. We note a positive experience in working with healthcare providers, trade bodies and our peers in driving societal and industry change with our collective decarbonisation efforts.

Our business model and capabilities reinforce health risk prevention which will help reduce demand for healthcare services and in turn help reduce emissions. We have evidenced strong health and clinical outcomes through our Shared Value Insurance model and through the advancement of the delivery of healthcare by virtual means - for example our virtual GP services and the extensive delivery of virtual physiotherapy and mental health support. The decarbonisation journey towards Net Zero is recognised as being complex and requires continual focus from all stakeholders and we continue to make efforts to ensure we commit to this.



TCFD index

TCFD pillar	TCFD recommended disclosure	Brief summary and progress up to 2024
Governance	a. Describe the board's oversight of climate-related risks and opportunities see page 10	<ul style="list-style-type: none"> The Chief Sustainability Officer (CSO) is a member of both the Group Executive Committee and of the Group Board. The Board approves the Sustainability strategy and updates are presented at every Board meeting. The Discovery Group ESG Executive Committee establishes the ESG strategy and drives implementation of this strategy across the Group and is chaired by Discovery Group CEO and founder, Adrian Gore. Vitality's Risk and Audit Committees monitor the Key Risk Indicators for all Sustainability risks, which are presented quarterly and are supported by appropriate metrics and targets.
	b. Describe management's role in assessing and managing climate-related risks and opportunities see page 11	<ul style="list-style-type: none"> The CSO, is the designated Senior Manager Function (SMF) individual with clear responsibility for the financial risks from climate change. The CSO chairs Vitality's Sustainability Committee which drives action in line with the approved Sustainability strategy and monitors and provides oversight of its delivery. The CSO reports at least quarterly to the Group Executive Committee on both risks and opportunities associated with climate change and reports quarterly to the Risk Committee, Audit Committee and Board. Vitality engages with specialist consultancies to gain insight into best practice and participates and presents at industry forums.
Strategy	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long-term see pages 21 to 28	<ul style="list-style-type: none"> Risks are distinguished between the short term (less than one year), medium term (one - five years), and long term (beyond five years). Transitional risks include: <ul style="list-style-type: none"> Regulatory Risks (short to medium term) - risk of increased regulation as the UK transitions to Net Zero could lead to increased resource and training needed Reputational Risks (short to long term) - increasing expectations from all stakeholders and greenwashing risks could lead to increased resource and training needed Market Risks (medium to long term) - exposure to carbon intensive assets are limited. Development of carbon market and reliance on carbon offsets for carbon neutral commitment. Technology Risks (short to long term) - reliance on technology advancements in our Net Zero strategy. Physical risks include: <ul style="list-style-type: none"> Operational risks (long term) - business continuity plans, and work-from-home resilience have been tested during the pandemic and beyond. Claims risks (long term) - long term impact on health from air pollution, extreme heat and increased exposure to diseases. Liability risks: <ul style="list-style-type: none"> Legal risks (medium to long term)- increase in litigation cases Opportunities include: <ul style="list-style-type: none"> Resource efficiency and energy sources (short term) - office building and nurses' fleet efficiencies as well as staff commuting opportunities. Products and services (medium term) - the Vitality Programme provides the ability to influence members to make more sustainable choices. Reducing demand for healthcare services through our behaviour change programme, prioritising prevention, and enhancing our digital healthcare pathways presents an opportunity to reduce healthcare emissions; and Markets (medium term) - opportunity to build resilience to climate-related financial risks into our investment strategy as VitalityLife builds positive reserves.
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. see pages 29 to 31	<ul style="list-style-type: none"> In the short term, the most material potential impact to Vitality is from reputational risks, which are managed through the effective implementation of the climate and Sustainability strategy and regular reporting on progress. This risk is well managed which reduces the likelihood of occurrence and hence not deemed material. Vitality has no appetite for non-compliance with regulation, therefore the increase in regulatory reporting has had a manageable impact on business planning and resourcing. This risk is well managed which reduces the likelihood of occurrence and hence not deemed material. As a health and life insurer, Vitality monitors the impact of climate change on health. This is expected to materialise in the longer term, depending on the speed at which the global net zero ambition is achieved. The impact is deemed to be non-material in the medium term. The impact for the long term is not known but is managed through the provision of reinsurance and the ability to reprice general insurance contracts. Vitality is already progressing opportunities to reduce emissions associated with running its business in terms of the buildings it operates and the vehicles used, with little impact on the business model and strategy. However, reliance on landlords' property strategies presents a risk to our ability to reduce our scope 2 emissions. Vitality include a quantitative scenario for climate change in the Own Risk and Solvency Assessment (ORSA) process, which this year was informed by the University of Exeter Paper "No Time to Lose: New scenario narratives for action on Climate Change" and the Network for Greening the Financial System paper "NGFS scenarios for central banks and supervisors". The Vitality scenario was informed by our analysis of multiple short term climate change scenarios, in particular the "Meltdown" and "Boom and Bust" scenarios within the Exeter paper. Other papers which outlined the impacts of climate change on health were also used to inform the impact on our claims experience. The response to climate change is also recognised as a potential driver in other ORSA scenarios, such as reputational risk, operational disruption, and the impact on our claims which may arise if health outcomes worsen. The output of the scenario test indicated that the impact on the business in the medium-term is limited and manageable given the nature of the claims and investment risks.



