



Discovery Miles

Creating a rewards currency more valuable than cash

Discovery Miles in the making

OVER
€ **31 BILLION**
EARNED SINCE
JANUARY 2020



Discovery Bank launched in 2019, built on the foundation of the Vitality Money financial wellness programme. **The banking app's advanced capabilities allowed for the introduction of an enhanced Discovery Miles Account and rewards currency.** At first, clients simply earned Discovery Miles for every card swipe. Soon, the offering expanded when many of Vitality's core behaviour change benefits started being awarded in Discovery Miles instead of cash back.

The rewards currency quickly became even more popular. It's now expected that over €10 billion will be paid out to members in 2024, with a potential redemption value using the Discovery Miles spend discount of up to R1.4 billion – **because Discovery Miles are more valuable than cash.**

The introduction of the Discovery Miles redemption spend discount offers clients considerable savings in a partner redemption network that has grown over 40 in-store and online retail partners. This success led to the introduction of Miles €-Day, which happens on the 15th of every month, where discounts automatically double, making Discovery Miles even more valuable. New earning opportunities followed, including integration with Discovery Invest, Discovery Life and Discovery Insure. The long-established Vitality Active Rewards programme was also enhanced to offer a personalised rewards experience across Vitality Money, Vitality Health and Vitality Drive.



The evolution of Discovery Miles

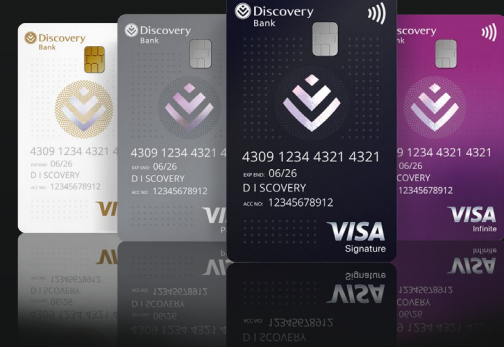
HOW TO EARN
Discovery Miles

Enhanced Discovery Miles Account
introduced by Discovery Bank

HOW TO SPEND
Discovery Miles

2020

Clients start earning base
Discovery Miles on everyday
card spend



Discovery Miles
added to Vitality
Active Rewards
gameboard

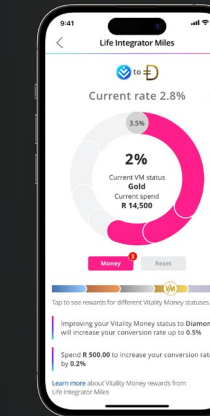


Vitality Money and Vitality
Health rewards like
HealthyFood and HealthyCare
switched to being rewarded
in Discovery Miles

Clients start earning
Discovery Miles on
on PrimeFlex with
Discovery Invest

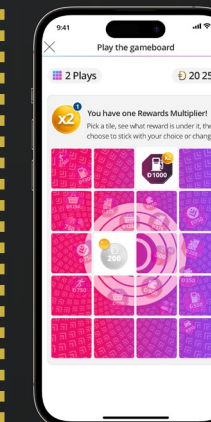
2022

HealthyBaby benefit
launched offering
Discovery Miles on
baby essentials



Clients start earning
monthly Discovery
Miles for eligible
Discovery Life debit
order payments

Vitality Active Rewards
3.0 launched with
higher Discovery
Miles available
through personalised
gameboard tiles



Vitality Drive
fuel rewards
switched to
being rewarded
in Discovery
Miles



2024

Home Partner Network
launched offering
Discovery Miles back on
premium home furnishing
and decor purchases

CORICRAFT Dial-a-Bed.
NESPRESSO. FATO WAREHOUSE
VOLPES



PlayStation. UCOOK CORICRAFT NESPRESSO
STEAM Dial-a-Bed.
SLEEP FOR LIFE

STRAVA Spotify
makro

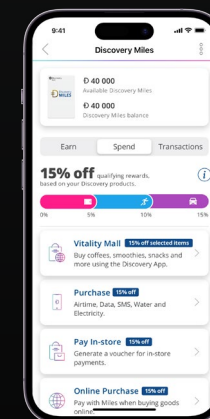
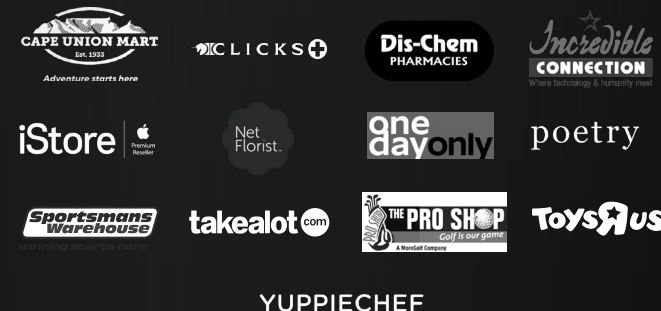
Vitality
Travel same

LE CREUSET takealot.com

STEAM

Uber

Spend Discovery Miles at over 40 in-store
and online retail partners



Discovery Miles spend
discount launched offering
from 5% to 15% off
everyday based on your
Discovery products held



Miles €-Day launched,
offering double spend
discounts from 10% to 30%
off for 24 hours on the
15th of every month

2021

2023

A shared-value rewards currency

A shared-value model in insurance and banking services is an effective way to get clients to improve their healthy behaviours across multiple dimensions – be it in their physical health, financial wellness or even in their driving behaviour. It gives individuals incentives to make better decisions in how they get active, drive well and manage their money responsibly, and so unlocks a number of benefits, not only for the client and the financial institution, but for society as a whole.

Incentives come in different forms, including upfront savings, cash back and rewards vouchers, each with their own benefits and appeal. However, Discovery has seen incredible success with **Discovery Miles**.

Discovery Miles stands out due to its undeniable appeal and value, crafted on a set of design principles:

1

Rewarding healthy behaviours: Members need to feel that earning Discovery Miles encourages them to have healthier lifestyles while being rewarded, with all activities focused on reflecting relevant best practices and Discovery's commitment to promoting healthy goals.

2

Unparalleled earning opportunities: Members need to have a wide choice in how to earn Discovery Miles, so that they can be accumulated throughout the day through a range of activities and interactions.

3

Flexible redemption options: Members need to be able to redeem Discovery Miles across an extensive partner network in a convenient way, so that the rewards cater to a broad spectrum of buying preferences.

4

Superior value: Most importantly, members must choose to redeem Discovery Miles because of their value. Discovery Miles need to be highly desirable, offering benefits better than traditional cash rewards, driving engagement and the pursuit of healthy behaviours.

