



medihelp

125
YEARS

2024
ANNUAL REPORT



Table of contents

01	Medihelp in 2024	08	Statement of financial position at 31 December 2024*
02	Message by the Chairperson of the Board of Trustees	09	Statement of profit and loss and other comprehensive income for the year ended 31 December 2024*
03	Overview of the Principal Officer	10	Statement of changes in reserves for the year ended 31 December 2024*
04	Corporate governance report	11	Statement of cash flows for the year ended 31 December 2024*
05	Report by the Board of Trustees*	12	Trustees' remuneration*
06	Statement of responsibility by the Board of Trustees*	13	More than a century's legacy of care
07	Statement of corporate governance by the Board of Trustees*		

* References to notes and pages contained in the extracts of the Financial Statements relate to notes and pages in the audited financial statements for the year ended 31 December 2024. A full set of the audited financial statements is available for inspection at the Scheme's offices.

Medihelp in 2024

AN IMPRINT ON SOUTH AFRICAN HEALTHCARE

120-year legacy of care for South Africans

Shaping the South African medical aid industry as the **first and longest-running open medical scheme** in the country

Firmly positioned among South Africa's **top five open medical schemes**

Global Credit Ratings **A+**

95 540 main members



202 404 beneficiaries



Average beneficiaries age **38 years**



MEETING MEMBERS' HEALTHCARE NEEDS

Most attractive plans for new members

2 595 members joined the Scheme on MedVital Elect, and **1 842** members on MedAdd Elect.



Personalised care

2 500 productive hours regained by members thanks to our post-hospitalisation care programme

Fighting the flu

13 608 vaccines funded



Total number of medicine items supplied **3 915 739**

Average cost of acute medicine **R249,67** per member



Average cost of over-the-counter medicine **R120,91** per member



Keeping kids healthy

8 623 childhood immunisations provided



1 914 newborns welcomed



Medihelp in 2024

STAKEHOLDER EXPERIENCE

We pay
3 304 874
 claims paid



Digital first
533 864
 views of electronic brochures by members



Engaged on social media
64 830
 followers



Members love our news
 Average emails read by members
56,89%
 compared to the industry



average of **34,56%**

Staying connected
1 776 784
 e-mails sent to members



EXCELLENCE AWARDS

Finalist in South African Publication Forum's annual competition for corporate publications

- Thrive! (member newsletter) Second runner-up in the email newsletters category and Certificate for Excellence in Writing



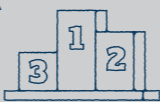
- Prosper! (adviser newsletter) First runner-up in the email newsletters category



- Our Annual Report walked away with a mark of 80% for design




Recognised as one of the top three medical schemes for service excellence in the Ask Afrika Orange Index®



DIGITAL ADOPTION

Popular Zones
 Members and healthcare professionals using our digital channels increased by
12,63%



Members go digital
87,38%
 of main members are registered on the Member Zone



Members love the Member Zone
 Overall positive member experience on Member Zone
91,11%



Active practices on Healthcare Professional Zone
32 040

Overall positive experience on Healthcare Professional Zone
95,49%




Message by the **Chairperson** of the **Board of Trustees**

Medihelp celebrates its 120th year of existence in 2025. Even though we are more than a century old, our value proposition, personality, and values reflect an organisation that is young at heart and future-ready. The Scheme's longevity is a testament to its resilience and adaptability in an ever-changing world. Since its founding in 1905, the Civil Service Medical Benefit Association (CSMBA), later known as Medihelp, has undergone drastic transformation. Yet, it has endured as a pillar of strength in South Africa's medical aid industry, weathering wars and pandemics, celebrating notable human achievements, and embracing an era of innovation.

A proud South African legacy

As South Africa's longest-running medical scheme, Medihelp is deeply intertwined with the country's historical narrative. Its lasting success stems from a steadfast commitment to its members, ensuring the Scheme remains sustainable, relevant, and future-fit.

The Board of Trustees (the Board) remains dedicated to upholding this proud legacy and ensuring it continues to thrive despite challenges by fostering adaptability in a shifting healthcare landscape. Medihelp

has stood the test of time by turning potential hurdles into opportunities for exploration, innovation, and growth.

Navigating regulatory and economic changes

While South Africa faced political and economic shifts in 2024, including the emergence of a coalition government, Medihelp's position remained strong. The Board closely monitors developments in the best interests of the Scheme. One such development is the National Health Insurance Act. President Cyril Ramaphosa



Chris Klopper

Medihelp has stood the test of time by turning potential hurdles into opportunities for exploration, innovation, and growth.

has signed the National Health Insurance Bill into law. However, the Act has not yet come into effect as the president has not implemented it by proclamation. The Board remains vigilant, staying abreast of ongoing developments, related processes, and litigation already launched. This ensures we are prepared for any regulatory changes and our members' rights are protected at all times.

Strengthening financial sustainability

One of the Board's primary focuses in 2024 was overseeing the effective implementation of efforts aimed at securing the Scheme's stability with the goal of restoring Medihelp's reserve levels to the prescribed 25% by the end of 2026.

The Board is pleased to report that effective claims management along with strong financial oversight resulted in a lower relevant healthcare expenditure ratio of 94% in 2024 – a notable 6,8% decrease, easing some pressure on the Scheme's reserves. The year-on-year increase in relevant healthcare expenditure per average beneficiary amounted to 6% – better than expected and considerably lower than medical inflation.

Welcoming a younger membership

In line with the Scheme's strategic objectives, Medihelp announced a weighted average contribution increase of 15,97% across all plans in 2024. Consequently, we anticipated a slight decline in overall membership enrolments. However, it is encouraging that the average enrolment age of the Scheme's main membership is younger 'in

2024, at 39 years, than the average of 41 in 2023. By attracting a younger membership profile with plans designed to meet their healthcare needs, the Scheme has succeeded in offering South Africans more affordable access to private healthcare in 2024. Medihelp's strategy to serve this membership secures its sustainability. The focus now shifts to member retention strategies that propel innovation, spotlight creative initiatives, enhance engagement, and ensure long-term competitiveness.

A promising trajectory

The Board is encouraged by Medihelp's progress in 2024. Our managed care tactics are bearing fruit, and we continue to attract a new generation of members, with whom we're excited to shape the future with.

As we move forward, the Board remains committed to strong financial oversight, enduring resilience, and innovative solutions that keep Medihelp at the forefront of the industry.

Effective claims management along with strong financial oversight resulted in a lower relevant healthcare expenditure ratio of 94% in 2024 – a notable 6,8% decrease, easing some pressure on the Scheme's reserves.



Overview of the **Principal Officer**

When reflecting on Medihelp's 120-year journey in the South African medical aid industry, I take great pride in its legacy and remain in awe of its resilience. Since 2000, the number of open medical schemes has more than halved, with only 16 now accessible to the public. In this shrinking landscape, Medihelp remains a leader, just as it was when it opened its doors in 1905 as the first of its kind in the country.

Age is often associated with being archaic, traditional, and outdated, but Medihelp has defied and continues to defy this notion.

Our success is defined by our ability to remain relevant, our innovative approach to healthcare, and our deeply-rooted drive to care for our members.

Personalisation in value-based care

At our core, we focus on delivering incremental value by breaking down healthcare silos and acting as an advocate for our members. Our value-based approach to care coordination and managed care ensures we strategically address our

members' needs in a personalised manner. Medihelp's post-hospitalisation care programme is one such value-add that demonstrates our passion for personalised care. It has earned praise from members, who have regained more than 2 500 productive hours, while also saving costs for employer groups. In addition, healthcare spend was lowered as it has reduced preventable hospital readmissions by more than 15%.

Our 2025 plans and benefits have been designed to support and meet the needs of our diverse member profile. The popularity of our MedMove! Student plan demonstrates our ability to offer targeted healthcare cover that provides access to quality private facilities and preventive care benefits with a focus on affordability.



Varsha Vala

We are also looking ahead by incorporating digital solutions to offer our stakeholders a new level of engagement that harnesses messaging platforms, automation, and artificial intelligence. Our team seeks to design innovative experiences that will allow us to create rewarding and impactful value-based solutions.

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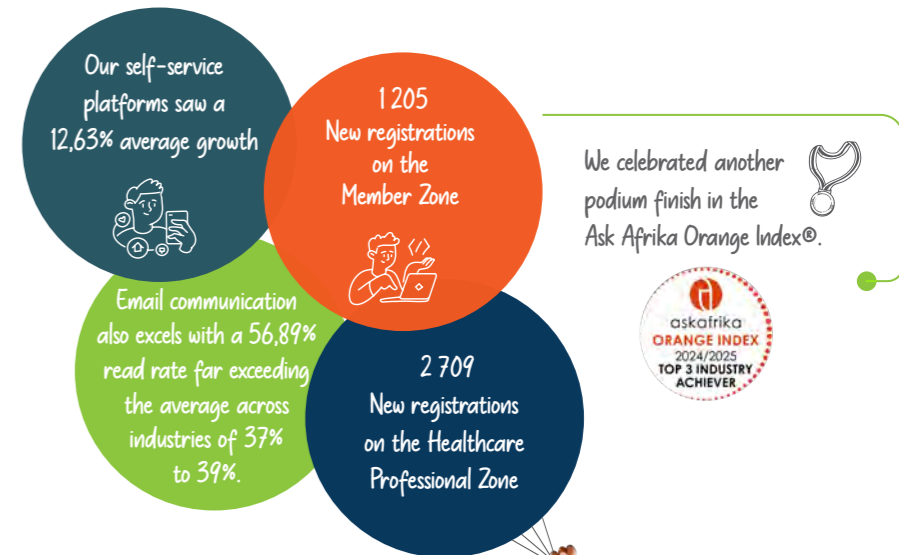
Our post-hospitalisation care programme has earned praise from members, who have regained more than 2 500 productive hours, while also saving costs for employer groups.

