



POLMED[®]
OUR INVESTMENT | OUR HEALTH | OUR FUTURE

INTEGRATED **REPORT**

FOR THE
YEAR ENDED
31 DECEMBER
2024



NAVIGATING THE REPORT VIA QUESTIONS

What is the purpose, scope, and boundary of this report?
How is this report developed and approved?

This section provides clarity on how the report was developed, the information it covers, and the approval process, ensuring transparency and alignment with best reporting practices.

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What were the key milestones and foundational elements that defined our Scheme?

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NAVIGATING THE REPORT VIA QUESTIONS

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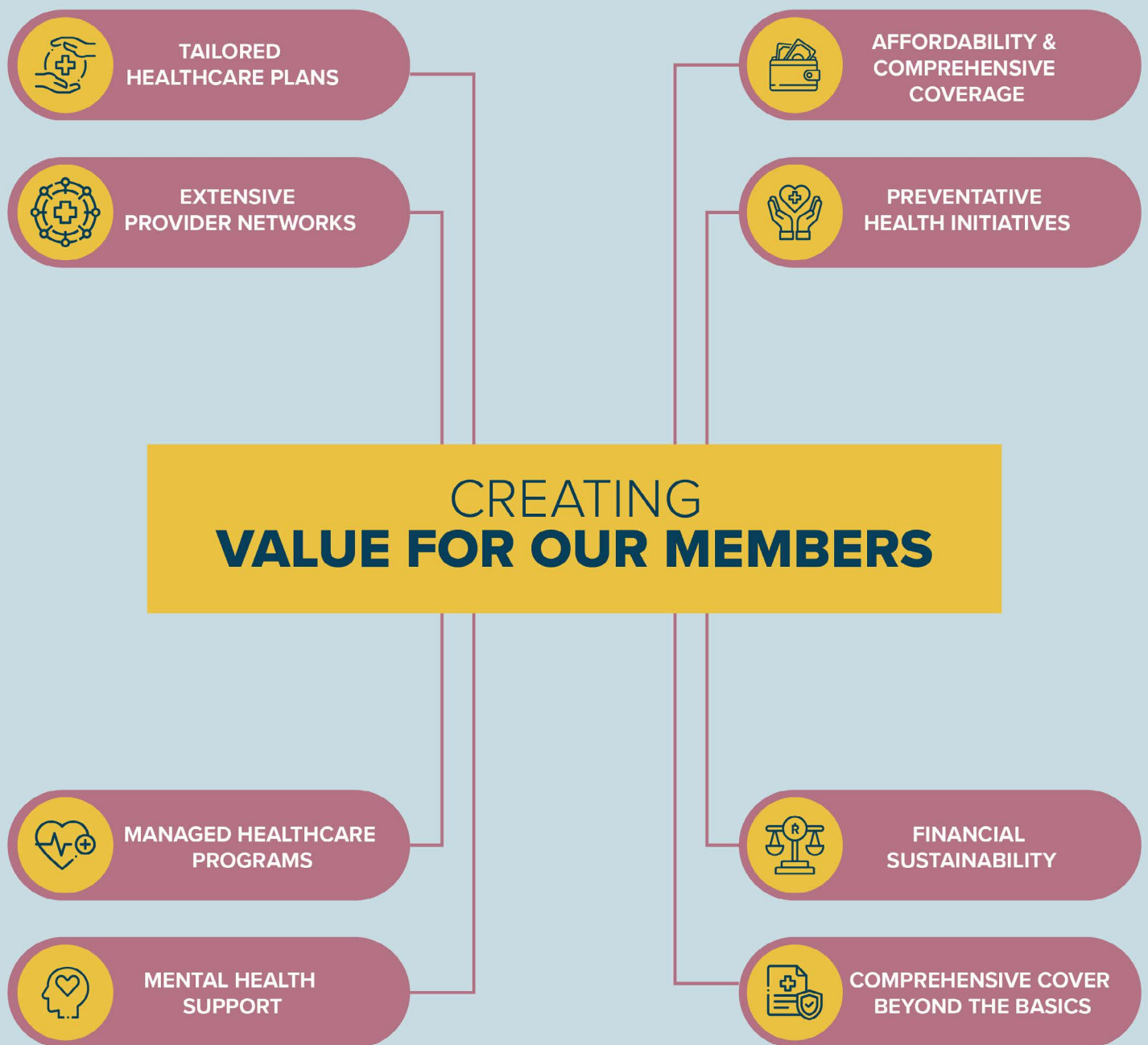


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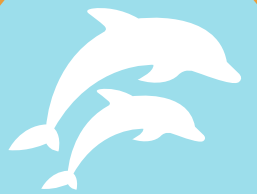
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ABOUT THIS **REPORT**



1.1 REPORT OVERVIEW

POLMED is pleased to present its 2024 Integrated Report, which provides members with an overview of the Scheme's strategy, governance, and performance, and how value was created during the year ended 31 December 2024

The report serves as a vital tool for transparency and accountability to our stakeholders.



SCOPE AND APPROACH

This POLMED Integrated Report covers the financial and operational period from 1 January 2024 to 31 December 2024, along with material developments in early 2025 as approved by the Board of Trustees, hereafter referred to as the Board. It provides stakeholders with a comprehensive overview of POLMED's business model, performance, and strategies POLMED employs to achieve its objectives.

This report highlights key factors influencing the Scheme, including financial, economic, and social issues, which shape its future direction. By focusing on matters that impact operations and stakeholders, the report offers a deep understanding of POLMED's performance and strategic priorities.