Additionally, the related Discovery Miles benefits, along with their earning and redemption mechanisms, need to be transparent and easy to track. The digital capabilities and partner integration must give members a seamless and user-friendly experience.

Improved health and better value through enhanced pricing and benefits

MEMBERS

MEMBER INCENTIVES

HEALTHY BEHAVIOUR

SOCIETY

Healthier society with more disposable income
Improved productivity and increased long-term savings

INCREASED SAVINGS AND DEPOSITS
LOWER LAPSES AND DEFAULTS

FINANCIAL INSTITUTION

Improved product use and engagement, lower claims and risk, and higher margins



Healthier living, higher rewards

Discovery's shared-value approach shows that **incentivising members for improving their health correlates directly with increased rewards**. Unlike traditional rewards programmes, which focus mostly on product uptake and brand loyalty, Discovery incentivises positive behavioural changes that improve overall well-being. Within each of the three Vitality programmes, members are given a status of Blue, Bronze, Silver, Gold or Diamond. Each status shows how well the members manage key behavioural risks related to their physical and financial health, as well as their driving habits.

This structured status system not only tracks progress but also motivates members to sustain and improve healthy behaviours. The integrated design of the Vitality programmes amplifies benefits, with **members earning more Discovery Miles when taking part in multiple behaviour-change initiatives**.

By aligning rewards with healthier lifestyles, Discovery not only enhances client well-being, but also fosters stronger, more loyal relationships. This innovative model sets a new industry standard, proving that meaningful engagement and sustainable health improvements are achievable through well-designed, client-centric programmes.

Encouraging healthy behaviours



Vitality HEALTH

- Getting physically active
- Eating well
- Going for regular screenings



Vitality MONEY

- Spending less than you earn
- Saving regularly
- Having the right insurance in place
- Investing over the long-term
- Paying off property

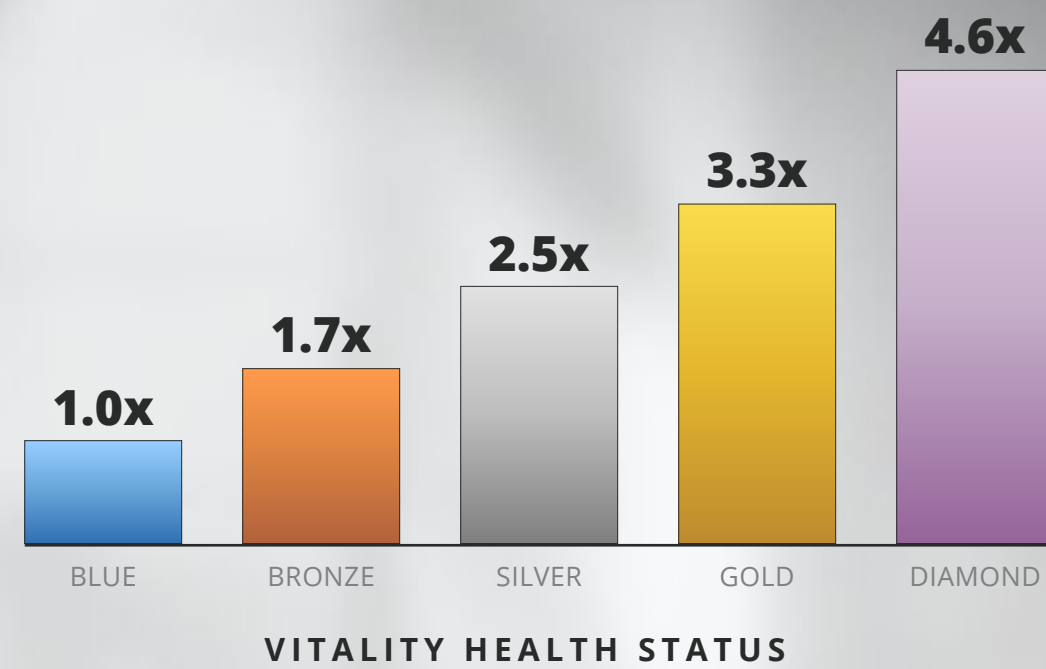


Vitality DRIVE

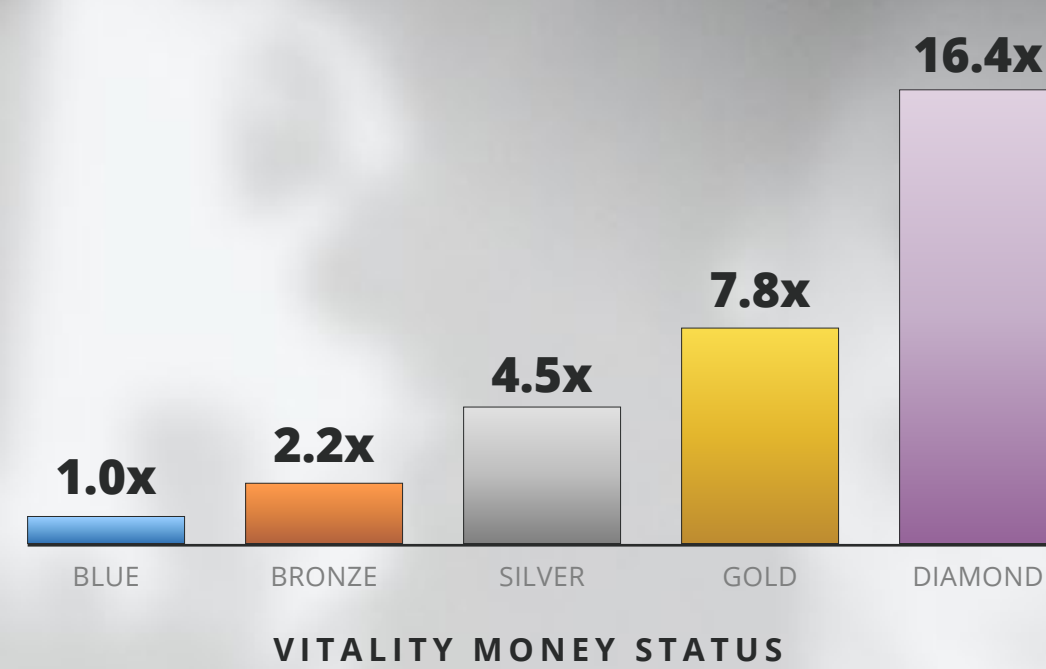
- Accelerating smoothly
- Braking smoothly
- Cornering smoothly
- Driving within the speed limit
- Not using your cellphone while driving