Member experience infused with service excellence

In 2024, we provided different touchpoints for members to engage with us to ensure an enriching and efficient experience.

Medihelp's call centre continues to provide swift and friendly service: waiting times decreased, and first-time contact resolution reached 92,70%. Our self-service platforms saw a 12,63% average growth in adoption, with 1 205 new registrations on the Member Zone and 2 709 on the Healthcare Professional Zone. Our email communication also excels, with an impressive average member read rate of 56,89% - far exceeding the average across industries of 37% to 39%. Medihelp's dynamic presence on social media further enhances our engagement with stakeholders, while affirming our position in the industry.

Thanks to our commitment to creating enjoyable experiences enriched with care, we celebrated another podium finish in the Ask Afrika Orange Index®.



We celebrated another podium finish in the Ask Afrika Orange Index®.



This is the third consecutive year that South Africa's broadest customer experience benchmark recognised us as one of the top three medical schemes for delivering exceptional service. This achievement is a testament to our personal touch in service delivery to better support our members on their health journeys.



Achievements in communication

We are proud that our member and adviser newsletters, as well as our previous annual report, were recognised in the South African Publication Forum's annual competition for corporate publications. Our monthly newsletter for members, *Thrive!*, was second runner-up in the email newsletter category, while *Prosper!*, our adviser newsletter earned first runner-up. The annual report was a finalist in the annual reports category. These achievements reaffirm our commitment to meaningful and relevant engagement with stakeholders.

Our monthly newsletter for members, Thrive!, was second runner-up in the email newsletter category, while Prosper!, our adviser newsletter, earned first runner-up.



Financial sustainability

Our member-first approach, targeted bouquet of benefits, and commitment to digital adoption have tipped the scale to a younger membership profile. In 2024, we welcomed an increase in younger members, reinforcing our relevance, person-centred approach, and long-term sustainability.

The lower-than-anticipated increase in relevant healthcare expenditure per average beneficiary year-on-year – at only 6% – and the 15,97% contribution increase led to a positive year-on-year increase in the insurance service result of R362 852 973. Furthermore, we focused on cost management, while achieving better-than-expected investment performance.

These results confirm that we are on track to strengthening the Scheme's financial stability, and restoring its reserves and solvency ratio.

The relatively low increase in relevant healthcare expenditure per average beneficiary year-on-year – at only 6% – and the 15,97% contribution increase led to a positive year-on-year increase in the insurance service result of R362 852 973.

Corporate citizenship

Medihelp is committed to corporate social investment, supporting initiatives that make a lasting difference in the lives of South Africans. This year, we were honoured to support MyWalk, which donates school shoes to learners in remote areas. We are proud to have contributed 3 400 pairs of shoes through this multiple award-winning initiative.

Medihelp also sponsored smaller community projects, including Starfish Babies, Wollies Animal Shelter, Huis Silversig, and Bekezela Crèche. Additionally, our employees embodied Medihelp's values by participating in various care initiatives, such as knitting scarves and beanies to distribute on Mandela Day and The Reach For A Dream Foundation's annual Slipper Day.

We were honoured to support MyWalk, which donates school shoes to learners in remote areas. We are proud to have contributed 3 400 pairs of shoes through this multiple award-winning initiative.





Celebrating 120 years of support and loyalty

Medihelp's financial stability and overall success in 2024 can largely be attributed to the unwavering loyalty of its members and stakeholders. Thank you to both our long-standing and new members for trusting the Scheme as their healthcare cover partner. I would also like to acknowledge the tireless dedication of the employees who have demonstrated excellence in serving our members. The Scheme is indeed defined by its people – a team that cares about our members' health and well-being.



That which defines our resilience

In the past, the golden thread in Medihelp's internal narrative was the belief, 'Me it begins with'. This remains as relevant today as it was in the Scheme's early days. Our story is inspired by each of our members and stakeholders, with our employees leading the charge by fostering a culture of care. Ultimately, Medihelp's people – with our members at the forefront – solidify our resilience in changing times.

Our 120-year journey in the South African medical aid industry is not simply defined by longevity alone. It involves a rich legacy of events and experiences that have informed our present and drive our future. Unique to Medihelp is a perfect balance of experience and innovation, highlighting the Scheme's resilience. As we look to 2025, we strive to safeguard our resilience by offering future-fit solutions that honour our past while embracing a new era of healthcare.

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Corporate **governance** report

1. Introduction

Medihelp is a registered medical scheme that provides healthcare cover in terms of its Rules to all beneficiaries by using the contributions entrusted to it by its members. As a self-administered scheme, Medihelp has consistently remained true to its intent in providing appropriate and efficient healthcare cover to all members while adhering to sound governance principles.

The Board of Trustees, management, and employees of the Scheme share a commitment to perform their duties with the integrity, accountability, transparency, and fairness expected from a self-administered scheme owned by its members.

An independent Board of Trustees comprising six trustees governs the activities of the Scheme on behalf of members, who elect the trustees to serve on the Board and protect members' interests. The Board of Trustees fulfils its responsibilities in line with section 57 of the Medical Schemes Act 131 of 1998. Section 57 requires all medical schemes to have a board of trustees consisting of

persons who are fit and proper to manage the business contemplated by the medical scheme, in accordance with the applicable laws and the rules of such medical scheme.

The Board is also tasked with overseeing consistent sound governance by Medihelp in line with the Rules of Medihelp, the Medical Schemes Act 131 of 1998, as amended, the Board of Trustees Charter, the Conflict of Interest Policy and all other relevant policies, as well as the principles provided in the King IV Report on Corporate Governance™ for South Africa.

The fit and proper requirements for members of the Board and vetting guidelines as proposed by the Council for Medical Schemes are regularly updated and are strictly adhered to by all existing members of the Board of Trustees. The Schemes' Human Resources Committee sees to it that all nominees for election to the Board meet the criteria to effectively fulfil their fiduciary duties and consistently act in the best interests of all stakeholders.





2. The composition of the Board of Trustees

The registered Rules of Medihelp determine that the trustees serve on the Board for a period of five years from the date of election and that, in the event of a vacancy arising on the Board, a strict process to nominate and elect new trustees must be followed. The Human Resources Committee is responsible for overseeing the process of filling vacancies on the Board of Trustees in line with the Rules of Medihelp.

3. Duties of the Board of Trustees

The Board of Trustees consists of members who are suitably qualified for their roles. They have extensive experience and specialised skills that they apply to the benefit of the Scheme.

The Board has fulfilled its fiduciary responsibilities during the period under review and has taken all reasonable steps to ensure that the interests of the beneficiaries are protected at all times.

4. Board performance assessment

The Board of Trustees must meet at least four times a year to oversee Medihelp's performance, address specific business issues, and, where required, obtain independent professional advice and training. The Board performed its annual self-assessment and referred the results to its Governance, Risk and Compliance Committee for review and confirmation that the Board is functioning optimally.

5. Remuneration policies (employees and trustees)

In terms of the Human Resources Committee Charter, the Committee is responsible for making recommendations to the Board of Trustees on the overall reward strategy for the Scheme. The Committee is also responsible for overseeing compliance with sound governance principles on how remuneration is managed, especially at the executive management level. The cornerstones of Medihelp's reward philosophy are fair,

responsible, and transparent rewards and remuneration with a strong focus on performance.

Medihelp's total reward offering – including all financial and non-financial benefits – aims to attract, motivate, reward, and retain appropriate employees. The Remuneration Policy provides for the payment of market-related fixed remuneration that aims to attract and retain top-performing employees. The policy also provides for long- and short-term variable remuneration to improve organisational performance on several strategic goals. Variable remuneration is only paid if the organisation performs better than budgeted on the set targets.

Medihelp uses an accredited job evaluation system to measure the relative worth of jobs. This ensures that remuneration is managed equitably and that job content and grading are used to benchmark positions appropriately in the Old Mutual national all-incumbent

market annually. All major medical schemes and medical scheme administrators participate in the Old Mutual RemChannel database.

Medihelp uses the services of Khokhela Remuneration Advisors to benchmark the remuneration payable to the Board of Trustees annually. The honorarium of the Board of Trustees is based on the policy approved at Medihelp's annual general meeting. As Medihelp is a non-profit open medical scheme, the annual value of the remuneration payable to the Chairperson of the Board is based on a percentage of the average annual remuneration of a chairperson of a comparable peer group of JSE-listed companies. The fee for other role players is calculated as a percentage of the Chairperson's annual fee. The fee for the Vice Chairperson is the average between the fee for the Chairperson and the fee for a trustee. The increase in the honorarium for the different roles, which was confirmed at the 2024 annual general meeting, was 4.52% for all role players.

6. Board committees

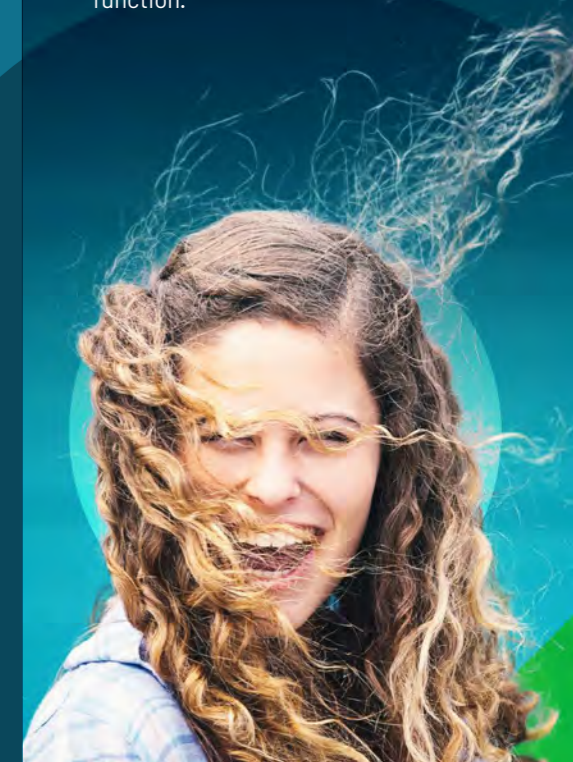
The Board mandated the following sub-committees to assist with oversight during 2024:

- **Audit and Risk Committee**
- **Investment Committee**
- **Rule and Product Committee**
- **Social and Ethics Committee**, which merged with the Human Resources Committee during August 2024
- **Human Resources Committee**
- **Clinical Risk Committee**, which was established during August 2024
- **Governance, Risk and Compliance Committee**, with a sub-committee, the Information and Communication Technology (ICT) Committee

The committees do not assume management's functions, nor do they have any decision-making authority other than the Board's mandate. The activities of the committees are reported to the Board of Trustees.