REVIEW PROCESS

This report has undergone a comprehensive review and a combined assurance process to ensure accuracy, completeness, and adherence to our reporting standards. The Board, along with the Annual General Meeting Committee and Audit and Risk Committee, reviewed the content to verify that it fairly represents POLMED's performance, governance practices, and strategic direction. Our combined assurance model integrates contributions from internal management reviews, external auditors, and risk and compliance functions.

This approach ensures that key information is thoroughly assessed for reliability and credibility, providing stakeholders with a high level of confidence in the integrity of the report.

REPORTING PRINCIPLES

This report has been prepared in line with the International Integrated Reporting Framework, which emphasises the interconnectedness of financial and non-financial elements. Over the years, we have significantly enhanced our reporting, with improvements such as detailed disclosures on material matters and an expanded value creation model that thoroughly outlines the six capitals, including their availability and impact. We have also complied with the regulations set forth by the Medical Schemes Act 131 of 1998.

In compiling this report, we considered insights from previous reports, internal management, Board documents, and legislative reporting requirements. We continue to expand our focus on Environmental, Social, and Governance (ESG) aspects relevant to POLMED, and in this report, we have highlighted our contribution to three of the Sustainable Development Goals (SDGs) - SDG 3 - Good Health and Well-being, specifically targeting 3.8 – Universal Health Coverage, as part of our value creation model. SDG 8 – Decent Work and Economic Growth and SDG 12 – Responsible Consumption and Production.



FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding POLMED's future strategies, plans, and expectations. These statements are based on our current views and assumptions about future events, which inherently involve risks and uncertainties. Actual outcomes may differ materially from those anticipated due to various factors, including regulatory changes, economic conditions, and operational challenges. The Board of Trustees advises readers to exercise caution when interpreting these types of statements in the report.

REPORTING SUITE

Our Integrated Report is part of a comprehensive Annual General Meeting (AGM) suite of reports designed to provide members, under the Scheme Rules and in compliance with the Council for Medical Schemes (CMS), requirements with a complete view of our operations, performance and strategic direction. This suite includes:

1. The AGM Pack:
 - I. Annual Financial Statements; and .
 - II.AGM meeting pack.
2. Documents available upon request: Scheme Rules and Management Accounts in respect of any benefit option.

These reports are distributed at the Scheme's AGM and are electronically accessible to members through the Scheme's website at www.polmed.co.za.

INTERNAL AUDIT ASSURANCE:

NEXIA SAB&T CHARTERED ACCOUNTANTS SA

The non-financial information and disclosures included in this Integrated Report have been reviewed by Nexia SAB&T to ensure the accuracy and consistency.

EXTERNAL AUDIT ASSURANCE:

PRICEWATERHOUSECOOPERS INC. (PWC)

An independent audit of the Scheme's financial statements for the year under review was conducted by PricewaterhouseCoopers Inc. (PwC). PwC issued an unqualified audit opinion, stating that the financial statements present fairly, in all material respects,

the financial position of the South African Police Service Medical Scheme as at 31 December 2024, as well as its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards and the requirements of the Medical Schemes Act of South Africa.

These reports collectively ensure transparency and provide insights into how we create long-term value for our members and stakeholders. Our reports are distributed at the AGM and are electronically accessible to members through the Scheme's website at www.polmed.co.za.

MATERIALITY THEMES AND MATTERS

This Integrated Report was compiled on a materiality basis, which measures a matter's capacity to impact the Scheme's ability to create and sustain value over a short, medium or long term. This rigorous approach supports our mission to operate sustainably and responsibly.

We define material matters as those that drive significant economic, environmental, and social outcomes or have the potential to influence our stakeholders' decisions. The material matters disclosed in this report are informed by regulatory requirements, comprehensive internal financial and non-financial analyses, and adherence to industry-leading voluntary disclosure standards.

BOARD OF TRUSTEES APPROVAL

The Board acknowledges its responsibility for the integrity and accuracy of this Integrated Report. The Board has thoroughly reviewed the content to ensure that it provides a fair, balanced, and comprehensive view of POLMED's performance, governance, and strategic direction for the year ended 31 December 2024.



1.2 BOARD OF TRUSTEES APPROVAL

This report was approved by the Board on 23 May 2025



ST Nkosi

Mr ST Nkosi
Chairperson



PA Mabotja

Ms PA Mabotja
Deputy Chairperson



R Steyn

Mr R Steyn



IN Molefe

Ms IN Molefe



RP Ntsime

Mr RP Ntsime



LN Ngembe

Ms LN Ngembe



S Chamane

Mr S Chamane



PP Dimpene

Ms PP Dimpene



JT Lusenga

Mr JT Lusenga



BP Temba

Ms BP Temba



AJ Gerber

Mr AJ Gerber



MV Kwetepane

Ms MV Kwetepane



NP Nethengwe

Mr NP Nethengwe¹



TNL Ngwenya

Mr TNL Ngwenya²

1. Subsequent to year-end, the term of the Employer-designated member, Mr SJ Kwena ended on 31 December 2024, NP Nethengwe was appointed as an Employer-designated member as of 15 January 2025.
2. Subsequent to year-end, the term of the Employer-designated member, Z Skade, ended on 9 January 2025. TNL Ngwenya replaced Z Skade effective 10 January 2025.

REPORT FEEDBACK

We welcome feedback on this Integrated Report. Stakeholders are encouraged to share their views and suggestions by emailing polmed@medscheme.co.za.





SCHEME **OVERVIEW**

2.1 VIEWS FROM OUR CHAIRPERSON



2024 marked the beginning of a new chapter for POLMED as we embarked on our next five-year strategic journey (2024–2028). Reflecting on the achievements of our previous five-year strategy (2019–2023), I am proud of the significant progress we have made in delivering on our mandates. Our journey has been one of resilience and proactive adaptation, and our strategic achievements have positioned us well to address the challenges and opportunities ahead.