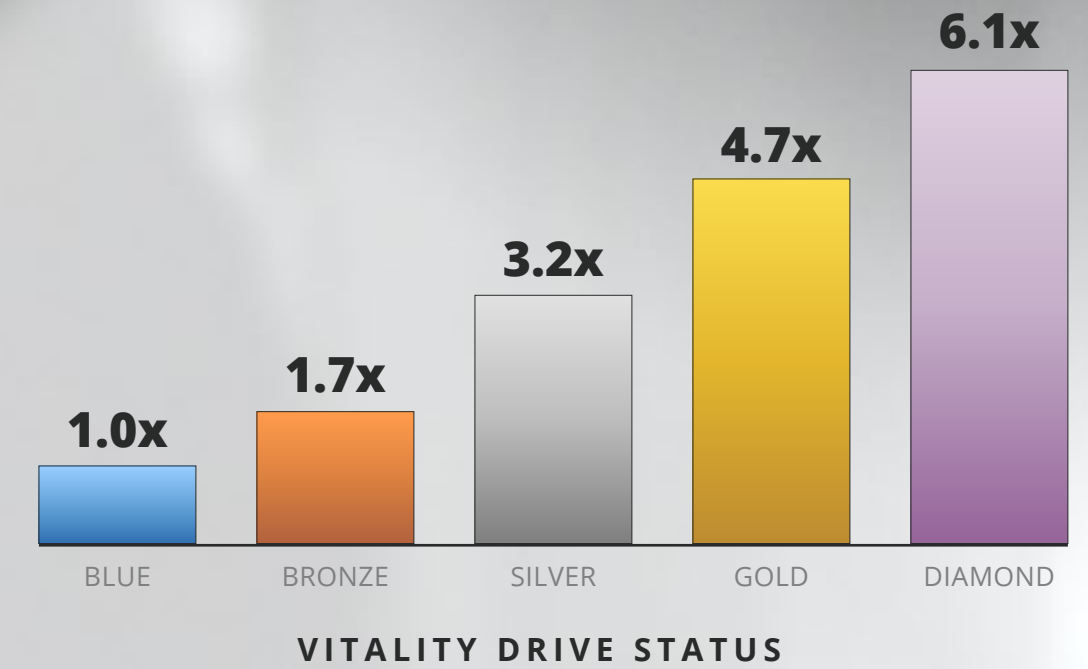
Average Discovery Miles earned from Vitality Health



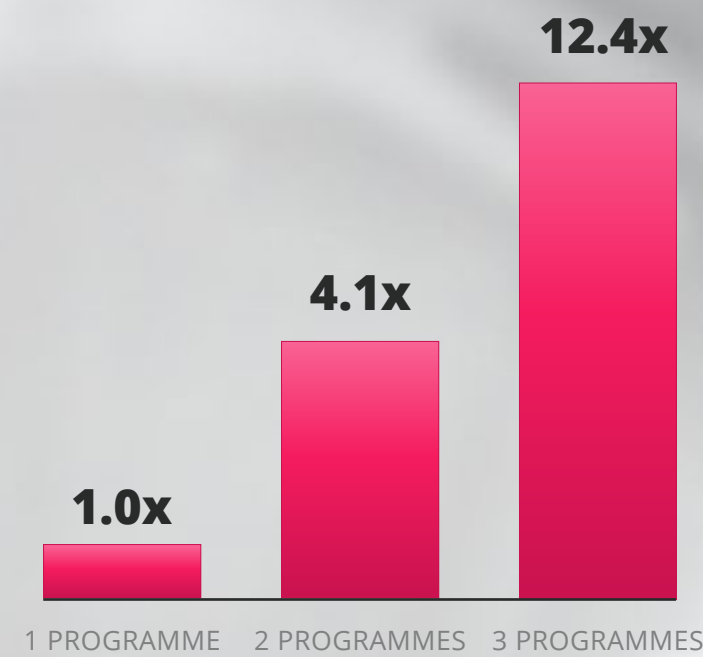
Average Discovery Miles earned from Vitality Money



Average Discovery Miles earned from Vitality Drive



Average Discovery Miles earned based on number of programmes



Many ways to **earn**

Discovery has introduced a **range of different ways that members can earn Discovery Miles through their healthy behaviours and financial engagements** across its comprehensive, integrated product suite – including banking, investments, short-term insurance, life insurance, health services and Vitality.

Members have many opportunities to earn Discovery Miles through a variety of daily activities, some of which start even before they wake up. They can earn Discovery Miles through:

- Keeping active and achieving their exercise goals
- Driving responsibly
- Buying healthy groceries, personal care items and baby essentials, and also household luxuries and premium furnishing
- Paying for fuel and Uber rides
- Using a Discovery Bank card, investing for the long-term and paying for life insurance policies to protect themselves and their loved ones.