7. Internal Audit and Forensic Investigations

Medihelp's Internal Audit and Forensic Investigations department reports functionally to the Audit and Risk Committee and renders a practical risk-based internal audit function.





Internal Audit operates according to an agile one-year audit plan, which includes a detailed plan, and uses an appropriate risk-based methodology.

The Internal Audit department's annual audit plan is approved by the Audit and Risk Committee. Internal audit findings, together with management comments and corrective actions instituted, are periodically reported to the Audit and Risk Committee. The internal audit function additionally provides an annual written assessment of the effectiveness of the Scheme's system of internal control, governance, and risk management to the Audit and Risk Committee.

The Forensic Investigations component is dedicated to investigating allegations of fraud, waste, and abuse and is guided by the Medihelp Fraud and Corruption Policy. Investigations are conducted into matters reported through existing fraud reporting channels and proactive investigations in high-risk

areas. The Audit and Risk Committee has also approved the Forensic Investigations plan. Every rand saved or recovered by detecting or preventing fraud, waste, and abuse benefits Medihelp's members by helping to keep medical inflation as low as possible.

Members can report fraud in two ways:

- Phone the Fraud Line on 012 334 2428; or
- Send an email to fraud@medihelp.co.za or bedrog@medihelp.co.za

The Medihelp fraud reporting channels successfully serve as an independent conduit between Medihelp, its employees, and its members. All information is treated as confidential, and reporters' anonymity is protected.

The Internal Audit and Forensic Investigations Committee Charter was revised. The Audit and Risk Committee reviewed the adequacy of

Internal Audit and Forensic Investigations' budget and resource plan.

The Chairperson and a member of the Audit and Risk Committee were delegated to do the performance contracting and evaluation of the Chief of Internal Audit and Forensic Investigations in collaboration with the Principal Officer.

The effectiveness of the internal audit function was reviewed by means of self-assessment and an evaluation by the Audit and Risk Committee, and it was found to be adequate for the size and operations of the Scheme.

8. Complaints

Medihelp received 207 complaints from the Council for Medical Schemes between 1 January and 31 December 2024, all of which were professionally addressed. The Council for Medical Schemes issued 56 rulings during 2024. Of these, 32 (57,14%) were in Medihelp's favour, compared to 23 (15,6%) in 2023.

9. Health and safety

All health and safety matters are dealt with according to the requirements of the Occupational Health and Safety Act 85 of 1993, as amended. The Health and Safety Committee consists of employee and management representatives. To ensure compliance, an external legal compliance audit on the building (facilities) and safety management system is conducted every two years. Minor injuries on duty and workplace incidents occurred but were reported and dealt with according to health and safety regulations and policies. The Committee constantly monitors and proactively implements measures to secure the safety and health of employees and visitors.

10. Governance and compliance

Compliance with statutory, legislative, and regulatory requirements is a crucial area of focus for Medihelp to provide assurance to the Board of Trustees on effective governing and management of compliance.

Changes in legislation, the impact thereof on Medihelp as a financial services provider and a registered medical scheme, and the actions to be taken by management are reported and monitored by the Governance, Risk and Compliance Committee. Medihelp's Legal, Risk and Compliance department reports directly to the Governance, Risk and Compliance Committee as well as the Board of Trustees, where all compliance-related responsibilities are considered and addressed.

No material fines or penalties were incurred for failing to comply with applicable legislation or regulations during the reporting period. Medihelp's accreditation as both an administrator and managed healthcare organisation was renewed in 2024, and continuous compliance monitoring was conducted to ensure that Medihelp complies, at all times, with the accreditation standards, as amended from time to time.

11. Financial advisory and intermediary services

Medihelp is an authorised financial services provider (FSP number 15738) and complies with the Code of Conduct and Fit and Proper Requirements of the Financial Advisory and Intermediary Services Act 37 of 2002.

The annual compliance report compiled by Medihelp's independent compliance officer as well as the required audited financial statements were submitted to the Financial Sector Conduct Authority.

12. Conclusion

Medihelp focuses on the provision of healthcare cover that enables members to obtain access to appropriate and cost-efficient healthcare services. The Scheme acts on behalf of members to negotiate tariffs with providers of healthcare services. The Scheme also applies effective risk management to ensure continued sustainability as well as rapid adaptation to regulatory requirements, constantly enhancing service platforms and touchpoints to support members and stakeholders.

Report of the Board of Trustees

The Board of Trustees hereby presents its report for the year ended 31 December 2024:

1. Description of the medical scheme

1.1 Terms of registration

Medihelp (The Scheme) is a not-for-profit open medical scheme registered with reference number 1149 in terms of the Medical Schemes Act 131 of 1998 as amended ("Medical Schemes Act, 1998").

1.2 Insurance contract options within Medihelp

The Scheme offered eight insurance contract options to employees of participating employers and members of the public during the period under review:

- MedPlus
- MedElite
- MedElect
- MedSaver
- MedPrime (plus efficiency-discounted option)
- MedAdd (plus efficiency-discounted option)
- MedVital (plus efficiency-discounted option)
- MedMove!



Medihelp provides cover for a variety of medical services, summarised as follows:

- Added insured benefits for various life stages (preventive screenings);
- Day-to-day risk benefits (for example, GP consultations and acute medicine);
- Medical savings account;
- Chronic medicine cover;
- Diagnostic services (for example, radiology and pathology);
- Hospital admissions and related services; and
- PMB level of care (prescribed minimum benefits).

1.3 Personal medical savings accounts (PMSA)

The PMSAs are managed in terms of the Rules of Medihelp, and the monies belong to the Scheme.

Members of the MedElite (10%), MedPrime (10%), MedAdd (15%), and MedSaver (25%) insurance contract options pay an agreed portion of their

gross contributions (percentage shown in brackets) as governed by the Medical Schemes Act, 1998 into PMSAs. The PMSAs help members to cover their portion of healthcare costs, up to a prescribed threshold.

Members earn interest on the balance in their savings account at the end of each month, based on the interest earned on the savings funds that are invested in short-term investment instruments. The Scheme does not charge an administration fee for the management of members' PMSAs.

The liability to members in respect of the savings accounts is considered a non-distinct investment component (in terms of IFRS 17 Insurance Contracts). As such, this liability is included in the measurement of insurance contract liabilities in the Financial Statements, refundable in terms of regulation 10 of the Regulations under the Medical Schemes Act, 1998. Savings plan contributions are refundable when a

member enrolls on another insurance contract option, or at another medical scheme without a PMSA, or does not enroll at another medical scheme. The accumulated unused PMSA balance is transferred to the member in terms of the Rules of Medihelp.

2. Management

2.1 Board of Trustees in office during the year under review (in alphabetical order)

Trustee	Term of office
Adv JM Ferreira	18 June 2020 to June 2025
Mr JC Klopper (Chairperson)	20 June 2024 to June 2029
Adv PJ Louw	17 June 2021 to June 2026
Mr TN van der Westhuizen	17 June 2021 to June 2026
Mr PM van Deventer	18 June 2020 to June 2025
Mr MJ Visser (Vice Chairperson)	20 June 2024 to June 2029

A quorum was present for all meetings of the Board of Trustees held in 2024.

2.2 Principal Officer

Mr J Viljoen was the Acting Principal Officer until 28 February 2024.
Ms V Vala was appointed as Principal Officer on 1 March 2024.

2.3 Registered office address and postal address

189 Clark Street	PO Box 26004
Brooklyn	Arcadia
Pretoria	0007
0181	

2.4 Investment managers during the year

Medihelp invested funds with two investment managers during the 2024 financial year: Allan Gray Life Limited and MandG Investments Southern Africa (Pty) Ltd.