Our strategy reaffirmed our commitment to ensuring the sustainability of the Scheme, delivering high-quality healthcare for our beneficiaries, and fostering sound relationships with our stakeholders. These priorities will guide us as we implement our new strategic initiatives, focusing on wellness, preventative care, and the integration of digital healthcare solutions.

POLMED is not immune to the political and economic challenges South Africa faces. The affordability of medical scheme contributions remains a pressing concern, particularly given the economic pressures faced by the South African Police Service (SAPS) and the communities we serve. Despite these challenges, our proactive financial management and strategic foresight have enabled POLMED to deliver strong financial outcomes in 2024. The Scheme maintained well above required solvency levels at 86.56%, which is 19.95% above the budget. We remain committed to ensuring the Scheme's financial health through effective cost management and value-driven healthcare initiatives.

MENTAL HEALTH

Mental health remains a critical focus area for POLMED, as we recognise the unique and often demanding challenges faced by our members in their line of duty. The nature of police work can lead to heightened stress levels, trauma, and other mental health concerns, which, if left unaddressed, can have long-lasting effects on our members' well-being and their families. POLMED has prioritised mental health support as a core component of our healthcare offering. Through our dedicated programmes, members have access to counselling services, psychological support, and comprehensive care plans tailored to address these needs.

FRAUD, WASTE, AND ABUSE

Combatting Fraud, Waste, and Abuse (FWA) is a critical focus area for POLMED. In 2024, we have strengthened our anti-FWA measures leveraging advanced analytics and member education to prevent and detect fraudulent activities. For the financial year 50% FWA recoveries were achieved against a 40% target. The successful recovery of funds lost to FWA underscores our commitment to protecting the Scheme's resources and ensuring that contributions are used efficiently to benefit our members. Our ongoing efforts in this area are crucial to maintaining the Scheme's financial stability and trustworthiness.

OUR ESG JOURNEY

POLMED recognises the link between environmental sustainability and the health of our members and communities. Extreme weather and shifting disease patterns increasingly impact the health landscape, placing demands on our resources. POLMED is integrating climate resilience into operations and advancing Environmental, Social, and Governance (ESG) initiatives aligned with global best practices. By embedding ESG processes, we enhance risk management and create long-term value. The Scheme is developing an ESG strategy to guide implementation and address climate challenges while building a sustainable future.

AGM

The AGM held in July 2024 provided an opportunity to engage with our members and reflect on our performance and strategic direction. The discussions at the AGM reinforced our commitment to transparency and accountability.



CHANGES TO THE BOARD COMMITTEE MEMBERS

As part of our governance transition, we bid farewell to the esteemed trustee and an independent member of our governance leadership who dedicated their time and expertise to strengthening the Scheme's governance.

Mr. S.J. Kwena, served as the Chair of the Clinical Governance Committee, retired and officially left the Scheme governance structures on 31 December 2024. His leadership and strategic contributions in overseeing clinical governance were invaluable, ensuring that POLMED consistently upholds high standards of healthcare service delivery.

Mr. Z. Samsam, the Chair of the Audit and Risk Committee, stepped down at the end of December 2024 upon completing two full terms as an independent member. Over the years, he played a pivotal role in strengthening governance and risk oversight, providing invaluable guidance to ensure that the Scheme's audit and risk functions remain robust and aligned with best practices.

Subsequent to the financial year-end, Mr Z. Skade's term as a trustee concluded. As part of ongoing efforts to enhance governance and ensure alignment with the Scheme's strategic needs, a restructuring of trustees representation across various committees was undertaken.

We warmly welcome Mr N.P. Nethengwe and Mr T.N.L. Ngwenya, as designated to the Trustees. We also extend our warm congratulations to Mr F.M. Mathibela on his appointment as the new independent Chair of the Audit and Risk Committee. Their expertise and leadership will ensure that POLMED continues to uphold the highest standards of governance, risk oversight, and provide quality healthcare.

FORWARD OUTLOOK

We embrace digital transformation, with plans to modernise our healthcare delivery and information management systems. This evolution is essential as we prepare to navigate the complexities of the healthcare environment, including the ongoing developments related to the National Health Insurance (NHI).

On behalf of the Board, I commend our Principal Officer, her team and staff for their outstanding performance in 2024. Achieving a solvency rate of 86.56%, maintaining low non-health expenditure, and keeping contribution increases below CMS guidelines are truly commendable achievements. We are confident that 2025 will mark another year of success with cooperation from our members.

MR ST NKOSI
CHAIRPERSON OF THE BOARD OF TRUSTEES

2.2 OUR PURPOSE



POLMED is a restricted medical scheme registered under the Medical Schemes Act (MSA). Its purpose is to provide quality healthcare to members of the SAPS and their dependants in a cost-effective manner. POLMED beneficiaries are at the heart of the Scheme's operations, guiding its commitment to uphold the highest ethical standards across all levels of the organisation.

The Scheme's values are rooted in the African philosophy of Ubuntu — "I am because we are" — which forms the foundation for caring, responding to, collaborating with, and respecting both beneficiaries and stakeholders. By living these values, the Board of Trustees and employees strive to build and maintain trusted relationships with all stakeholders.



VISION

Healthy members for a safer South Africa.



MISSION

To enable quality healthcare for SAPS members and their dependants in a cost-effective manner.