Discovery Miles earned

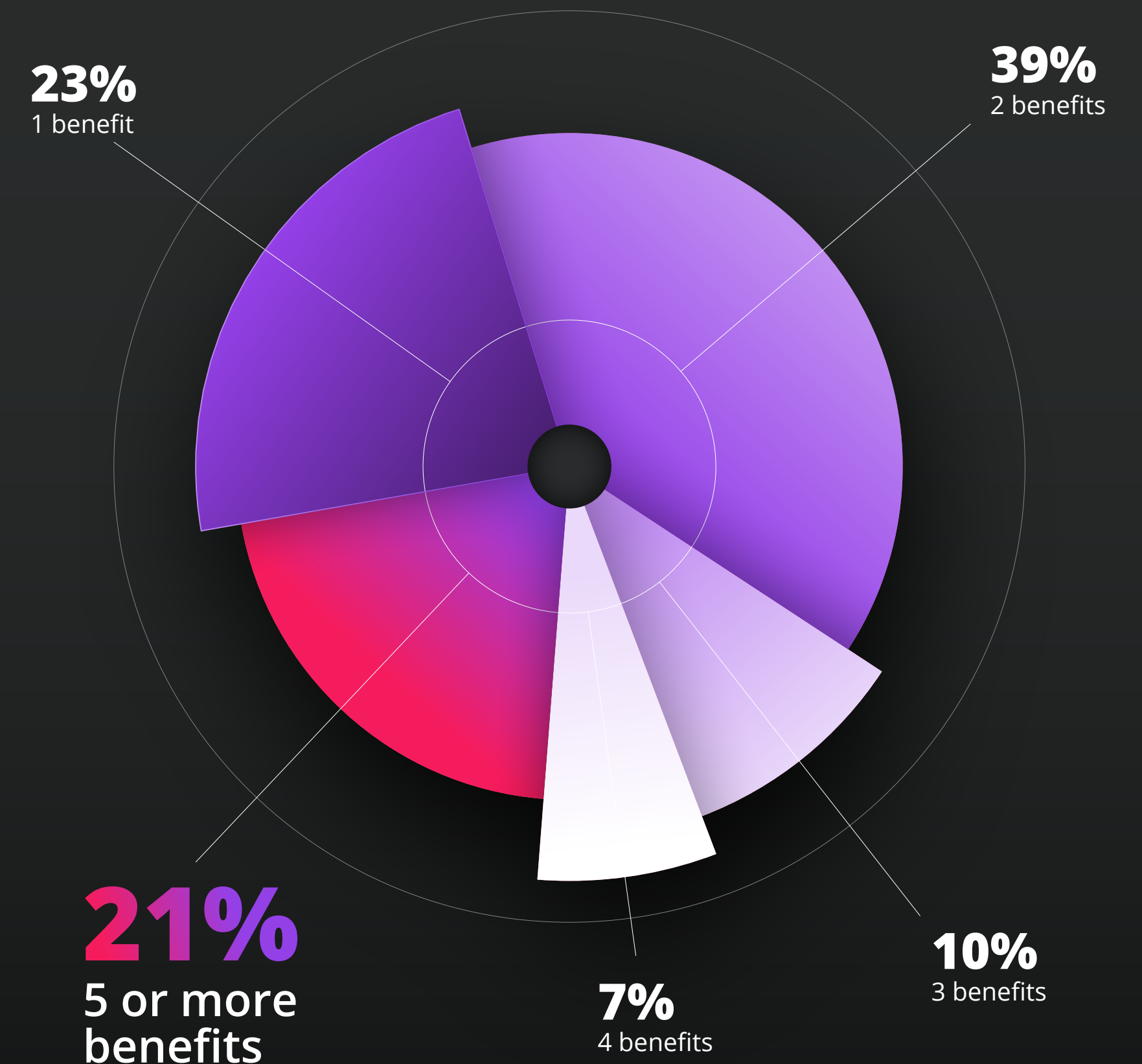
6
product lines

> **15**
benefits

> **20**
earn partners

> **₪845**
million
a month

Average number of earn benefits used per Discovery Bank client



Millions of healthy behaviours in a month

Redemptions in a month



Healthy food

items purchased



Goals,

for exercise, drive and spend achieved



Workouts



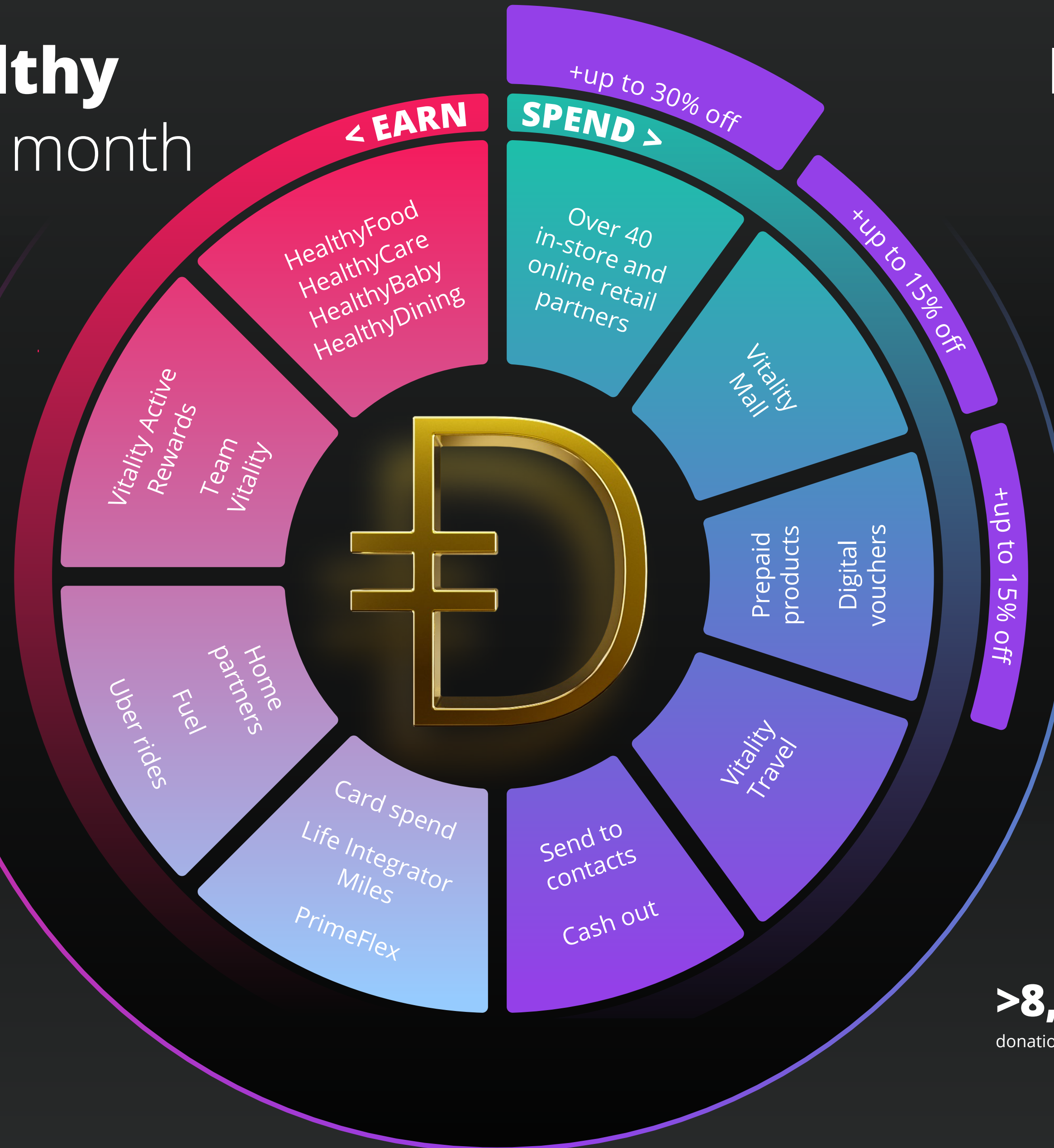
Kilometres

driven



Purchases

made online or in-store with secure virtual cards



>R36 million

worth of in-store and online purchases



>R7 million

spent on prepaids and digital vouchers



>90,000

coffees, hot drinks and smoothies



>8,500

donations to charity initiatives



Diverse ways to spend

A rewards currency is only as valuable as the ways it can be redeemed. **Through an extensive partner network, members have the flexibility to use their Discovery Miles for a variety of needs and desires – and in many convenient ways.** Whether it's for household essentials and utilities, exciting adventures, luxury indulgences, or retail spoils, Discovery has a partner to interest and incentivise everyone.