Allan Gray Life Limited

1 Silo Square
V&A Waterfront
Cape Town
8001

PO Box 51318
V&A Waterfront
Cape Town
8002

FSP number: 6663

MandG Investments Southern Africa (Pty) Ltd

5th Floor
Protea Place
30 Dreyer Street
Claremont
7708

PO Box 23167
Claremont
7735

FSP number: 45199

2.5 Auditors

Deloitte & Touche
5 Magwa Crescent
Waterfall City
Waterfall
2090

2.6 Attorneys

Dyason Attorneys
Walker Creek 3, 2nd Floor
90 Florence Ribeiro Avenue
Nieuw Muckleneuk
Pretoria
0181

Private Bag X15
Brooklyn Square
Pretoria
0075

MacRobert Inc Attorneys
MacRobert Building
1060 Jan Shoba Street
Brooklyn
Pretoria
0181

Private Bag X18
Pretoria
0075

Webber Wentzel
90 Rivonia Road
Sandton
Johannesburg
2196

PO Box 61771
Marshalltown
Johannesburg
2107

GMI Attorneys
Harlequins Office Park
164 Totius Street
Groenkloof
Pretoria
0181

PO Box 619
Pretoria
0001



3. Review of the accounting period's activities

3.1 Operational statistics per insurance contract

	For the year ended 31 December 2024								Total
	MedPlus	MedElite	MedPrime	MedAdd	MedVital	MedElect	MedSaver	MedMove!	
Average number of members during the accounting period	1 291	7 359	20 105	18 062	28 784	6 829	11 455	3 968	97 851
Number of members at the end of the accounting period	1 236	7 145	19 630	17 679	27 955	6 808	11 188	3 899	95 540
Average number of beneficiaries during the accounting period	1 620	10 391	43 468	42 932	68 550	9 994	26 241	4 597	207 794
Number of beneficiaries at the end of the accounting period	1 549	10 033	42 183	42 054	66 510	9 894	25 607	4 574	202 404
Dependants per member at the end of the accounting period	0,25	0,40	1,15	1,38	1,38	0,45	1,29	0,17	1,12
Insurance revenue per average beneficiary per month (R)	12 273	6 163	2 973	1 744	1 599	1 919	1 912	1 462	2 280
Insurance service expense ratio*	78,3%	103,1%	98,3%	102,7%	102,2%	109,7%	107,0%	88,5%	100,9%
Insurance service expense per average beneficiary per month (R)*	9 613	6 343	2 923	1 793	1 636	2 110	2 046	1 300	2 302
Relevant healthcare expenditure ratio**	73,6%	96,8%	91,3%	94,7%	95,9%	102,0%	99,1%	83,1%	94,0%
Relevant healthcare expenditure per average beneficiary per month (R)**	9 037	5 953	2 717	1 654	1 535	1 960	1 895	1 220	2 145
Non-healthcare expenditure as a percentage of insurance revenue***	6,7%	7,8%	8,5%	9,8%	8,7%	8,5%	11,1%	8,8%	8,9%
Non-healthcare expenditure per average beneficiary per month (R)***	826	478	254	171	139	163	211	129	202
Average age of beneficiaries	68	65	42	34	36	35	35	36	38
Pensioner ratio (beneficiaries > 65)	67,0%	63,8%	21,0%	10,2%	10,5%	13,4%	9,3%	8,1%	15,6%
									Total
Average Regulation 29 accumulated funds per member at the end of the accounting period****									R13 829
Return on investments as a percentage of investments									10,0%

For the year ended 31 December 2023

	MedPlus	MedElite	MedPrime	MedAdd	MedVital	MedElect	MedSaver	MedMove!	Total
Average number of members during the accounting period	1 476	8 140	21 777	17 488	28 917	6 416	11 574	3 077	98 865
Number of members at the end of the accounting period	1 422	7 925	21 355	18 388	29 807	68 98	11 722	4 116	101 633
Average number of beneficiaries during the accounting period	1 863	11 680	48 086	41 860	69 222	9 419	26 650	3 504	212 283
Number of beneficiaries at the end of the accounting period	1 788	11 331	46 954	43 843	70 944	10 124	27 013	4 789	216 786
Dependants per member at the end of the accounting period	0,26	0,43	1,20	1,38	1,38	0,47	1,30	0,16	1,13
Insurance revenue per average beneficiary per month (R)	10 460	5 234	10 613	1 288	2 283	223	4 618	159	2 003
Insurance service expense ratio*	90,8%	111,7%	105,7%	110,5%	107,7%	114,9%	110,9%	99,7%	107,8%
Insurance service expense per average beneficiary per month (R)*	9 504	5 857	2 727	1 637	1 489	1 887	1 811	1 210	2 163
Relevant healthcare expenditure ratio**	85,7%	105,0%	98,3%	104,1%	100,9%	106,8%	102,7%	94,2%	100,8%
Relevant healthcare expenditure per average beneficiary per month (R)**	8 962	5 510	2 535	1 542	1 394	1 754	1 677	1 143	2 022
Non-healthcare expenditure as a percentage of insurance revenue***	7,5%	8,7%	9,5%	10,6%	9,4%	9,2%	12,1%	8,6%	9,7%
Non-healthcare expenditure per average beneficiary per month (R)***	783	453	244	157	130	151	198	104	194
Average age of beneficiaries	68	64	41	34	35	35	34	37	38
Pensioner ratio (beneficiaries > 65)	64,9%	60,2%	19,0%	9,8%	9,6%	13,7%	8,2%	8,7%	14,8%
									Total
Average Regulation 29 accumulated funds per member at the end of the accounting period****									R13 256
Return on investments as a percentage of investments									10,0%

* Insurance service expense ratio equals the total directly attributable insurance service expenses which consists of claims incurred, insurance acquisition cash flows, third-party claims recoveries, accredited managed healthcare services and directly attributable administrative expenditure incurred, as a percentage of insurance revenue. Amounts attributable to future members are excluded.

** Relevant healthcare expenditure ratio (claims ratio) equals insurance service expenses as per the statement of profit and loss and comprehensive income, excluding directly attributable administrative expenditure and amounts attributable to future members, plus net income / (expense) from reinsurance contracts held, as a percentage of insurance revenue.

*** Non-healthcare expenditure includes direct and indirect administrative expenditure, asset management fees and re-measurement of retirement-benefit obligation.

**** Regulation 29 accumulated funds are not apportioned per insurance contract.



3.2 Results of operations

The results of the year's activities are clearly set out in the Financial Statements, and the Board of Trustees believes that no further clarification is required.

3.3 Funds and reserves

In terms of IFRS 17 Insurance Contracts (IFRS 17), members' funds, except for the revaluation reserve on financial assets, have been reclassified as non-current and current liabilities attributable to future members. Refer to notes 9.3 and 13 to the Financial Statements.

3.4 Insurance contract liabilities

The basis of the calculation of the Liability for Incurred Claims (LIC) is set out in note 9 to the Financial Statements.

3.5 Reporting in terms of International Financial Reporting Standards (IFRS)

The Board of Trustees applied all the applicable requirements of International Financial Reporting Standards (IFRS) and the Medical Schemes Act, 1998 to the Financial Statements.

3.6 Solvency ratio

	2024	2023
	R	R
Total of amounts attributable to future members and revaluation reserve	1 848 292 062	1 815 910 726
Less: Unrealised investment gains	(334 478 570)	(332 812 173)
Revaluation reserve for financial assets	(317 493 566)	(315 827 169)
Reclassification of investments on adoption of IFRS 9 included in accumulated funds	(16 985 004)	(16 985 004)
Less: Net fair value gain on financial assets at fair value through profit or loss	(192 559 657)	(135 820 321)
Balance at the beginning of the year	(135 820 321)	(105 779 445)
Movement in current year	(56 739 336)	(30 040 876)
Accumulated funds per regulation 29 of the Regulations under the Medical Schemes Act, 1998	1 321 253 835	1 347 278 232
Gross contributions	6 295 797 028	5 651 405 669
Solvency ratio calculated as the ratio of accumulated funds/gross annual contributions x 100	20,99%	23,84%
Minimum ratio required by regulation 29 of the Regulations under the Medical Schemes Act, 1998	25,00%	25,00%

For disclosure on capital risk management, refer to note 20.2 to the Financial Statements.

4. Management of insurance risks

The primary insurance activity carried out by the Scheme assumes the risk of loss arising from the occurrence of a health event (insured event) from members and their dependants. This risk relates to the actual experience of the Scheme differing from what was expected during the budgeting process. This includes, but is not limited to, deviations on the loss ratio which can be attributed to membership and claims being different from what was expected.

The Scheme is exposed to uncertainty surrounding the timing and severity of claims under the insurance contract options and insurance revenue received due to membership enrolments, resignations and movements between options being different from what is expected and budgeted for. The Scheme also has exposure to insurance risk through its insurance risk sharing and risk transfer activities.

The Scheme manages its insurance risk through benefit limits and sub-limits, approval procedures for transactions that involve pricing guidelines, pre-authorisation and case management, service provider profiling, and the monitoring of emerging issues. Certain risks are mitigated by entering into risk transfer arrangements. A team of forensic auditors investigates trends, service providers, and members for possible fraudulent transactions on a continuous basis.

The Scheme uses several methods to assess and monitor insurance risk exposure both for individual and overall types of risks insured. These methods include internal risk measurement models, reserve calculations, scenario analyses, managed healthcare protocols, reference pricing principles, managed care programmes, and financial projections, taking into account actual experience to date.

The results of model and scenario analyses are used for insurance contract design and pricing

purposes. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contract options. The principal risk is that the frequency and severity of claims will be greater than expected. The Board of Trustees also uses a Strategic Risk Register to gauge and manage the strategic risks associated with the Scheme and its sustainability.

Insurance events are random by nature, and the actual number and size of events during any one year may vary from those estimated by using established statistical techniques.

4.1 Risk transfer arrangements

The Scheme was party to risk transfer agreements with the following service providers during the year under review: Netcare 911, Dental Risk Company (DRC), and Preferred Provider Negotiators (PPN). Details regarding the nature, terms and conditions, and results of these agreements are disclosed in note 10 to the Financial Statements.

4.2 Actuarial services

The role of actuaries at medical schemes is mainly to enhance risk management measures and to assist with insurance contract design and pricing. The contracted actuaries of the Scheme as at 31 December 2024 was 3ONE (Pty) Ltd t/a 3ONE Consulting Actuaries to perform the necessary actuarial functions.

3ONE was consulted regarding the determination of contribution and benefit levels, and also assisted in determining the assumptions used in the calculation of the liability for incurred claims, which are explained in note 9.1 to the Financial Statements.

The Scheme uses actuarial valuations in determining its post-employment benefit liability in terms of the requirements of IAS 19, Employee Benefits. 3ONE performed the valuation on the post-employment medical benefits. Refer to note 11 to the Financial Statements for further information.

3ONE (Pty) Ltd t/a 3ONE Consulting Actuaries

Ground Floor, Northview Building
Bryanston Place Office Park
199 Bryanston Drive
Bryanston, Sandton
Johannesburg
2191



5. Fidelity cover

The Scheme has adequate fidelity cover in place, as required by the Medical Schemes Act, 1998.

