

MEETING OF THE 20TH ANNUAL GENERAL MEETING OF THE NETCARE MEDICAL SCHEME HELD ON THE 4TH OF JUNE 2021 VIRTUALLY VIA ZOOM AT 10h00

1. CONFIRMATION OF NOTICE OF THE MEETING

The Chairperson confirmed that the Notice of the Annual General Meeting had been sent to all members of the Scheme in line with the Rules of the Scheme.

2. CONFIRMATION OF QUORUM

In terms of Rule 26.1.3 of the Scheme Rules, at least 30 members present in person are required to constitute a quorum of the meeting. As this requirement was met, the Chairperson declared the meeting to be duly constituted noting the meeting was virtual in nature and as such the 30 members were present on the Zoom meeting.

Present:

Members:

| | | | |
|---|-------------|---|---------------|
| A | Abrahams | D | Ngwenya |
| F | Bennett | A | Pandie |
| A | Boers | J | Peters |
| M | Botha | S | Pretorius |
| A | Bothma | K | Scharli |
| S | Khoosal | P | Seetul |
| S | Khuboni | M | Toubkin |
| T | Le Roux | W | van der Merwe |
| D | Longueira | R | van der Walt |
| S | Maistry | E | van Rooyen |
| Z | Mani | Y | Van Staden |
| C | Maslo | T | Vermaak |
| A | Michaelides | S | Vilakazi |
| E | Michen | Y | Williamson |
| R | Mulder | C | Zeijlemaker |
| S | Nayager | | |

Non Members:

Chairperson of the Board Audit and Risk Committee

A Roditis

External Auditor: Deloitte

Stephan Pretorius
Solofelang Kai

Administrator

M Wilkinson
M van Rooyen

Council for Medical Schemes

Avril Jacobs

Apologies:

Peter Heilig

3. WELCOME AND APOLOGIES

The Chairperson of the Board of Trustees, Sanjay Khoosal, opened the meeting and welcomed all present to the 20th Annual General Meeting ('AGM') of the Netcare Medical Scheme. He extended a special welcome to Ms. Avril Jacobs from the Council for Medical Schemes ('CMS'), the external auditors from Deloitte and the representatives of the administrator. The Chairperson advised matters for the 2019 and 2020 financial years will be discussed at this Annual General Meeting due to the postponement of the 2020 Annual General Meeting as a result of the COVID-19 pandemic restrictions and application for exemption made to and approved by the CMS.

The Chairperson handed over to Ms Wilkinson, the Fund Manager of the Scheme, to discuss meeting etiquette for the virtual proceedings.

Ms Wilkinson presented the meeting etiquette and explained how the voting and approval of items will be conducted during this virtual meeting. Ms. Wilkinson further demonstrated basic functions of the Zoom platform, such as how to raise a hand or comment in the notes section.

4. CONFIRMATION OF MINUTES

The minutes of the 19th Annual General Meeting held on 30 May 2019, having been circulated prior to the meeting, were taken as read. The minutes were proposed for approval by the Chairperson, D Longueira supported and M Toubkin seconded the proposal. The Chairperson confirmed that he would then sign the minutes as an accurate record of the proceedings of that meeting.

The Chairperson handed over to the Principal Officer for the remainder of the Agenda items. The Principal Officer introduced himself and proceeded with the meeting Agenda.

5. APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The Principal Officer referred to the Annual Financial Statements of the Scheme for the year ended 31 December 2019 and 2020, as approved and signed by the Board of Trustees in April 2020 and 2021, that were distributed with the Notice

and made available on the Scheme website. Having been circulated prior to the meeting, the Principle Officer took these documents as read. The Principal Officer presented a summary of noteworthy numbers extracted from the Annual Financial Statements and highlighted the following key points:

Annual Financial Statements

- 3.54% decrease in the number of members to 17 018;
- 4.97% decrease in the number of beneficiaries to 34 779;
- Pensioner ratio is 5.25%;
- R96 non-healthcare costs per beneficiary;
- 2.34% decrease in healthcare expenditure per beneficiary to R1 826 (5.25% NHE);
- 31.95% increase in accumulated funds per member to R27 876;
- Healthcare expenditure as a percentage of contributions 86.09%
- 9.18% return on investments;
- Solvency ratio at 43.6% (34.9% PY).

The Principal Officer discussed COVID-19 and the impact on the Scheme noting a lower claims ratio on elective surgery but a higher than expected cost for COVID-19.