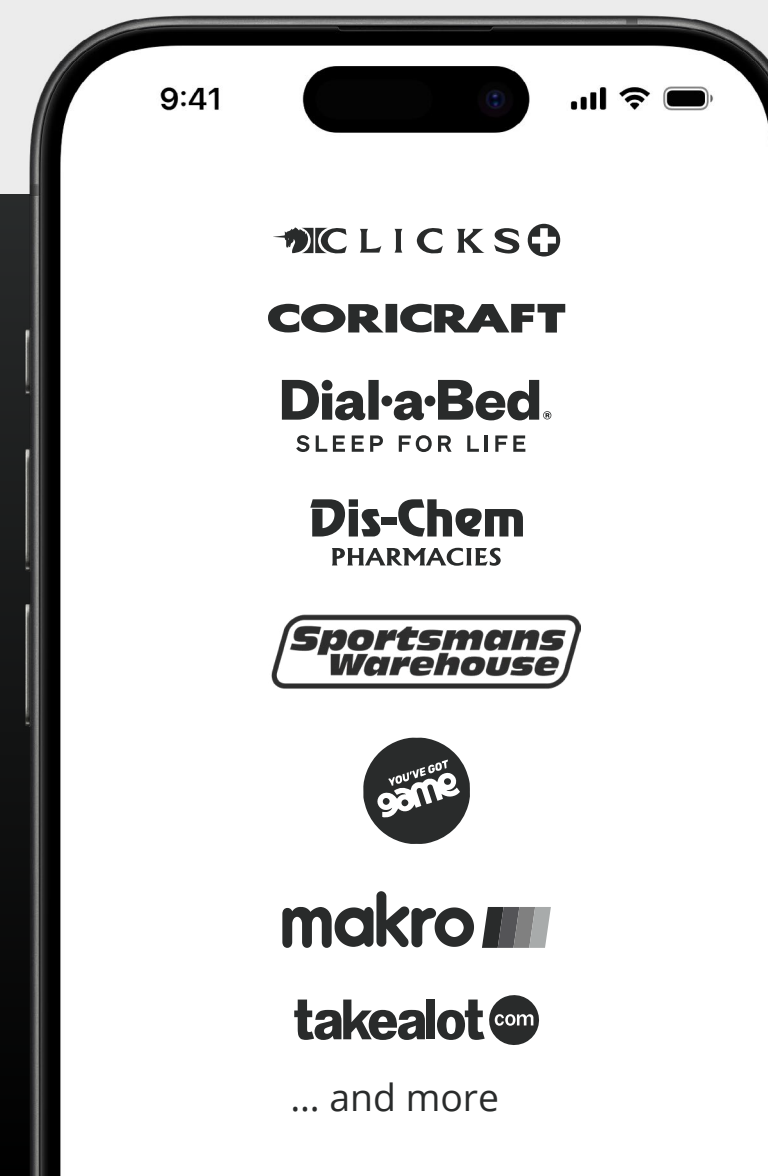
Members can spend their Discovery Miles at a range of in-store and online retail partners, on local and international travel, and through a catalogue of prepaid purchases and digital vouchers.

Members can redeem their Discovery Miles on the Discovery Bank and Discovery apps, accessing:

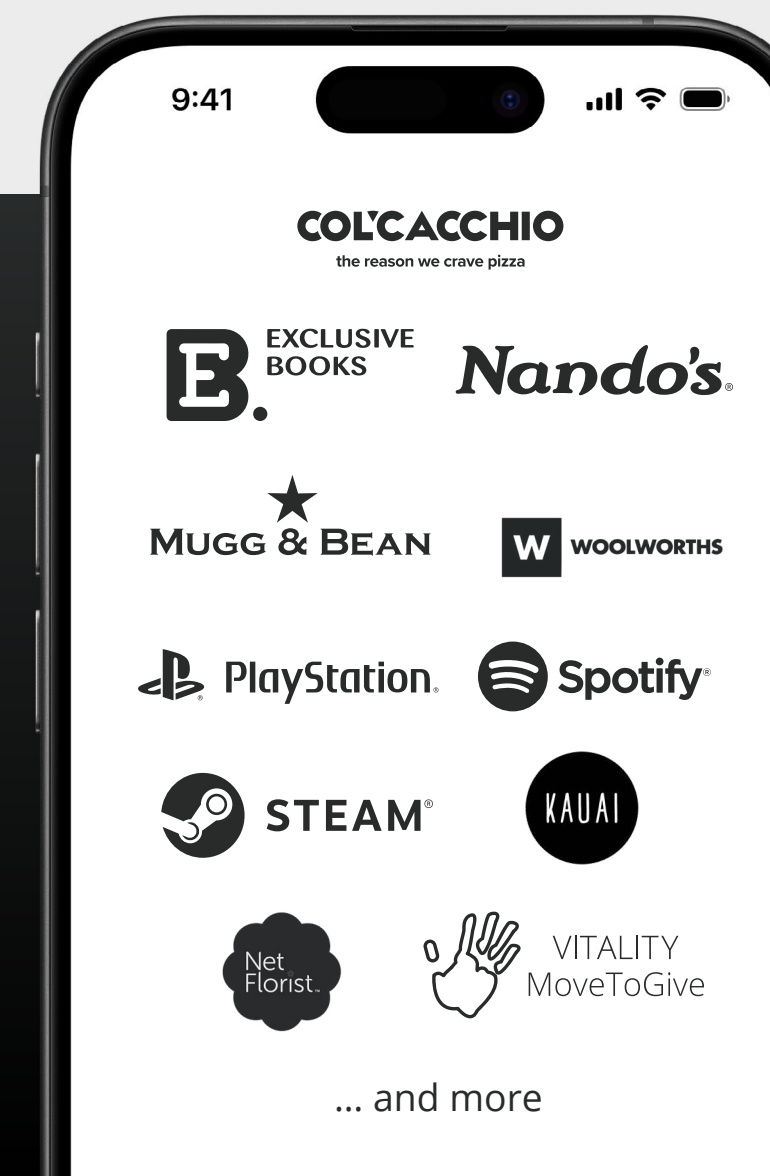
- More than 40 in-store and online retail partners, covering categories like food, healthcare, beauty, clothing, electronics and technology, sports gear, and more
- Digital vouchers and discounted prepaid products and services
- Local and international travel, including flights, car hire, accommodation, and experiences
- Donations to charities, extending the shared-value reach even further
- Transfers to other Discovery Bank clients
- A cash out option to monetise them into a Discovery Bank account.