STRATEGIC PILLARS

- Scheme sustainability
- Quality Healthcare for Scheme members
- Sound relationship with stakeholders



VALUES

Care, Respect,
Collaborate, Respond

2.3 OUR HISTORY

POLMED is registered under the Medical Schemes Act 131 of 1998, and its rules and benefits are authorised by the Council for Medical Schemes (CMS). Figure 1 below illustrates the journey of the Scheme since its inception, highlighting the significant events that have occurred:

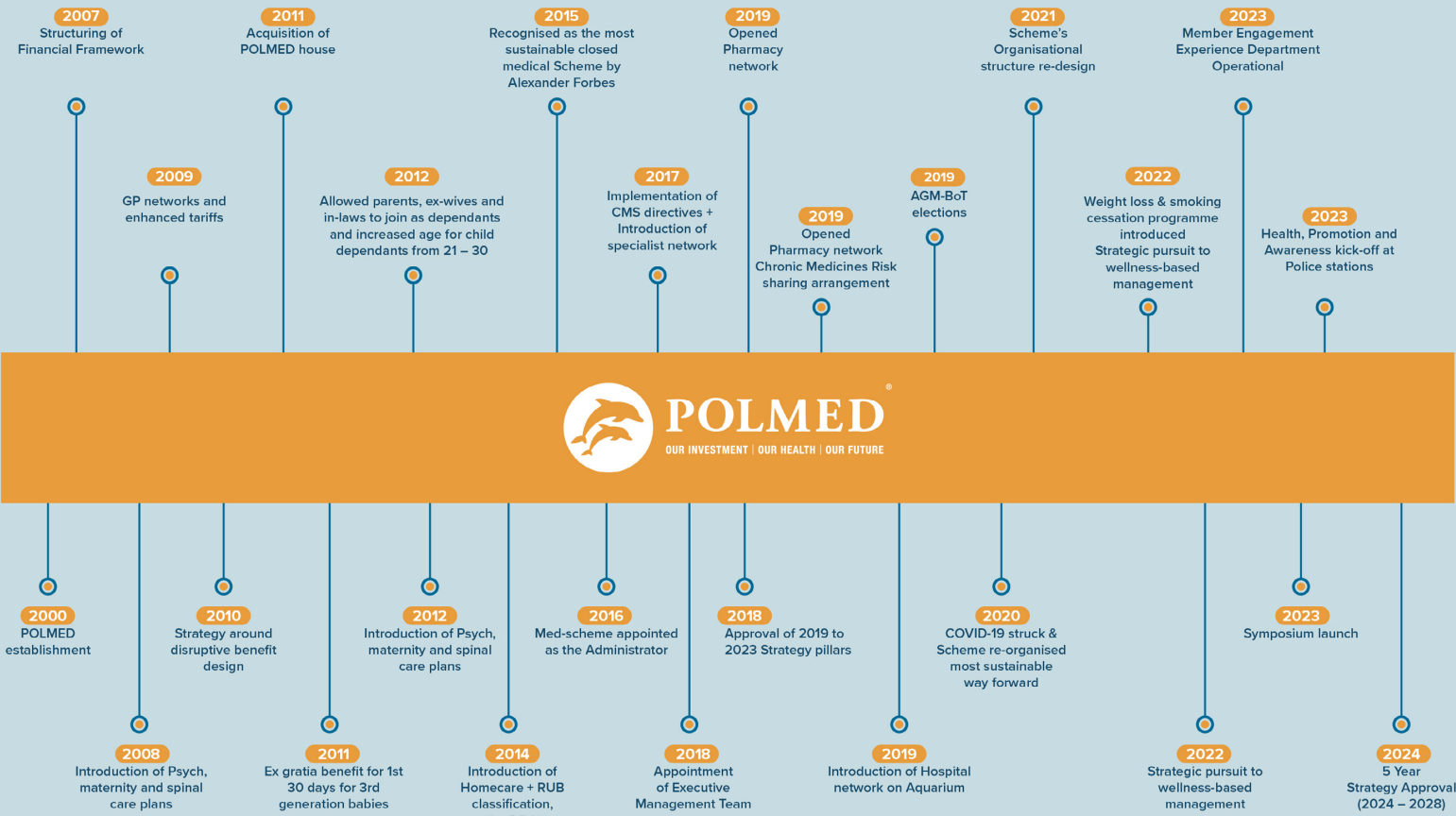


Figure 1: Our History



2.4 SCHEME OFFERING

POLMED provides tailored healthcare solutions designed to meet the unique needs of SAPS members and their dependants. As a restricted medical scheme, POLMED focuses on delivering comprehensive, affordable, and member-centred healthcare coverage that promotes wellness and preventative care.

Our benefit plans are:

- MARINE
- AQUARIUM

The Marine plan is the Scheme’s flagship programme and serves as POLMED’s premier offering, providing benefits that exceed the minimum requirements set forth by Prescribed Minimum Benefits (PMBs).

RISK TRANSFER/SHARING ARRANGEMENTS

In 2024, the Scheme had a risk transfer arrangement with Scriptpharm Risk Management (Pty)Ltd (“Scriptpharm”).

Afrocentric Health (Pty) Ltd holds a majority shareholding in Scriptpharm Risk Management (Pty) Ltd. Scriptpharm provides chronic medication to both benefit options.

The nature, terms, and conditions of the Scheme’s risk transfer arrangement with Scriptpharm including the results of the agreement thereof, is set out in note 13 of the Annual Financial Statements.