6. Investments in and loans to participating employers of members of the medical scheme and other related parties

The Scheme holds investments in participating employers of medical scheme members (refer to paragraph 17.4 of the Board of Trustees' report for non-compliance disclosure).

The Scheme holds an investment in Curamed Holdings (Pty) Ltd, which is representative of one of the Scheme's network providers. Details are disclosed in the Related Party note 22 to the Financial Statements.

7. Related party transactions

Related party transactions are disclosed in note 22 to the Financial Statements.

Trustee remuneration is disclosed in note 28 to the Financial Statements.



8. Audit and Risk Committee

The Audit and Risk Committee (ARC) was established in accordance with the provisions of the Medical Schemes Act, 1998. The Committee is mandated by the Board of Trustees by means of the Audit and Risk Committee Charter, which regulates its membership, authority, and duties.

The purpose of the Committee is to assist the Board in fulfilling its duties to ensure the integrity of reporting and reviewing the effectiveness of the financial reporting process, the system of internal controls, the assurance process, and the Scheme's process for monitoring compliance with laws, regulations, the Board's Code of Conduct and the Rules of Medihelp.

The Committee consists of five members, two of whom are members of the Board of Trustees and three, including the Chairperson, are independent members. The meetings indicated below were also attended

by the Principal Officer, the external auditors, relevant senior management, and internal auditors of the Scheme, who had a standing invitation to attend these meetings. The Committee met on three occasions during the course of the year:

15 February 2024

16 April 2024

20 August 2024

The meetings were attended by all members of the Committee in February and April. The meeting of 20 August 2024 was attended by four members as the term of Mr GJ Lourens expired on 20 June 2024 and the vacant position was not filled by the time of the meeting. A quorum was present for this meeting.

The Committee reported that:

- Its terms of reference were updated and approved by the Board of Trustees;
- It has carried out its duties in terms of the Medical Schemes

Act, 1998 and the written and approved Audit and Risk Committee Charter of the Board of Trustees;

- It has evaluated the external auditors for the following:
 - Their independence, the skills level of the engagement team and the ethical standards of the firm;
 - The approval of the firm and engagement partner by the Council for Medical Schemes (CMS); and
 - Their overall performance.
- The Committee also took note of the findings of inspection reports by the Independent Regulatory Board for Auditors where applicable;
- The Board of Trustees, on the recommendation of the Committee, has recommended to the annual general meeting the appointment of Deloitte & Touche as statutory auditors to the Scheme for the 2024 financial year, which appointment was confirmed by the 2024 annual general meeting;

- It has carried out oversight of the risk and governance processes adopted and implemented by the Board of Trustees and management;
- The assurance provided by management, the external auditors, and the internal auditors has satisfied the Committee that internal controls are adequate and effective;
- It has monitored the relationship between the external assurance providers and the Scheme;
- It has approved the internal audit and forensic investigations plans and reviewed and commented on the internal audit and forensic investigations reports;
- It has conducted oversight of the Scheme's financial reporting risks, internal financial controls, and fraud risks as they relate to financial reporting and information technology (IT) risks as they relate to financial reporting;
- It has reviewed the documented assessment, prepared by

- management, of the Scheme's status as a going concern;
- It has reviewed the Scheme's audited Financial Statements and accounting policies, obtained assurances from the external auditors, and recommended the adoption of the financial statements by the Board of Trustees for presentation to the members;
 - It has reviewed the Scheme's Annual Report and recommended its approval by the Board of Trustees;
 - It has performed a self-evaluation;
 - It has performed a review of the qualifications and experience of the finance personnel and was satisfied that they are suitably qualified and experienced;
 - The Committee is satisfied that the policies and procedures implemented by management were sufficient to ensure that the controls related to the accounting and information system are adequate, effective, and in compliance with the requirements

of the CMS; and

- It has reviewed the effectiveness of the system for monitoring compliance with applicable laws and regulations and the Scheme's code of conduct.

The Committee has confirmed that a combined assurance model is applied to address the strategic risks facing the Scheme. The model is being updated following improvements to the risk management process and identification of all significant and emerging risks.

The Governance, Risk and Compliance Committee (GRC), which reports into the ARC, is responsible for the regular reviewing and monitoring of the Scheme's risk management and governance framework and strategy in compliance with relevant legislation, Scheme rules, and codes of good practice to support the Scheme's business and strategic objectives. The assurances provided by management, the external auditors, and the internal auditors have satisfied the Committee that internal controls are adequate and effective.



The Committee has also reviewed the Legal, Risk and Compliance department's governance report and corporate governance policies adopted by the Board of Trustees and made recommendations on the report and policies where appropriate. The Committee also noted feedback from the Information and Communication Technology (ICT) Committee, Investment Committee, and the Social and Ethics Committee.

Up to 20 June 2024, the Committee comprised Mr GJ Kapp (independent Chairperson), Mr JE Carstens (independent member), Mr GJ Lourens (independent member), Mr TN van der Westhuizen (Board of Trustees member), and Mr PM van Deventer (Board of Trustees member). Mr JP Nieuwenhuis replaced Mr GJ Lourens on 5 September 2024 and the composition of the Committee remained unchanged until year-end.

The members of the ARC hold the following qualifications:

- Mr JE Carstens – BCom (Ed), BCompt, CIA, CRMA, CISA;
- Mr GJ Kapp – BComHons, CA (SA);
- Mr GJ Lourens (term ended 20 June 2024) – BComHons, CA (SA);
- Mr TN van der Westhuizen – BComptHons, MBA, CPA (Australia);
- Mr PM van Deventer – BCom, MBA; and
- Mr JP Nieuwenhuis (appointed 5 September 2024) – BComptHons, CA (SA).

9. Investment Committee

The Investment Committee was established and is mandated by the Board of Trustees by means of written terms of reference to its membership, authority, and duties. This Committee consists of four members who are members of the Board of Trustees. The Committee met on four occasions during the year:

8 February 2024
9 April 2024
7 August 2024
13 November 2024

The meetings were attended by all members of the Committee.

The purpose of the Investment Committee is to assist the Board of Trustees in fulfilling its duties by ensuring that the relevant laws and regulations relating to the investment of excess funds are adhered to and to review the Investment Policy Statement (strategy document), the Investment Policy, and Investment Committee Charter for

approval by the Board of Trustees. The Committee also provides an enabling environment for the proper administration of Medihelp's investments.

The Scheme's investment objective is to maximise the return on its investments on a long-term basis at minimal risk. The investment strategy takes into consideration legislative constraints as well as constraints imposed by the Board of Trustees.

The mandate given by the Board of Trustees to the Investment Committee is to invest surplus funds in accordance with risk-minimising measures at institutions offering the highest possible returns. The Scheme also invests in fixed deposits (short-term investments) and money market instruments for purposes of cash flow planning related to predetermined claims payment dates.

The Investment Committee discharged its responsibilities during 2024 as follows:

- The Medihelp Investment Policy Statement (strategy document), the Investment Policy and

Investment Committee Charter were reviewed without changes and were recommended for approval by the Board of Trustees. The documents were approved by the Board of Trustees in November 2024;

- The performance of all investments (short- and long-term) was evaluated and monitored at the hand of presentations by asset managers and reviews of reports submitted and presented to the Committee at its meetings;
- The Scheme's investment portfolio was further evaluated from a strategic perspective to ensure that the decisions taken by the Committee were in line with market trends and in the best interest of the members. This was achieved through consideration of the performance of portfolio investments against defined benchmarks;
- The adequacy of the Scheme's cash resources over the short term, compared to budgeted

claims, was monitored continuously and included in the reports reviewed by the Committee; and

- Compliance with the requirements of the short- and long-term investments of the Scheme, as set out in Annexure B of the Regulations under the Medical Schemes Act, 1998, was also monitored throughout 2024.

The Scheme's financial asset details are disclosed in note 6 to the Financial Statements.

At year-end the Committee comprised:

- Mr PM van Deventer (Chairperson);
- Adv PJ Louw;
- Mr TN van der Westhuizen; and
- Mr MJ Visser.

10. Human Resources Committee

The Human Resources Committee was established and mandated by the Board of Trustees through its Charter. The Committee consists of five members, three of whom are

members of the Board of Trustees. The Committee met on three occasions during the year:

14 February 2024
10 April 2024
13 November 2024

These meetings were attended by all members of the Committee.

The Human Resources Committee discharged its responsibilities for the 2024 financial year by addressing the following matters:

- Review of Human Resource policies and Committee Charter;
- Nomination of Board members;
- Incentives;
- Performance and reward for executive management;
- Salary increases;
- Honorarium of the Board of Trustees and sub-committees and reporting thereon;
- Filling of the executive positions; and
- Human Resources strategy.

The Social and Ethics Committee was dissolved during the current year (see paragraph 14 below). Following the dissolution, the Human Resources Committee addressed these matters:

- Learning initiatives and employee wellness;
- Ethics;
- Employment equity – highlighted the continued focus on improving diversity at all levels;
- Stakeholder engagement – strategies to enhance member satisfaction;
- Strategies to enhance continuous innovation in benefit designs to stay competitive in the market; and
- Advocating for greater transparency regarding compensation and performance evaluations.

During the year, the Committee members comprised the following Board of Trustees and independent members:

- Mr MJ Visser (Chairperson)
- Adv JM Ferreira

- Adv PJ Louw (term ended 30 July 2024)
- Mr PM van Deventer (appointed 30 July 2024)
- Mr P Kruger – independent member (term ended 20 June 2024)
- Mr LC Grubb – independent member (term ended 20 June 2024)
- Mr JP van Zittert – independent member (appointed 13 September 2024)
- Mrs R Wolmarans – independent member (appointed 13 September 2024)

The independent members of the Human Resources Committee hold the following qualifications and membership:

- Mr LC Grubb – BScHons Mechanical Engineering, MBA, Master Reward Specialist (SARA);
- Mr P Kruger – MCom Industrial Psychology, Master Reward Specialist (SARA), Faculty member since 2004 – teaching Global Remuneration Professional

- Programme – WorlDatWork (USA);
- Mr JP van Zittert – BCom Industrial Psychology; BCom (Hons) Industrial Psychology; MCom Industrial Psychology; Registered Industrial Psychologist; Reward Specialist (SARA); and
- Mrs R Wolmarans – BCom HR Management, BCom (Hons) HR Management, MCom Industrial Psychology, Registered Industrial Psychologist.