TCFD index *continued*

TCFD pillar	TCFD recommended disclosure	Brief summary and progress up to 2024
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks. see pages 16 and 17	<ul style="list-style-type: none"> • Identify: Vitality references industry standards, guidance and publications and works with external consultants and industry bodies such as the ABI, to identify climate-change related risks and opportunities as part of the wider ERM framework. Vitality employees complete environmental training as well as being encouraged to participate in engagement campaigns, in order to improve their understanding of the impact of climate change and their ability identify climate-related risk. • Assess: Identified climate change risks are assessed by their potential likelihood and impact on Vitality. This year we analysed several climate scenarios which are more focused on short-term impacts, and from this designed a quantitative scenario to model within our ORSA SST programme.
	b. Describe the organization's processes for managing climate-related risks. see pages 18 to 20	<ul style="list-style-type: none"> • Manage: Controls and mitigants are in place for climate change and sustainability risks, such as the Sustainability strategy directed by the CSO, SS3/19 and TCFD adherence, regulatory change identification and management processes, corporate bond thresholds and supplier due diligence. Given the emerging nature of these risks, ongoing risk reviews and industry collaboration are pursued to ensure best practice and resilience. • Monitor: All management decisions and corrective actions undertaken are captured and reported to the Sustainability Committee with all risks of note provided to the Risk and Audit Committee; this represents the second line and third line assurance that the risk is being managed appropriately. Quantitative and qualitative Key Risk Indicators (KRIs) for Sustainability risks are regularly monitored, and performance assessed against the Risk Appetite Statement (RAS) for climate change. • Report: Reporting of sustainability risks is conducted throughout the risk management cycle. The outputs of both the RCSAs and reports to the Sustainability Committee are summarised and shared on a quarterly basis and reported up to the Risk Committee including a sustainability risk rating in the Chief Risk Officer's report.
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management. see pages 15 to 20	<ul style="list-style-type: none"> • Identify: Climate-related financial risks are specifically recognised in the risk taxonomy under Sustainability Risk within Strategic Risk. A member of the Sustainability team attends the quarterly emerging risk forum and the CSO approves the emerging risk report. • Assess: Well-developed tolerances and thresholds are listed in our risk rating matrix allowing for a materiality assessment of all identified risks across the business. As part of our ORSA process, we consider a specific climate change scenario in order to assess the short-term impact of both transitional and physical risks. • Manage: Consideration of sustainability and climate change are included in our Product Governance Framework and our pricing models reflect the assessment of capital in the ORSA, which considered a broad range of sensitivities and scenarios that included climate-risk. • Monitor: Sustainability risks and controls are assessed quarterly as part of Vitality's regular Risk and Control Self-Assessment (RCSA) process. The business has a well-developed set of risk appetite statements and tracks a broad range of qualitative and quantitative key risk indicators to monitor performance against our appetite. These statements and indicators include both sustainability and climate-related financial risks which are approved at Board level. • Report: The outputs from the RCSAs and from Sustainability Committee reports are summarised and shared regularly with the Risk Committee. Sustainability and climate change updates are included in the Group CEO report at each board meeting.