FUNDING STRUCTURE

Our funding structure consists of two income streams: Employer Contributions and Member Contributions. Members contribute 28%, while the employer provides a substantial 72%

CONTRIBUTIONS

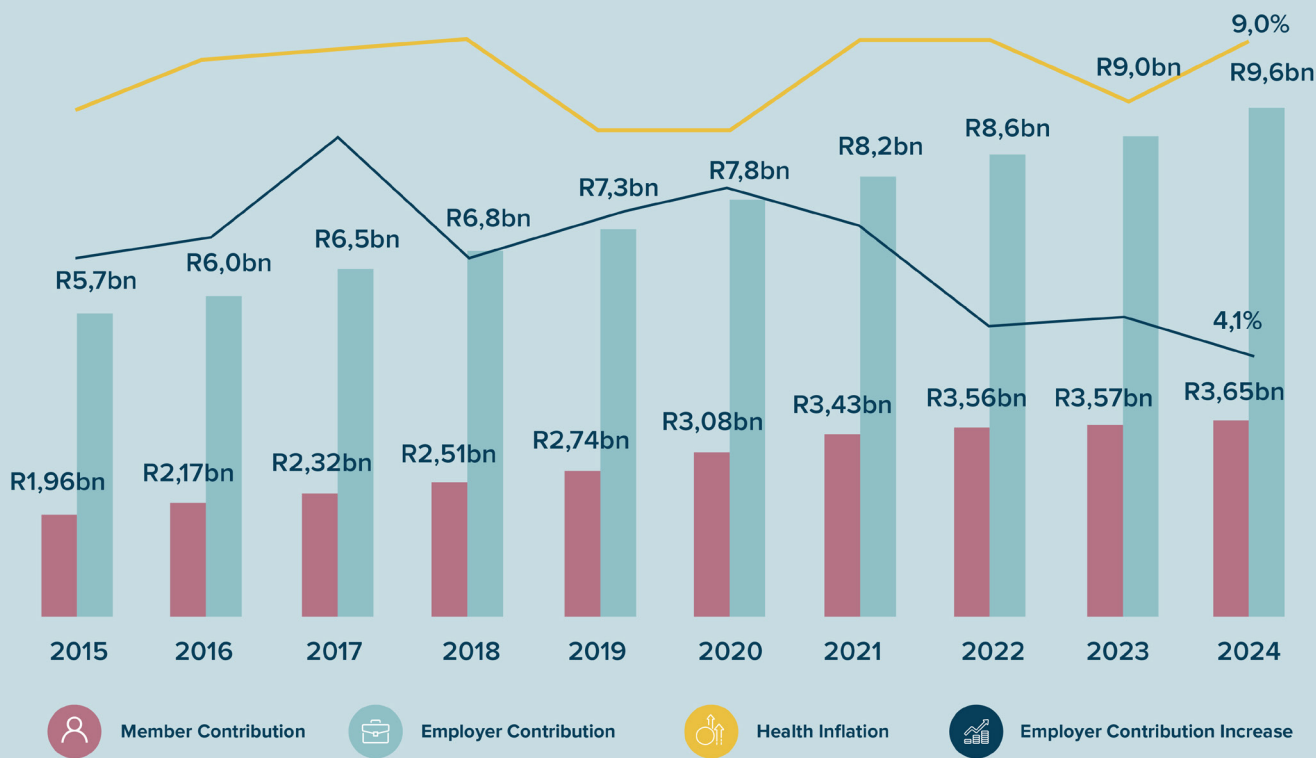


Figure 2: The employer subsidy was R9bn for the 2024/25 financial year (1 April 2024 – 31 March 2025).

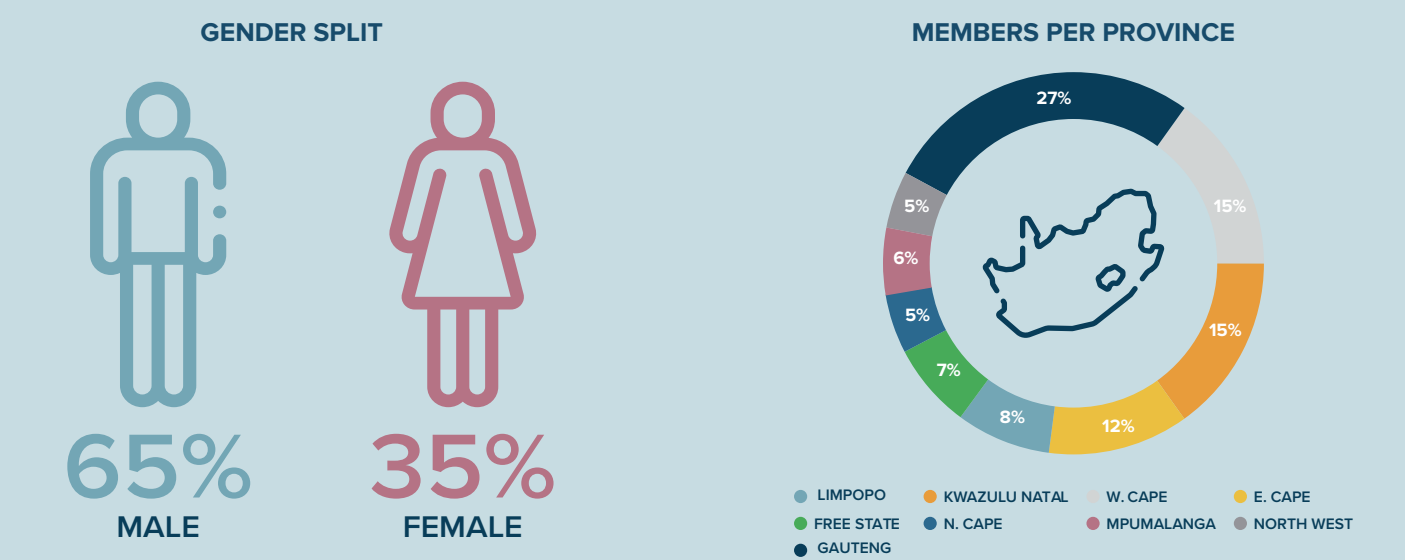
2.5 OUR MEMBERS

Our members are the foundation of POLMED’s purpose and commitment. We are proud to serve the healthcare needs of employees, dependants of fallen heroes and retirees of the SAPS and their dependants. We are dedicated to ensuring each member receives quality care and support tailored to their unique needs.