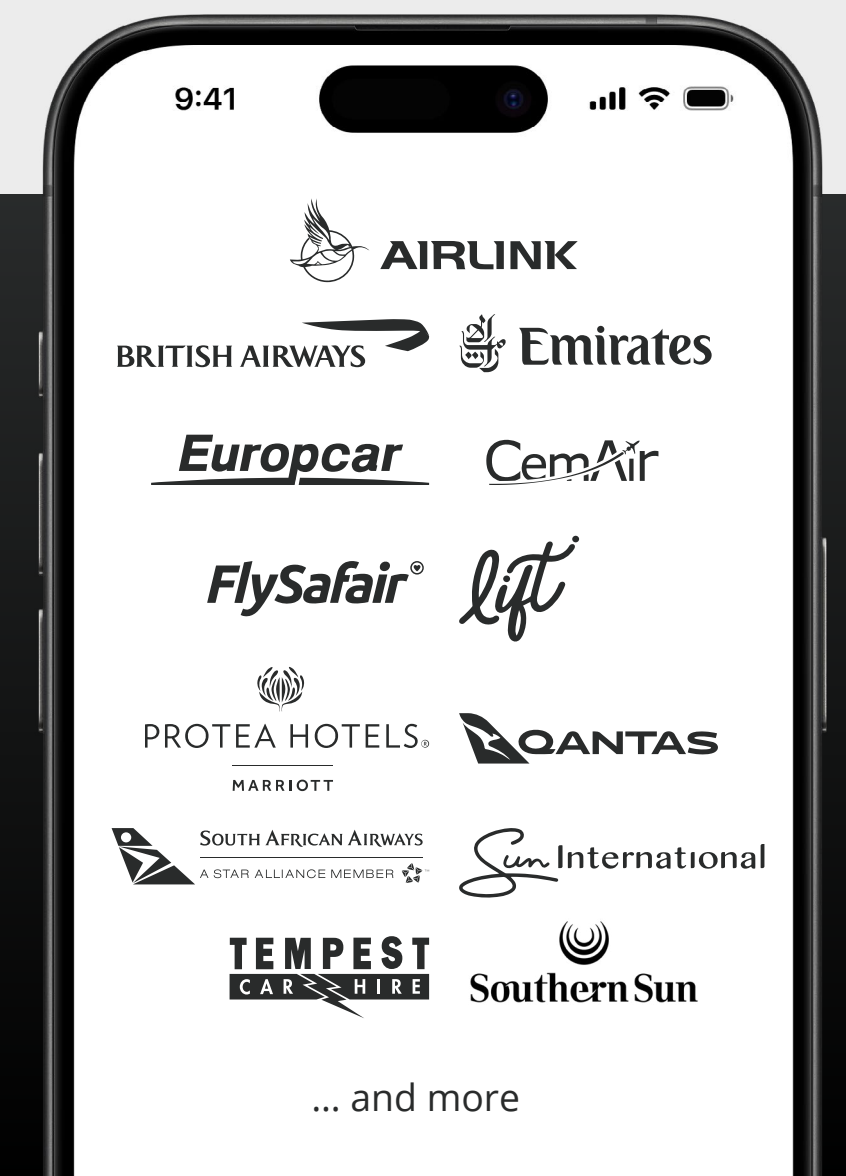
IN-STORE AND ONLINE



REWARDS AND VOUCHERS



VITALITY TRAVEL



More valuable than cash

R1 : R1.23

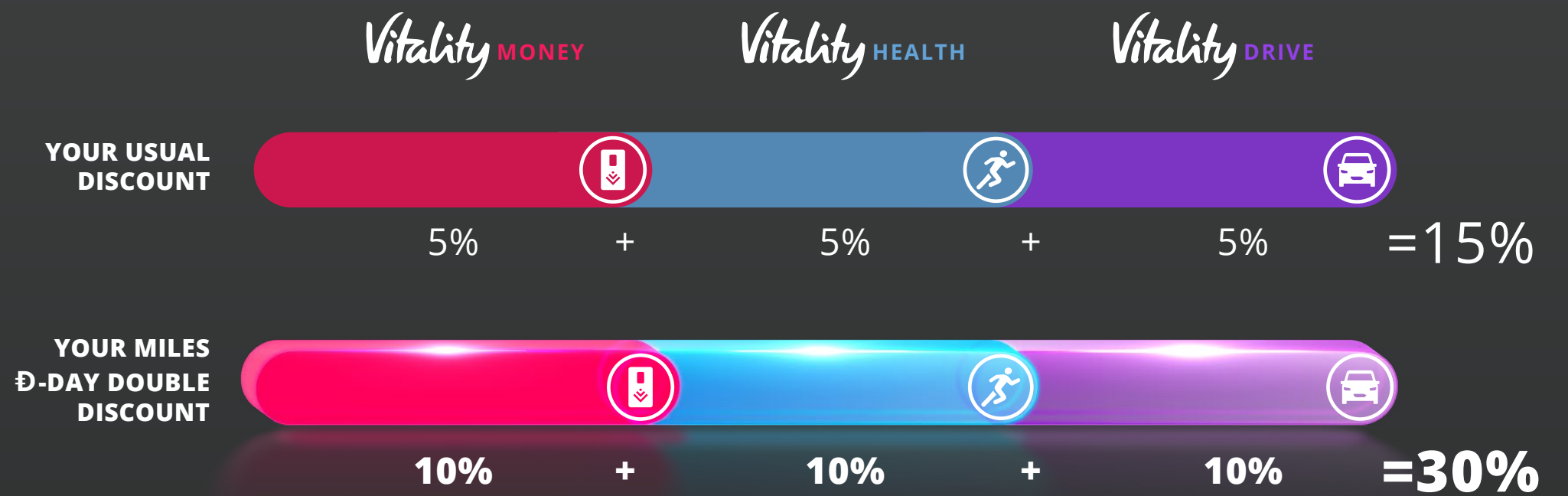
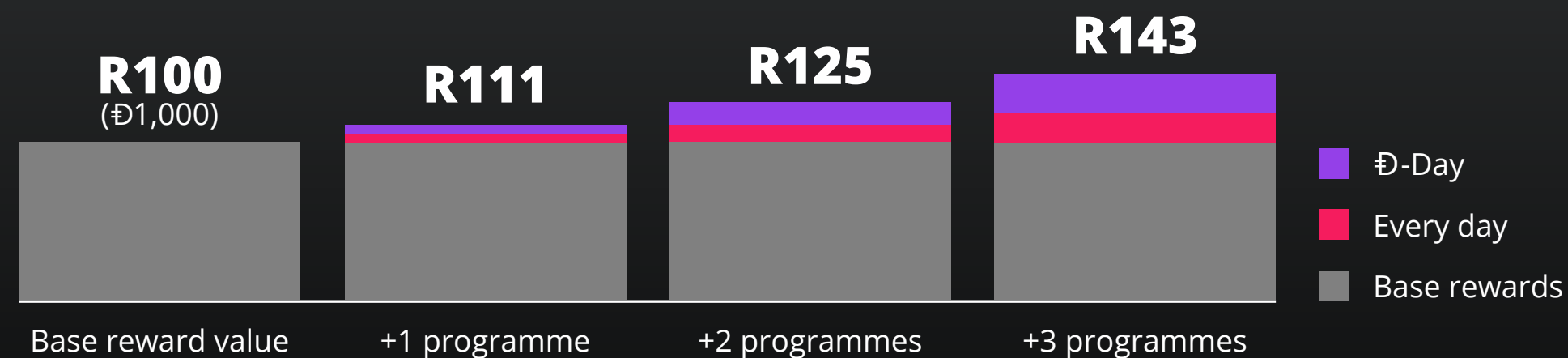
value when earned in Discovery Miles | value when spent in Discovery Miles instead of cash