TCFD index *continued*

TCFD pillar	TCFD recommended disclosure	Brief summary and progress up to 2024
		<p>The following metrics are used to measure and manage climate-related risks and opportunities as aligned to our Sustainability strategy:</p> <ul style="list-style-type: none"> Embedding Sustainability into our culture and decision making: <ul style="list-style-type: none"> Opportunities: Resource efficiency <ul style="list-style-type: none"> Scope 1 and 2 GHG emissions The % of our fleet vehicles that are hybrid and/or EV The energy rating of our office buildings The carbon intensity of our employees commuting to work and travelling for business e.g. the carbon emissions per employee Food waste in all offices Water usage in all offices Opportunity: Energy sources <ul style="list-style-type: none"> The % of our electricity coming from renewable sources The % of our gas coming from renewable sources Transition risk: Reputational <ul style="list-style-type: none"> Employee satisfaction metric, which gauges our employee's perception of our commitment to reducing our carbon footprint Employee engagement with eco-campaigns Average employee carbon footprint Employee take-up of sustainability benefits e.g. EV and carpooling schemes The journey to increasingly digital journeys e.g. print spend Transition risk: Market <ul style="list-style-type: none"> The carbon intensity and externally rated ESG ratings for our invested assets Driving positive change through collaborating with partners and suppliers Transition risk: Reputational <ul style="list-style-type: none"> Scope 3 GHG emissions The % of our partners and suppliers measuring and publishing their GHG emissions (%) The % of our partners and suppliers with near-term and long-term Net Zero targets (%) The % of our partners and suppliers who have had their Net Zero targets externally validated (%) The % of our partners and suppliers who have published a Net Zero transition plan (%) Supplier Engagement Framework with associated materiality-based Risk matrix Enabling people to make more sustainability choices through Vitality products and services Opportunity: Products and services <ul style="list-style-type: none"> Healthy activities recorded by our members Life years saved by our members Shared value dividend through rewards and incentives Lives impacted The % of claims started online and increase in virtual consultations <p>Plans to improve data and therefore metrics include:</p> <ul style="list-style-type: none"> Improve measurement of waste and water, and benchmark against the industry Improve our scope 3 emissions by using supplier scope 1 and 2 emissions rather than using industry average emission factors for scope 3 calculations Estimate our insurance / underwriting emissions Explore metrics for our impact on nature and biodiversity, in preparation for the TNFD
	<p>a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>see page 33</p>	
Metrics and Targets	<p>b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</p> <p>see page 34</p>	<ul style="list-style-type: none"> Vitality has published its scope 1 and 2 GHG emissions since 2019, in line with the GHG protocol methodology Our scope 1 and 2 emissions have reduced by 59% since 2019. Vitality has estimated our scope 3 emissions which will be published in Q4 2025 alongside a transition plan detailing a plan to reach net zero by 2050.
	<p>c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p> <p>see page 32</p>	<p>Vitality's Climate Ambitions:</p> <p>Short term: Carbon neutral within own directly controlled operations by 2025 (scope 1 and 2 emissions offset using high-quality carbon credits)</p> <p>Medium term: We aim to publish our first transition plan by Q4 2025 as part of the Discovery Group to achieve net-zero GHG emissions by 2050 or earlier and adopt science-aligned targets.</p> <p>Long term: Achieve net zero by 2050 or earlier (a reduction in our scope 1, 2 and 3 emission of 90%, with the last 10% offset using only high-quality carbon removal projects)</p> <p>In addition, Vitality's bonus scorecard includes ESG performance targets</p>

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Chief Sustainability Officer

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Find out more

Read our parent company, Discovery's TCFD report
here: www.discovery.co.za/corporate/esg-reports