At POLMED, we understand that providing healthcare is more than just offering benefits—it’s about building trust and creating value. Through strategic benefit design, meaningful engagements, and forward-looking plans, we strive to make a lasting positive impact on the lives of our members.

Plan and Member Breakdown	Category	Number	Average Age
Marine Plan	Principal Members	102 335	51.89
	Dependants	151 611	25.23
	Beneficiaries	253 946	35.97
Aquarium Plan	Principal Members	84 977	38.37
	Dependants	154 350	17.09
	Beneficiaries	239 327	24.65
Total Membership	Principal Members	187 312	45.76
	Dependants	305 961	21.13
	Beneficiaries	493 273	30.48

Figure 3: Member profile



Figures 4 and 5: Gender Split and Geographic distribution

The following dependants are currently recognised by the Scheme:

- Spouses and partners, including multiple spouses (adult rate).
- Child dependants (child rates) only applicable to the first three children.
- Children with disability, irrespective of age (child rates).
- Adult Child dependants (21-25) studying (child rates)
- Adult offspring dependants (21 to 30) who are financially dependent and not studying (subsidised adult dependant rates)
- Parents and parents-in-law (unsubsidised adult rate)

MEMBERSHIP TREND

Overall, our membership base has remained stable over the past three years, and the stability is attributed to factors including comprehensive healthcare benefits and increased recruitment of SAPS members and ability to retain retired members, all of which contribute to membership retention.

- Principal membership increased from 172,598 in 2022 to 187,312 in 2024, demonstrating sustained confidence in the Scheme’s value proposition
- Dependants have decreased from 318,972 in 2022 to 305,961 in 2024, highlighting shifting family coverage dynamics and potential external factors.

Total beneficiaries (principal members + dependants) remained steady, peaking at 495,473 in 2023 before slightly declining to 493,273 in 2024.



Figure 5: Medical scheme members



2.6 OUR PEOPLE



EMPOWERING SUCCESS THROUGH STRATEGIC HUMAN RESOURCES (HR) MANAGEMENT

At the core of POLMED's success lies its people. Our commitment to strategic human capital management ensures that we attract, develop, and retain top talent to drive the Scheme's long-term sustainability and operational excellence. This section highlights the key enablers, achievements, and opportunities for growth in our HR approach.

KEY DRIVERS OF OUR HUMAN RESOURCE APPROACH

Three critical factors underpin our HR approach:

- Alignment with Strategic Objectives (2024–2028): Ensuring our workforce capabilities support the Scheme's long-term vision.
- Mitigating Operational Risks: Addressing talent shortages, employee turnover, and continuity risks.
- Transitioning HR to a Strategic Function: Evolving from transactional processes to a people-centric, high-impact enabler of organisational excellence.

KEY ACHIEVEMENTS IN 2024

- Policy Awareness and Compliance: Strengthened adherence to HR policies through targeted workshops, reducing policy deviations.
- Employee Development: Over 40% of employees participated in structured career development initiatives, enhancing skills and on-the-job learning.
- Performance Management Transparency: An open-feedback culture eliminated performance-related grievances, fostering trust and accountability.
- Retention Initiatives: A 95% employee retention rate was achieved through recognition programs and targeted incentives.
- Leadership Development & Mentorship: Established structured coaching and mentorship programs to cultivate future leaders.
- Internship Programme Expansion: Strengthened workforce readiness by enhancing opportunities for emerging talent.



WORKFORCE PROFILE

POLMED’s workforce has grown steadily, reflecting our commitment to sustainable expansion. Key demographics include:



TOTAL EMPLOYEES
45
(UP FROM 37 IN 2023)



EMPLOYEE LIVING WITH DISABILITY
5%



GENDER DIVERSITY
30%
MALE



GENDER DIVERSITY
70%
FEMALE

SENIOR MANAGEMENT



x2
AFRICAN
MALE



x1
WHITE
MALE

MIDDLE MANAGEMENT



x6
AFRICAN
MALE



x6
AFRICAN
FEMALES

100% RACIAL DIVERSITY

BLACK
92%

COLOURED
4%
WHITE
2%
INDIAN
2%

EMPLOYMENT EQUITY ACTIVITIES

POLMED has established an Employment Equity Committee (EEC) in line with the requirements of the Employment Equity (EE) Act 55 of 1998. The EEC is representative of the gender, levels, and racial groups within the Scheme’s workforce, ensuring inclusivity and fairness. Chaired by the Executive: Finance and Procurement, the Committee is tasked with promoting workplace equality by fostering equal opportunities and fair treatment while eliminating unfair discrimination. This initiative underscores POLMED’s commitment to a diverse, equitable, and inclusive work environment.

KEY CONSIDERATIONS

- Organisational restructuring may require a realignment of HR functions.
- Future operating model adjustments (e.g., training and development) may necessitate additional internal capacity.