In 2023, Discovery Miles were 1.23x more valuable than their cash-out equivalent when spent through the in-store and online partner network, in the Vitality Mall, and on prepaid products and services.

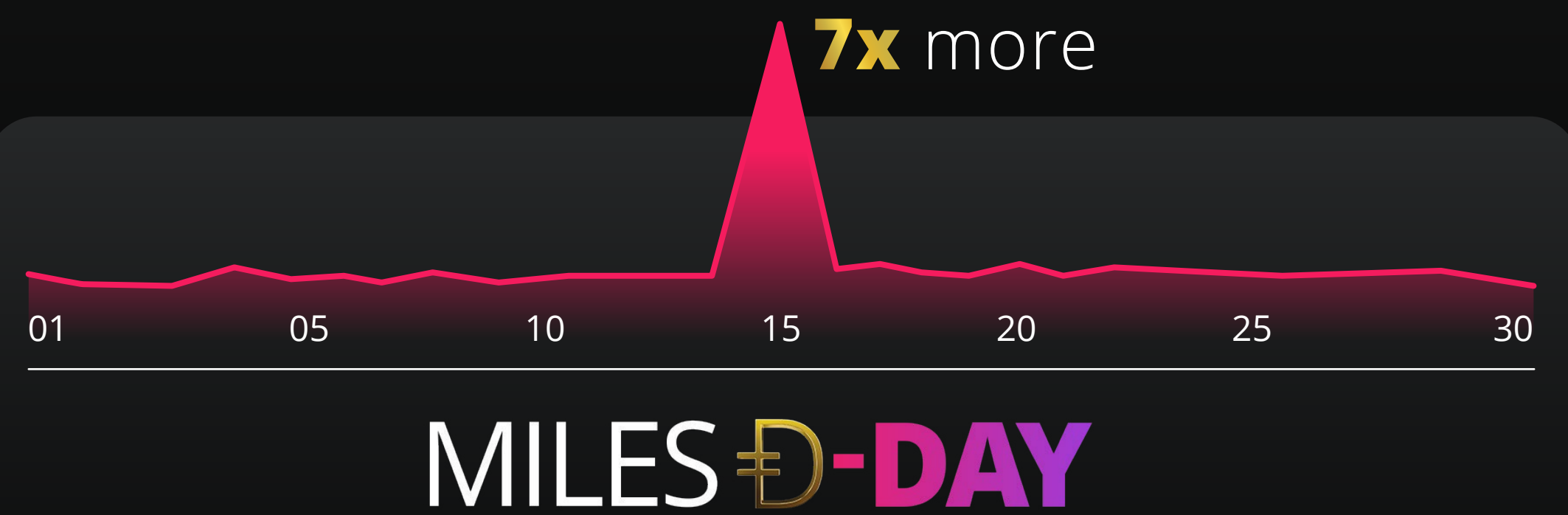
Originally, Discovery Miles were redeemed at a rate of 10 Discovery Miles to R1. During the COVID-19 pandemic in 2020, Discovery introduced a campaign to enhance the value of Discovery Miles. This campaign offered extra savings, based on a client's product holding, when redeeming Discovery Miles through Discovery's partner network, in the Vitality Mall and on prepaid products and services on the Discovery Bank app.

Following the campaign's success, Discovery launched Miles ₪-Day, when members' Discovery Miles spend discount doubles for 24 hours on the 15th of every month. Today, both the Discovery Miles spend discount and Miles ₪-Day are permanent features of the Vitality programme. Members automatically enjoy from 5% to 15% off every day of the month, and from 10% to 30% off on Miles ₪-Day, when spent within the retail partner network.