The Principal Officer proposed that both the 2019 and 2020 Annual Financial Statements be accepted. D Longueira supported and M Toubkin seconded the proposal.

6. TRUSTEE ELECTIONS

6.1 Notification of appointees to the Netcare Medical Scheme Board of Trustees

The Principal Officer presented the following list of Trustees:

Member Elected Trustees

A Boers
C Maslo
D Longueira
E Michen
M Toubkin
Z Mani

Employer Appointed Trustees

S Khoosal (Chairperson of the Board of Trustees)
N Ndzwayiba
P Seetul
S Vilakazi
S Khuboni
S Pretorius

The Principal Officer noted that Daleen Longueira and Mande Toubkin had reached their term of office and were eligible for re-election. It was noted that Zukile Mani, an alternative member elected Trustee, replaced Gavin Knell who resigned from the employer and as Trustee on 31 December 2020, as is allowed for in terms of rule 18 of the Scheme. Mr Mani was eligible for election as a member trustee as well.

The Principal Officer informed the members that the Scheme contracted Deloitte to manage the Scheme Trustee election process. The Scheme called for nominations on 01 April 2021, nominations closed on 14 April 2021 and the Scheme had received 5 nominations. The nominees were listed as:

D Longueira
E van Rooyen
M Botha
Z Mani
Y Tatase

Members were called on to vote on 04 May 2021 and voting closed on 02 June 2021. All nominees were vetted by the auditors, Deloitte, confirming they are fit and proper to serve as a Trustee. The Principal Officer advised that Mr Tatase withdrew from the process after the Scheme called for votes and any votes cast for this nominee was considered 'void'.

The Principal Officer advised that the runner up nominee will be appointed as an alternate member Trustee.

The Principal Officer handed over to Mr Pretorius from Deloitte to present the results of the member Trustee elections.

Mr Pretorius highlighted statistics from the election noting:

- 33 nominations were received;
- 19 nominations were valid;
- 5 individuals were nominated;
- 1 nominee withdrew leaving 4 nominees.

Votes were noted as follows:

| Nominee | Total votes received | Total valid votes |
|----------------|-----------------------------|--------------------------|
| D Longueira | 60 | 52 |
| Z Mani | 46 | 44 |
| E van Rooyen | 47 | 37 |
| M Botha | 25 | 21 |
| Y Tatase | 20 | 0 |

Mr Pretorius handed over to the Principal Officer. The Principal Officer confirmed that following the results that D Longueira, E van Rooyen and Z Mani are elected as member Trustees and M Botha as an alternate member Trustee. The elected member trustees were given an opportunity by the Principal Officer to introduce themselves to the attendees.

7. APPOINTMENT OF AUDITORS

The Principal Officer noted that in terms of Section 36 of the Medical Scheme Act, auditors must be appointed at each Annual General Meeting to hold office from conclusion of that meeting to the conclusion of the next Annual General Meeting.

The Principal Officer proposed that the current auditors, Deloitte, be re-appointed as auditors for the ensuing year of 2021. The reappointment was proposed by the Principal Officer, supported by E van Rooyen and S Pretorius seconded the approval of their appointment.

8. CONFIRMATION OF THE DISPUTES COMMITTEE MEMBERS

The Principal Officer confirmed that the Scheme appointed the Disputes Committee. In terms of its Rules, Dispute Committee members may not be members of the Scheme Board of Trustees, employees of the administrator or the Scheme office and require to be appointed annually by the Scheme Board of Trustees. It was noted that at least one of these members shall be a person with legal expertise. The Principal Officer advised that Aaliya Mansoor had been approached to serve on the committee as she contained legal expertise.

The Dispute Committee members were confirmed as:

Dr Anchen Laubscher
Werner de Hartog
Aaliya Mansoor (legal)

9. TRANSACTION OF ANY OTHER BUSINESS

The Principal Officer advised that no motions were received for discussion, however a query was submitted by a member asking the Scheme to fund gender reassignment related medication, treatment and surgery. This matter will be referred to the Scheme Board of Trustees for discussion.

10. GENERAL

The Principal Officer opened the floor for any comments or questions. No additional comments or questions were raised. The Principal Officer confirmed his contact details should members have the need to contact him directly.

10. CLOSURE

There being no further business to discuss, the Principal Officer thanked everyone for their attendance and the meeting closed at 10:57.

Chairperson

Date