FUTURE HR OBJECTIVES (2024–2028)

To strengthen our human capital strategy, we will focus on:

1. Enhancing our Employee Value Proposition to attract and retain top talent;
2. Prioritising workplace well-being through robust employee wellness initiatives;
3. Implementing company-wide succession planning to ensure business continuity;
4. Strengthening leadership pipelines and investing in future leaders;
5. Refining job profiles and titles to align with market demands;
6. Phased recruitment planning to build internal capacity;
7. Cultivating a values-driven culture through targeted initiatives.

By embedding a strategic and people-centric HR approach, POLMED is positioning itself for sustained growth, operational excellence, and an empowered workforce that drives success.



ROLES AND RESPONSIBILITIES OF THE EMPLOYMENT EQUITY COMMITTEE

- Meet at least once quarterly to track progress of affirmative action measures and assigned targets for the current reporting year,
- Discuss development and training budget for EE purposes,
- Provide feedback to employees on all employment equity related matters,
- Ensure compliance with the Employment Equity Act,
- Provide feedback and yearly reports on the progress of employment equity to management (EXCO),
- Over and above being compliant with the requirements of the Act, the EEC has also facilitated training on the amendments to the Act and the implications thereof to the Scheme. The EEC members also make contributions towards initiatives that facilitate diversity in the workplace.

ACHIEVEMENTS DURING 2024

- Employment Equity Annual Report was prepared and submitted to the Department of Labour in 2024.
- Policies related to transformation were reviewed (Recruitment and Selection Policy, Remuneration Policy, Study Assistance Policy, Succession/Retention Management Policy). This is an ongoing process.
- Representation of the Scheme's constituencies improved with two additional members having joined the EEC.
- The Committee was able to achieve the milestones defined in the 2024 Workplan.

As regulated under the amended Employment Equity (EE) Act, POLMED is no longer required to submit annual EE reports, as the organisation employs fewer than 50 staff members. Effective 1 January 2025, the Scheme has been formally exempted from the Employment Equity reporting requirements. However, POLMED remains committed to employment equity and will continue to advance its EE objectives through the Employment Equity Forum.





OUR **APPROACH**



3.1 VALUE CREATING BUSINESS MODEL



Our approach is built on a foundation of value creation, proactive risk management, and a deep commitment to our members. We continuously strive to address the issues that matter most, ensuring that we not only meet but exceed the expectations of our members and stakeholders. From enhancing our wellness initiatives to managing risks in a dynamic healthcare environment, we are dedicated to delivering sustainable, member-focused healthcare solutions.



While many restricted Medical Schemes share similar foundational processes, POLMED's business model stands out due to our deep understanding of and unwavering commitment to the South African Police Service community. With decades of specialised experience, we have cultivated unique competitive advantages through tailored wellness initiatives and preventative care programs, designed specifically to meet the healthcare needs of law enforcement personnel and their families. This focused approach not only supports their well-being but also reinforces our role as a trusted partner in their health journey.

Our business model is supported by robust governance oversight, with a steadfast commitment to the highest standards of ethics, integrity, and governance practices. We leverage our resources—our financial strength, human capital, and strategic partnerships to optimise value creation for all our stakeholders. We are confident that the effective execution of our business model will ensure its continued relevance and long-term sustainability, even in a dynamic and challenging healthcare environment.

3.2 SIX CAPITALS EMPLOYED

OUR CAPTIAL INPUTS

POLMED relies on diverse capitals to create sustainable value for its members; financial capital, supported primarily by SAPS funding and member contributions, is fundamental to maintaining our financial health and service delivery; Human and intellectual capitals drive our capacity to offer specialised healthcare tailored to law enforcement needs.

Our social and relationship capital strengthens partnerships with SAPS and other stakeholders; while manufactured capital ensures operational efficiency and accessibility for members. Finally, we are mindful of our natural capital usage, implementing sustainability measures to reduce environmental impact.



INPUTS



FINANCIAL CAPITAL

POLMED's financial resources, which include member contributions and reserves, support the Scheme's sustainability and its ability to provide quality healthcare services.

- Employer Grant
- Member Contribution
- Investment Income



HUMAN CAPITAL

At the core of POLMED's success are its people, including employees, Trustees, and service providers, whose collective expertise and commitment drive the Scheme's sustainability and operational excellence.

- Employees and Management
- Service Providers
- Board of Trustees and Independent Committee Members



MANUFACTURED CAPITAL

POLMED's investment in ICT plays a critical role in enabling operational efficiency, driving digital transformation, and ensuring long-term sustainability. These capabilities improve service delivery, facilitate data-driven decision-making, and foster innovation in member engagement

- ICT Infrastructure
- Information Systems
- Digitalisation



INTELLECTUAL CAPITAL

POLMED's intellectual capital comprises structured knowledge and systems that support strategic decision-making, innovation in healthcare delivery, and sound governance.

- Healthcare Management Expertise
- Clinical Programs
- Data Analytics and Research
- Compliance and Risk Management Frameworks



SOCIAL AND RELATIONSHIP CAPITAL

Strong relationships with SAPS, members, healthcare providers, and other stakeholders foster trust and collaboration, ensuring the Scheme's relevance and impact.

- Stakeholder Engagement, Relationships and Partnerships
- Member Satisfaction and Communication Initiatives
- Regulator and Government Partnerships



NATURAL CAPITAL

POLMED's initiatives to minimise environmental impact, such as energy-efficient operations and responsible resource use, align with sustainability goals.

- Sustainable Resource Use
- Energy Efficiency and Conservation

OUTPUTS



FINANCIAL CAPITAL

- A strong solvency ratio of 86.56%, ensuring the Scheme's financial health and compliance with regulatory requirements.
- Member contributions are kept affordable through sound financial management and strategic cost control.
- Adequate reserves provide a financial buffer for unforeseen healthcare costs, supporting the Scheme's long-term sustainability.