EXAMPLE: VALUE OF ₪1,000 BASE REWARD SPENT IN-STORE OR ONLINE



In 2023, members used their Discovery Miles spend discounts to make purchases worth R530 million in exchange for ₪4.3 billion – meaning clients enjoyed 23% more in value than if they had opted for a cash-out option. **And with that, Discovery has succeeded in what it set out to achieve: creating a rewards currency more valuable than cash.**



Discovery Miles **more valuable than cash** in action

THROUGH THE VITALITY MALL

Flat white
VIDA E CAFFÈ



DISCOVERY MILES **R20** (€200)
CASH PRICE **R36**

Sun-glasses
SUNGLASS HUT



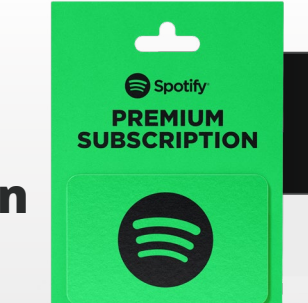
DISCOVERY MILES **R1,700** (€17,000)
CASH PRICE **R2,000**

Stationery
TYPO



DISCOVERY MILES **R85** (€850)
CASH PRICE **R100**

3 months music subscription
SPOTIFY



DISCOVERY MILES **R162** (€1,615)
CASH PRICE **R190**

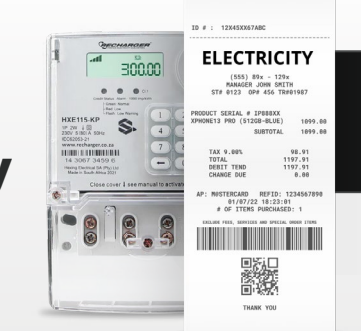
Spa treatments
LIFE DAY SPA



DISCOVERY MILES **R425** (€4,250)
CASH PRICE **R500**

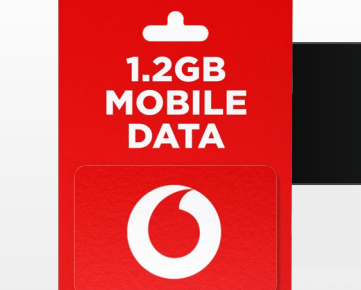
THROUGH THE DISCOVERY BANK APP

Prepaid electricity
CITY POWER



DISCOVERY MILES **R255** (€2,550)
CASH PRICE **R300**

1.2GB mobile data
VODACOM



DISCOVERY MILES **R76** (€756)
CASH PRICE **R89**

Ride hailing
UBER



DISCOVERY MILES **R213** (€2,125)
CASH PRICE **R250**

Gift cards
NETFLORIST



DISCOVERY MILES **R85** (€850)
CASH PRICE **R100**

Gaming vouchers
STEAM



DISCOVERY MILES **R128** (€1,275)
CASH PRICE **R150**

THROUGH OVER 40 RETAIL PARTNERS

Puffer jacket
CAPE UNION MART



DISCOVERY MILES **R1,330** (€13,293)
CASH PRICE **R1,899**

Personal care items
DIS-CHEM



DISCOVERY MILES **R280** (€2,800)
CASH PRICE **R400**

Grocery basket
PICK N PAY



DISCOVERY MILES **R525** (€5,250)
CASH PRICE **R750**

Smart TV
HIRSCH'S



DISCOVERY MILES **R5,600** (€55,993)
CASH PRICE **R7,999**

Mac-Book Air
ISTORE



DISCOVERY MILES **R11,899** (€118,993)
CASH PRICE **R16,999**

GET MORE FOR LESS

7 sleeves of Nespresso capsules
NESPRESSO



DISCOVERY MILES **R539** (€5,390)
CASH PRICE **R770**

Philips Large Airfryer
TAKEALOT



DISCOVERY MILES **R2,695** (€26,950)
CASH PRICE **R3,850**

... OR JUST GET MORE

10 sleeves of Nespresso capsules
NESPRESSO



DISCOVERY MILES **R770** (€7,700)
CASH PRICE **R1,100**

Philips Extra Large Airfryer
TAKEALOT



DISCOVERY MILES **R3,850** (€38,500)
CASH PRICE **R5,500**

Discovery Miles are more valuable than cash on the Discovery and Discovery Bank apps, in-store and online with Discovery Vitality's partners. Spend discounts determined by the Vitality programmes a member belongs to. Discovery Miles prices shown assume maximum spend discounts applied of 15% off in the Vitality Mall and in the Discovery Bank app, and 30% off through retail partners.

Discovery Miles case studies

MEET JOYCE

Joyce is a long-time Vitality Health member. For years, she has been motivated by her rewards for getting active and looking after her physical health. She's completed all her necessary Vitality Health checks and exercises regularly to achieve her Vitality Active Rewards exercise goals.

Because she's a Vitality Health member and has activated her zero-monthly-fee Discovery Account, she enjoys a 10% Discovery Miles spend discount throughout the month and 20% off on Miles \mathbb{D} -Day. **When Joyce spends her rewards in Discovery Miles, she earns up to 25% more value than if she cashed out with no spend discounts.**



DISCOVERY MILES MONTHLY STATEMENT

	Earned	Cash out value without discount	Value with 10% everyday discount
Spent R1,600 on HealthyFood items with Vitality Health	₹4,000	R400	R444
Spent R600 on HealthyCare items with Vitality Health	₹1,500	R150	R166
Spent R350 on HealthyBaby items with Vitality Health	₹875	R87	R96
Three gameboard plays from Exercise goals	₹325	R32	R36
Total	₹6,700	R670	R744
Total monthly value with 20% Miles \mathbb{D}-Day discount	-	-	R837

Total potential annual value with 20% Miles \mathbb{D} -Day discount **R10,050**

MEET ANDRE

Andre is committed to improving his health across Vitality Health, Vitality Money and Vitality Drive – and it's paying off. He's completed all his necessary assessments and focuses on healthy purchases and activities throughout the month.

He has a Discovery Bank Black Credit Card Account and is also a Vitality Drive member, so he gets a 15% Discovery Miles spend discount throughout the month, and 30% off on Miles \mathbb{D} -Day. **With his spend discounts, he enjoys up to 43% more value than if he cashed out his rewards.**



DISCOVERY MILES MONTHLY STATEMENT

	Earned	Cash out value without discount	Value with 15% everyday discount
Spent R1,950 on HealthyFood items with Vitality Health and Vitality Money	₹9,750	R975	R1,147
Spent R550 on HealthyCare items with Vitality Health and Vitality Money	₹2,750	R275	R323
Spent R850 on fuel with Vitality Money and Vitality Drive	₹5,525	R552	R649
Six gameboard plays from Exercise, Drive and Spend goals	₹1,535	R153	R180
Total	₹19,560	R1,956	R2,301
Total monthly value with 30% Miles \mathbb{D}-Day discount	-	-	R2,794

Total potential annual value with 30% Miles \mathbb{D} -Day discount **R33,531**

www.discovery.co.za

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This document is meant only as information and should not be taken as financial advice. For tailored advice, please contact your financial adviser.

Discovery Miles do not constitute currency or any other medium of exchange in circulation in South Africa. Rewards are based on your engagement in Vitality programmes, Discovery products, and monthly qualifying card spend. Discovery Bank, Auth FSP. Limits, terms and conditions apply.

Discovery Miles are more valuable than cash on the Discovery and Discovery Bank apps, in-store and online with Discovery Vitality's partners.

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