11. Governance, Risk and Compliance (GRC) Committee

The Governance, Risk and Compliance (GRC) Committee's mandate is to regularly review and monitor the Scheme's risk management and governance framework and strategy, in compliance with the relevant legislation, Rules of Medihelp, and codes of good practice such as King IV Report on Corporate Governance™ (King IV), to support the Scheme's business objectives. An integrated governance assurance approach is

followed by the Scheme to govern and manage governance, risk management, and compliance processes.

The GRC Committee reports into the ARC and discharged its responsibilities for the year by overseeing the following:

- Critical strategic risk matters and practical measures to address problem areas;
- Certain focus areas as determined by the Board of Trustees from time to time; and
- Compliance with the stipulations of the Medical Schemes Act, 1998 as well as any further legislation that affect the governance of the Scheme.

The Scheme has fully complied with its regulatory and legislative obligations. It has not received any penalties or fines during this reporting period, and no stakeholders, internally or externally, have raised any notable concerns. This, together with the various

improvements and projects completed during this period, is testament to the success of the Committee.

The GRC Committee met on the following dates, and all meetings were attended by all members:

- 4 April 2024
- 13 August 2024
- 6 November 2024

At year-end the Committee comprised:

- Adv PJ Louw (Chairperson);
- Mr JM Ferreira;
- Mr JC Klopper; and
- Mr MJ Visser.

12. The Information and Communication Technology (ICT) Committee

The ICT Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority, and duties, in line with the ICT charter. The overall objective of this

Committee, a sub-committee of the Governance, Risk and Compliance (GRC) Committee (previously known as the Oversight Committee), is in compliance with King IV™: Principle 12. The ICT Committee's primary role is to provide strategic oversight on information and technology management and related investments, ensuring alignment with organisational goals and sustainable value creation. Its role extends to overseeing the ethical, secure, and effective use of technology within the organisation, in line with the principles of transparency, accountability, and risk mitigation. To this end, the composition of the Committee includes members of the Board of Trustees and two independent Information Technology (IT) experts. The Committee met consecutively with the GRC Committee on the following dates, and all meetings were attended by all members of the Committee:

- 4 April 2024
- 13 August 2024
- 6 November 2024





The ICT Committee ensures ICT compliance with business objectives and focuses on:

- Ensuring that systems development and maintenance are cost-effective, efficiently managed, and of value;
- Future planning, monitoring and reporting on ICT risks, resources, and efficiencies;
- Ensuring best practice and good governance; and
- Cybersecurity, including measures to mitigate associated risks.

At year-end the Committee comprised:

- Adv PJ Louw (Chairperson);
- Adv JM Ferreira;
- Mr JC Klopper;
- Mr P Lutchman;
- Mr P Naidoo; and
- Mr MJ Visser.

The independent members of the ICT Committee hold the following qualifications and membership:

- Mr P Lutchman – CTO/CIO/CDO,

Global Startup Mentor at the Founder Institute, fellow at the Institute of Directors in Southern Africa, BSc Pharm (appointed 1 October 2024);

- Mr P Naidoo – Executive MBA, PGDip (appointed 1 October 2024);
- Mr N Kruger – National Higher Diploma (T4) Electrical Engineering (LC), MBA, PhD IT (term ended 30 June 2024); and
- Mr HB Zulch – CA (SA), MCom IT Audit, ISO 9001, 14001 and 27001 Certified, PGDip, Environmental Management, Executive Coaching Basic (term ended 30 June 2024).

13. Rule and Product Committee

The Rule and Product Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority and duties. The purpose of the Rule and Product Committee is to recommend to the Board of Trustees changes to existing insurance contract options, discontinuation of

existing insurance contract options, and/or the introduction of new insurance contract options. This includes related products such as value-add programmes, with the purpose of assisting the Board in fulfilling its responsibilities to ensure that insurance contract options comply with relevant laws and regulations. The Committee also sees to it that products support Medihelp's marketing strategy, are marketable in the medical scheme industry, and are financially viable. The Committee further recommends to the Board of Trustees all rule changes with the purpose of assisting the Board in fulfilling its responsibilities to ensure that the Rules of Medihelp comply with relevant laws and regulations and provide an enabling environment for the proper administration of Medihelp's affairs. The Committee met on three occasions during the course of the year:

17 April 2024

13 June 2024

27 August 2024

These meetings were attended by all members of the Committee.

At year-end, the Committee comprised:

- Mr TN van der Westhuizen (Chairperson);
- Adv JM Ferreira;
- Mr JC Klopper;
- Adv PJ Louw;
- Mr PM van Deventer; and
- Mr MJ Visser.

14. Social and Ethics Committee

The Social and Ethics Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority, and duties. The role of the Committee is to assist the Board of Trustees with safeguarding Medihelp's reputation and sustainable execution of its strategy, taking into consideration the economy, society, natural environment, and workplace in which the Scheme operates. The Committee held its last stand-alone meeting on 9 April 2024.

This meeting was attended by all

members of the Committee, namely Mr JM Ferreira (Chairperson), Mr JC Klopper, Mr TN van der Westhuizen, and Mr PM van Deventer.

On 5 September 2024, the Board of Trustees noted the feedback from the last stand-alone meeting of the Committee. It was confirmed that the Committee effectively fulfilled its mandate as an independent entity. From September 2024, all its responsibilities were incorporated into the Human Resources Committee, ensuring continuity in addressing social and ethical matters within the Scheme's broader governance framework. Refer to paragraph 10.

15. Clinical Risk Committee

The Clinical Risk Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority, and duties. The role of the Committee is to assist the Board in ensuring that the Scheme's clinical risk is effectively managed and implemented, taking into account the growing complexity of clinical risks and the advancement and

cost of healthcare technology, while ensuring that the investment into managed care is appropriately managed and the necessary interventions are timeously implemented. The committee consists of four members who are members of the Board of Trustees and one independent member with expertise in the management of clinical risks within the medical schemes environment.

The Committee met on two occasions during the year:

15 August 2024 | 7 November 2024

These meetings were attended by all members of the Committee.

At year-end the Committee comprised:

- Adv JM Ferreira (Chairperson);
- Mr JC Klopper;
- Mr TN van der Westhuizen;
- Adv PJ Louw; and
- Mr P Vorster.

The independent member, Mr P Vorster, holds the qualifications BEng Industrial Engineering and BCom Financial Management.

16. Board of Trustees and committee meeting attendance and remuneration

The schedule below sets out the attendance of meetings of the Board of Trustees and attendance by members of committees of the Board. Trustee remuneration is disclosed in note 28 to the Financial Statements.

	Board of Trustees	Audit and Risk Committee	Investment Committee	Rule and Product Committee	ICT Committee and GRC Committee	Social and Ethics Committee	Clinical Risk Committee	Human Resources Committee
Number of meetings for the year	6	3	3	3	3*	1**	2	3
Trustee/Committee member								
Trustees								
JM Ferreira	6			3	3*	1**	2	3
JC Klopper	6			3	3*	1**	2	
PJ Louw	6		3	3	3*		2	2
TN van der Westhuizen	6	3	3	3		1**	2	
PM van Deventer	6	3	3	3		1**		1
MJ Visser	6		3	3	3*			3
Independent members								
JE Carstens		3						
LC Grubb (term ended 20 June 2024)								2
GJ Kapp		3						
N Kruger (term ended 30 June 2024)					1*			
P Kruger (term ended 20 June 2024)								2
GJ Lourens (term ended 20 June 2024)		2						
PS Lutchman (appointed 1 October 2024)					1*			
P Naidoo (appointed 1 October 2024)					1*			
JP Nieuwenhuis (appointed 5 September 2024)		0***						
JP van Zittert (appointed 13 September 2024)								1
P Vorster (appointed 13 September 2024)							1	
R Wolmarans (appointed 13 September 2024)								1
HB Zulch (term ended 30 June 2024)					1*			

* The ICT Committee is a sub-committee of the Governance, Risk and Compliance Committee and meetings were held simultaneously.

** The Social and Ethics Committee was discontinued as a stand-alone entity and incorporated into the Human Resources Committee from September 2024.

*** JP Nieuwenhuis's first Audit and Risk Committee meeting was on 18 February 2025.



17. Non-compliance with the Medical Schemes Act, 1998

17.1 Limitation of investments in unlisted shares

In terms of regulation 30(1) and Annexure B of the Medical Schemes Act, 1998, the maximum percentage of aggregate fair value of liabilities for investments in unlisted shares is 2,5%. Due to the increase in the fair value of Curamed Holdings (Pty) Ltd, the Scheme exceeds this limitation, although the cost of the investment still falls within the 2,5% requirement. The Board of Trustees classified the Curamed share investment as a long-term strategic asset that will not be sold in the short term. The Scheme was granted exemption in terms of regulation 30(8) until 31 December 2026.

17.2 Limitation of investments in immovable property

In terms of Annexure B, Category 3(a) of the Medical Schemes Act, 1998, the maximum percentage of

aggregate fair value of liabilities for investments in immovable property is 2,5%. The fair value of the Scheme's offices (owned property) exceeds this limitation, but it still falls within the overall property category limitation per Annexure B of 10%. The Scheme was granted exemption in terms of regulation 8(h) until 31 December 2026.

17.3 Contribution income not received after three days of becoming due

In terms of section 26(7) of the Medical Schemes Act, 1998, all subscriptions or contributions must be paid directly to a medical scheme not later than three days after payment thereof becomes due. In this regard, rule 18(10) of the Rules of Medihelp stipulates that the Board of Trustees must take all reasonable steps to ensure that contributions are paid timeously to the Scheme in accordance with the Act and the Rules. In order to give effect to this stipulation, rule 11(6) determines the manner in which arrear contributions are dealt with. However, with regard

to the application of section 26(7) of the Medical Schemes Act, 1998 it is important to note that Medihelp has no control over the timely payment of contributions to the Scheme. This issue was raised with the CMS and the Scheme has received written confirmation that the legal obligation lies with the member or employer to pay contributions within the prescribed period.

17.4 Investments in administrators and employer groups

In terms of section 35(8)(c) of the Medical Schemes Act, 1998, a medical scheme shall not invest any of its assets in the business of or grant loans to any administrator. The Scheme held an investment in Momentum Metropolitan Holdings Limited via its investment in a Linked Insurance Policy (Allan Gray Domestic Balanced Fund). The Scheme was granted an exemption in terms of section 35(8)(c) which is valid until 30 November 2025.

Section 35(8)(a) states that a medical

scheme shall not invest any of its assets in the business of or grant loans to an employer who participates in the medical scheme. The Scheme held investments in various employer groups via its investments in a Linked Insurance Policy and a Collective Investment Scheme. The Scheme was granted an exemption in terms of section 35(8)(a) which is valid until 30 November 2025.

17.5 Financial soundness of insurance contracts

Each insurance contract must be self-supporting in terms of membership and financial performance and must be financially sound. The MedElite, MedAdd, MedVital, MedElect and MedSaver insurance contracts realised a negative insurance service result for the year ended 31 December 2024. Each of these options are monitored and evaluated on an ongoing basis and specific strategies are continuously implemented based on the risks, claim patterns, conditions,

and procedures identified. Intervention strategies include inter alia managed care interventions, managing hospital readmissions, monitoring high risk members and benefit adaptations.

17.6 Minimum accumulated funds to be maintained by a medical scheme

In terms of regulation 29(2) of the Medical Schemes Act, 1998, a medical scheme must at any time maintain accumulated funds, expressed as a percentage of gross annual contributions, of minimum 25%. The Scheme's solvency ratio was 20,99% as at 31 December 2024. In terms of section 29(4) of the Medical Schemes Act, 1998 a medical scheme that for a period of 90 days fails to comply with section 29(2) of said Act, must notify the Registrar in writing of such failure, and must provide information relating to the

nature and causes of the failure and the course of action being adopted to ensure compliance therewith. The Scheme duly reported the matter as required by section 29(4) of the Medical Schemes Act, 1998.

18. Subsequent events

The Board of Trustees is not aware of any events after the reporting period that require disclosure in the Financial Statements.

JC Klopper
Chairperson

MJ Visser
Vice Chairperson



Statement of responsibility by the Board of Trustees

The trustees are ultimately responsible for the preparation, integrity and fair presentation of the Financial Statements of the Scheme and to ensure that proper systems of internal control are employed by and on behalf of the Scheme. The Financial Statements presented on pages 20 to 66 have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) Interpretations applicable to Schemes reporting under IFRS. The Financial Statements are also prepared in accordance with the Medical Schemes Act, 1998 as amended, which requires additional disclosures for registered medical schemes.

The trustees consider that, in preparing the Financial Statements, the most appropriate accounting policies were implemented, consistently applied

and supported by reasonable and prudent judgements and estimates, and that all IFRS requirements considered to be applicable have been followed.

The trustees are satisfied that the information contained in these Financial Statements fairly presents the financial position of the Scheme as at 31 December 2024, as well as its financial performance and cash flows for the year then ended. The trustees also prepared the other information included in the annual report and are responsible for both its accuracy and its consistency with the Financial Statements.

The trustees are ultimately responsible for ensuring that accounting records are kept. These records should disclose with reasonable accuracy the financial position of the Scheme. The Scheme operated in an established controlled

environment, which is properly documented and regularly reviewed.

The going concern basis has been adopted in preparing the Financial Statements. Based on forecasts and available cash resources, the trustees have no reason to believe that the Scheme will not be a going concern in the foreseeable future.

The Scheme's external auditors, Deloitte & Touche, audited the Financial Statements. The Scheme's auditors have unrestricted access to all financial records and related data, including minutes of all meetings of members, the trustees and committees of the Board. The trustees believe that all its representations made to the external auditor during its audit were accurate and appropriate. The audit report is presented on page 14 to 19 of the Financial Statements.



The Financial Statements were approved by the Board of Trustees on 24 April 2025 and signed on behalf of the Board by:

JC Klopper
Chairperson

MJ Visser
Vice Chairperson

V Vala
Principal Officer

Statement of corporate governance by the **Board of Trustees**

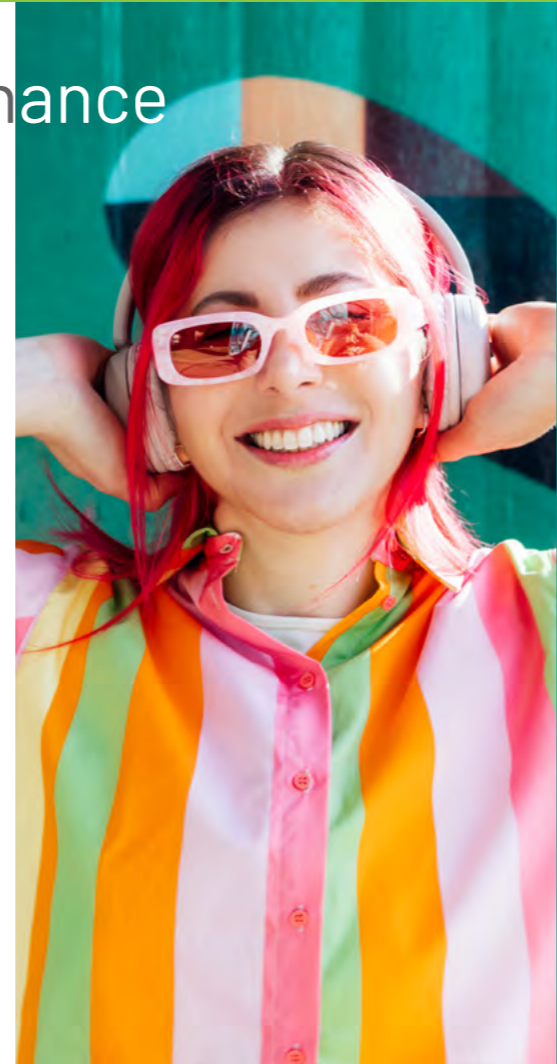
The Board of Trustees is committed to the principles and practice of fairness, openness, integrity, and accountability in all dealings with its stakeholders. The Medihelp Board of Trustees Charter, which includes the requirement that each trustee sign an Undertaking in terms of the Medihelp Code of Conduct, has been adhered to. The trustees are also committed to the principles of the Code of Corporate Practices and Conduct as set out in the King IV Report on Corporate Governance™ for South Africa 2016.

Board of Trustees

The trustees meet regularly and monitor the performance of the Scheme. They address a range of key issues and ensure that discussions on policy, strategy, and performance are critical, informed, and constructive.

The Board of Trustees consists of six members who are elected by the Scheme's members at the annual general meeting. Trustees are elected and appointed for a five-year period and may be re-elected, provided that no trustee may serve more than two consecutive terms and more than three terms altogether.

All trustees have access to the advice and services of the Principal Officer and may seek independent professional advice at the expense of the Scheme to support them in their duties, where appropriate. In terms of the Board of Trustees' Charter, trustees should ensure that an annual performance evaluation is completed to identify training needs of trustees. The Board of Trustees' Charter also determines that the performance of all committees is assessed on an annual basis to ensure the credibility of the committees.



The Board of Trustees ensures that the performance of service providers is monitored in line with applicable service level agreements.

Internal control and risk management

The Board of Trustees establishes and manages internal controls (manual and automated) and systems. These controls and systems are designed to provide reasonable but not absolute assurance about the integrity and reliability of the Financial Statements and to safeguard the Scheme's assets, through its combined assurance model. The Scheme's internal controls are based on established policies and procedures and are exercised by trained personnel with the appropriate segregation of duties.

The Medihelp Information Technology (IT) Governance Charter, Framework, and policies support effective and efficient management of IT resources to facilitate and enable the achievement of the strategic objectives of the Scheme. The charter, framework, and policies are aligned with the King IV™ principles, and international best practices and

standards in Information Technology.

The Board of Trustees is ultimately responsible for risk management of the Scheme and has a formal risk evaluation process in place. The GRC Committee oversees and holds management accountable for the implementation of effective risk and compliance management, including consideration of the opportunities and associated risks when developing strategy. The GRC Committee also monitors the effectiveness of risk management and makes recommendations to the Board of Trustees.

No event or matter has come to the attention of the Board of Trustees that would indicate a material breakdown in the functioning of the key internal controls and systems that were in operation during the year under review.

JC Klopper
Chairperson

MJ Visser
Vice Chairperson

V Vala
Principal Officer

Statement of financial position at 31 December 2024

Assets	Note	2024	2023
		R	R
<i>Non-current assets</i>		1 089 682 067	1 017 807 440
Intangible assets	5	9 683 382	16 247 873
Property, plant, and equipment	4	99 646 302	98 240 979
Financial assets at fair value through other comprehensive income	6	334 945 717	333 279 320
Financial assets at fair value through profit or loss (FVPL)	6	645 406 666	570 039 268
<i>Current assets</i>		1 300 736 764	1 162 045 493
Financial assets at fair value through profit or loss	6	718 071 928	722 629 907
Financial assets at amortised cost	7	28 194 462	23 640 974
Cash and cash equivalents	8	554 470 374	415 774 612
Total assets		2 390 418 831	2 179 852 933



Funds and liabilities

Investments at fair value through other comprehensive income
fair value reserve

Non-current liabilities

Retirement benefit obligations

Insurance contract liability attributable to future members

Current liabilities

Insurance contract liability attributable to current members

Insurance contract liability attributable to future members

Trade and other payables

Reinsurance contract liability

Retirement benefit obligations

Total funds and liabilities

Note	2024	2023
	R	R
	317 493 566	315 827 169
	317 493 566	315 827 169
	1 543 705 652	1 364 152 866
11	12 907 156	12 371 000
9	1 530 798 496	1 351 781 866
	529 219 613	499 872 898
9	478 141 026	301 642 289
9	-	148 301 691
12	43 795 196	43 110 427
10	6 061 547	6 818 491
11	1 221 844	-
	2 390 418 831	2 179 852 933

Statement of profit and loss and other comprehensive income for the year ended **31 December 2024**

	Note	2024	2023
		R	R
Insurance revenue	13	5 684 406 082	5 103 563 267
Insurance service expense*	13	(5 740 770 026)	(5 509 370 768)
Net income from risk transfer arrangements / reinsurance contracts held		45 203 067	31 793 651
Risk transfer arrangement premiums paid	13.3	(181 584 154)	(205 484 932)
Recoveries under risk transfer arrangements	13.3	226 787 221	237 278 583
Insurance service result		(11 160 877)	(374 013 850)
Other income		231 767 918	216 929 060
Investment income	18	168 231 005	174 405 005
Net other gains	16	58 392 906	31 498 872
Sundry income	19	5 144 007	11 025 183



Other expenditure

Other operating expenses
Net credit impairment losses
Asset management fees
Finance costs

Surplus/(Deficit) before amounts attributable to future members
Amounts attributable to future members*
Surplus/(Deficit) for the year

Other comprehensive income

Items that will not be reclassified to profit or loss
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI)

Total comprehensive income for the year

* Circular 6 of 2025 issued by the CMS requires medical schemes to present amounts attributable to future members separate from the insurance service expense and the insurance service result. This resulted in a re-presentation of the prior year's affected line items as follows: Amounts attributable to future members of (R30 714 939)(2023: R352 565 294) are now being disclosed as a separate line item on the Statement of profit and loss and other comprehensive income before the surplus/(deficit) for the year. Refer to note 24.

In accordance with IFRS 17, insurance service expense includes amounts attributable to future members. Therefore, the total value of insurance service expense amounts to R5 771 484 965 (2023: R5 156 805 474). Refer to note 13.2.

Note	2024	2023
	R	R
	(189 892 102)	(195 480 504)
15	(170 478 721)	(171 948 434)
17	-	(7 290 225)
	(3 101 169)	(2 832 846)
	(16 312 212)	(13 408 999)
24	30 714 939	(352 565 294)
9.3	(30 714 939)	352 565 294
	-	-
	1 666 397	22 496 354
	1 666 397	22 496 354
	1 666 397	22 496 354

Statement of changes in reserves for the year ended **31 December 2024**

	Investments at fair value through other comprehensive income fair value reserve	Total
	R	R
Balance as at 1 January 2023	293 330 815	293 330 815
Total comprehensive income for the year	22 496 354	22 496 354
Balance as at 31 December 2023	315 827 169	315 827 169
Balance as at 1 January 2024	315 827 169	315 827 169
Total comprehensive income for the year	1 666 397	1 666 397
Balance as at 31 December 2024	317 493 566	317 493 566



Statement of cash flows for the year ended **31 December 2024**

	Note	2024	2023
		R	R
Cash flow from operating activities			
Cash receipts from members and providers		6 399 042 777	5 655 690 147
Cash receipts from members - contributions		6 395 563 453	5 635 681 675
Cash receipts from members and providers - other		3 479 324	20 008 472
Cash paid to providers, employees, and members		(6 408 840 533)	(6 148 957 214)
Cash paid to providers and members - claims		(6 067 626 745)	(5 784 340 374)
Cash paid to reinsurers		(182 341 098)	(200 815 857)
Cash paid to providers and employees - non-healthcare expenditure		(148 252 295)	(156 276 852)
Cash paid to members - savings plan refunds		(10 620 395)	(7 524 131)
Cash utilised by operations		(9 797 756)	(493 267 067)
Finance expenses from insurance contracts issued - PMSA		(16 312 212)	(13 408 999)
Net cash utilised by operations		(26 109 968)	(506 676 066)



Cash flows from investing activities

Purchase of property, plant, and equipment		
Additions to financial assets		
Programming cost capitalised through intangible assets		
Proceeds from sale of property, plant, and equipment		
Proceeds from realisation of financial assets		
Interest received		
Dividends received		

Net cash generated/(utilised) by investing activities

Net movement in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year		

Cash and cash equivalents at the end of the year

Note	2024	2023
	R	R
4	(7 852 939)	(24 379 089)
	(461 393 156)	(361 804 867)
5	(328 442)	(5 881 983)
	1 140 437	431 446
	527 996 764	371 368 736
18	66 963 731	60 256 959
18	38 279 335	37 025 984
	164 805 730	77 017 186
	138 695 762	(429 658 880)
	415 774 612	845 433 492
8	554 470 374	415 774 612

Trustees' remuneration

2024

	Fees for Board of Trustees meeting attendance	Fees for committee meeting attendance	Other remuneration	Telephone allowance	Total remuneration	Travel and accommodation expenses	Total considerations
	R	R	R	R	R	R	R
JM Ferreira	183 930	312 495	20 640	3 180	520 245	-	520 245
JC Klopper	484 026	216 751	-	3 180	703 957	-	703 957
PJ Louw	183 930	337 050	13 659	3 180	537 819	-	537 819
TN van der Westhuizen	183 930	326 450	2 327	3 180	515 887	-	515 887
PM van Deventer	183 930	302 249	15 986	3 180	505 345	-	505 345
MJ Visser	333 980	312 141	15 126	3 180	664 427	-	664 427
	1 553 726	1 807 136	67 738	19 080	3 447 680	-	3 447 680

2023

	Fees for Board of Trustees meeting attendance	Fees for committee meeting attendance	Other remuneration	Telephone allowance	Total remuneration	Travel and accommodation expenses	Total considerations
	R	R	R	R	R	R	R
JM Ferreira	233 059	288 608	-	3 180	524 847	-	524 847
JC Klopper	613 316	199 402	-	3 180	815 898	-	815 898
PJ Louw	233 059	288 608	38 955	3 180	563 802	-	563 802
TN van der Westhuizen	233 059	308 397	-	3 180	544 636	-	544 636
PM van Deventer	233 059	307 144	-	3 180	543 383	-	543 383
MJ Visser	423 189	289 861	43 407	3 180	759 637	-	759 637
	1 968 741	1 682 020	82 362	19 080	3 752 203	-	3 752 203

More than a century's legacy of care

Medihelp's rich legacy of care spans several eras in South Africa's history. Our commitment remains as strong as it was in 1905, when the Scheme first introduced medical aid in the country.

1905

On 9 February, the Civil Service Medical Benefit Association (C.S.M.B.A.), later known as Medihelp, is founded in Pretoria with 362 members. This marks the start of a new era in medical aid in South Africa.



1915

Medihelp introduces a stop-order system, through which the bank makes payments on members' behalf, simplifying payments and making the Scheme more accessible to its members.



1921

Medihelp concludes a reinsurance agreement with the London Insurance Company, but terminates the agreement in 1922. This period marks Medihelp's commitment to ensuring sustainability and growth.

1931

Mr JA Butcher becomes the first full-time secretary of Medihelp. This same year, discussions around national health insurance begin.

1945

By now, the Scheme has 1164 members.

1940

The C.S.M.B.A. changes its name to the Public Service Medical Aid Association (P.S.M.A.A.).

1955

The South African government introduces subsidies for civil servants' medical expenses. Medihelp adopts a mechanised bookkeeping system and introduces its first pension fund for employees.

1967

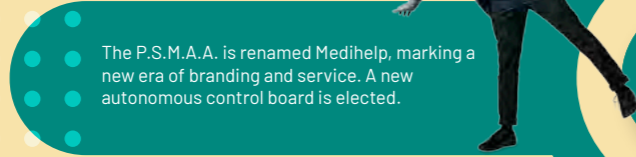
Regional offices expand across provinces. Housing subsidies for employees are introduced.





The Scheme moves into its own building at 84 Beatrix Street (now 415 Steve Biko Road) in Pretoria.

1977



The P.S.M.A.A. is renamed Medihelp, marking a new era of branding and service. A new autonomous control board is elected.

1992



Medihelp introduces significant technological advancements, including an offset printer and computerisation.

1972

The P.S.M.A.A. expands its administration capabilities to include Polmed and Prised (later Medcor). New computer systems are installed to improve efficiency and a logo is registered.

1982

1996

Regional offices are opened in Port Elizabeth and Bloemfontein, alongside a marketing office in Nelspruit. A milestone is achieved with the election of Dr S Khan, the first woman on Medihelp's Control Board.



Medihelp launches its first blog, alongside various electronic platforms, including a smartphone-based membership card.

2012

Medihelp introduces its first employee support programme and achieves an A+ rating for its claims-paying ability from Global Credit Ratings. The Scheme is consistently ranked as a top employer in Deloitte's Best Company to Work For survey and receives accolades for customer satisfaction in the Ask Afrika Orange Index® survey.

2004

2010

Medihelp embraces digital innovation. Social media platforms, including Facebook and Twitter (now X), become integral to the organisation's communication strategy.





2023

Medihelp relocates to its new building in Brooklyn, Pretoria. Despite global challenges, the organisation continues to innovate and expand its services.



2025

Medihelp marks its 120th anniversary, celebrating a legacy of exceptional care and ongoing commitment to member satisfaction.

120 YEARS



medihelp



medihelp.co.za