HUMAN CAPITAL

- A well-trained and knowledgeable team that effectively oversees and manages the outsourced administration model.
- Improved staff retention through targeted strategies and robust recruitment processes that attract high-caliber professionals.
- A strong internal framework of HR policies, supported by the HR team, ensures legal compliance and a fair, ethical workplace.
- Over 90% of employees consistently achieving a performance rating above 3 on a 5-point scale, reflecting a culture of excellence and continuous improvement.
- Seamless collaboration with outsourced administrators and service providers ensures responsive member support, enhanced service quality, and operational reliability.
- Governance Leadership: The Board's strategic oversight and governance expertise guide decision-making and strengthen organisational resilience.



MANUFACTURED CAPITAL

- Efficient Infrastructure enables accessible and reliable service delivery through well-maintained physical and digital assets.
- Reliable IT systems support seamless communication, secure data handling, and efficient claims processing.
- Operational efficiency is achieved through optimised administrative processes managed by the outsourced administrator.



INTELLECTUAL CAPITAL

- POLMED continues to implement projects that enhance healthcare quality and control costs through coordinated, evidence-based healthcare management, underpinned by strong clinical expertise, structured programmes, data insights, and governance frameworks. These initiatives include:
 - Cost Containment Projects
 - Chronic Adherence
 - Clinical Governance Implementation
 - Enterprise Resource Planning System Enhancement



SOCIAL AND RELATIONSHIP CAPITAL

- POLMED leverages strong partnerships, member engagement initiatives, and regulatory relationships to strengthen trust, collaboration, and its long-term relevance. Key outcomes include:
 - Active member engagement through wellness events, outreach, and digital platforms.
 - High member trust and satisfaction driven by responsive services and transparent communication.



NATURAL CAPITAL

- Reduced environmental footprint through initiatives such as minimising paper usage and lowering energy consumption in offices.
- Contribution to sustainability by aligning operations with broader environmental goals and demonstrating commitment to responsible practices.



PROCESS



LEGAL, COMPLIANCE, AND SCHEME SECRETARIAT

- Effective governance ensures compliance with regulatory frameworks, Scheme Rules, and ethical standards to maintain trust and transparency.
- Contract management supports risk mitigation and value creation through the effective drafting, negotiation, and oversight of contracts.
- Regulatory training promotes staff awareness and adherence to legislative and compliance requirements.
- Ethics management fosters a culture of ethical behaviour across all levels of the organisation.
- Fraud, Waste, and Abuse (FWA) recoveries reflect proactive detection and recovery of unethical or inappropriate healthcare expenditure.



OPERATIONS

- Benefits Design develops and refines healthcare offerings to align with member needs and Scheme sustainability.
- Preventative Care Initiatives: implements wellness programs and early detection campaigns to reduce healthcare costs and improve member outcomes.
- Clinical Management: oversees quality assurance and chronic disease management to enhance healthcare delivery.
- Collection of Contributions ensures accurate and timely collection of member contributions to maintain financial stability.
- Member Administration: manages member data, claims processing, and service delivery to ensure seamless operations.
- Quality of Healthcare collaborates with providers to ensure members receive high-quality and cost-effective healthcare services.
- Member Engagement and Education provides members with information and tools to make informed healthcare decisions.
- Managed Care
- Wellness Management



STRATEGY AND RISK

- Strategy Monitoring: tracks the implementation of strategic objectives to ensure alignment with the Scheme's vision.
- Risk and Opportunities identifies, assesses, and mitigates risks while leveraging opportunities for growth and value creation.
- Project management ensures strategic initiatives are executed efficiently, on time, and within budget.
- Research and data analytics support evidence-based decision-making and identify emerging trends and opportunities.



FINANCE AND PROCUREMENT

- Contribution and investment strategies ensure optimal returns on reserves while maintaining liquidity and financial stability.
- Claims payment processes enable timely and accurate payments, supporting member satisfaction and operational trust.
- Budget processes ensure effective financial planning, resource allocation, and cost control.
- Procurement and strategic sourcing drive value for money, efficiency, and alignment with the Scheme's financial and operational goals.



CORPORATE SERVICES

- ICT governance ensures secure, efficient, and strategic use of technology through aligned IT policies, systems, and digital transformation initiatives.
- Facilities management promotes a safe, efficient, and well-maintained working environment that supports operational continuity and staff wellbeing.
- Brand management enhances POLMED's visibility and reputation through consistent messaging, strategic communication, and member-focused engagement.
- Human resource management supports organisational excellence by attracting, developing, and retaining skilled talent aligned with the Scheme's long-term objectives.
- Stakeholder management builds trusted relationships with key stakeholders to foster collaboration and create mutual value.



POLMED's strategic approach, supported by our outsourced administration model, ensures the effective use of all our capitals to deliver measurable value. Our financial strength guarantees long-term sustainability, while our human and intellectual capital drive innovative healthcare solutions and proactive member engagement. We build strong relationships with key stakeholders to maintain trust and enhance healthcare outcomes. Our infrastructure supports efficient service delivery, and we are committed to responsible resource management to minimise our environmental impact.



MINDFUL USE AND TRADE-OFFS OF CAPITALS

At POLMED, we carefully manage and balance the use of our various capitals to deliver value to our members while ensuring the long-term sustainability of the Scheme. We recognise that strategic trade-offs are often necessary to optimise outcomes for our members and stakeholders. Our approach ensures we continue to invest meaningfully in our employees, build strong supplier relationships, and enhance our operations, all while maintaining financial stability, robust governance, and a positive impact on society.

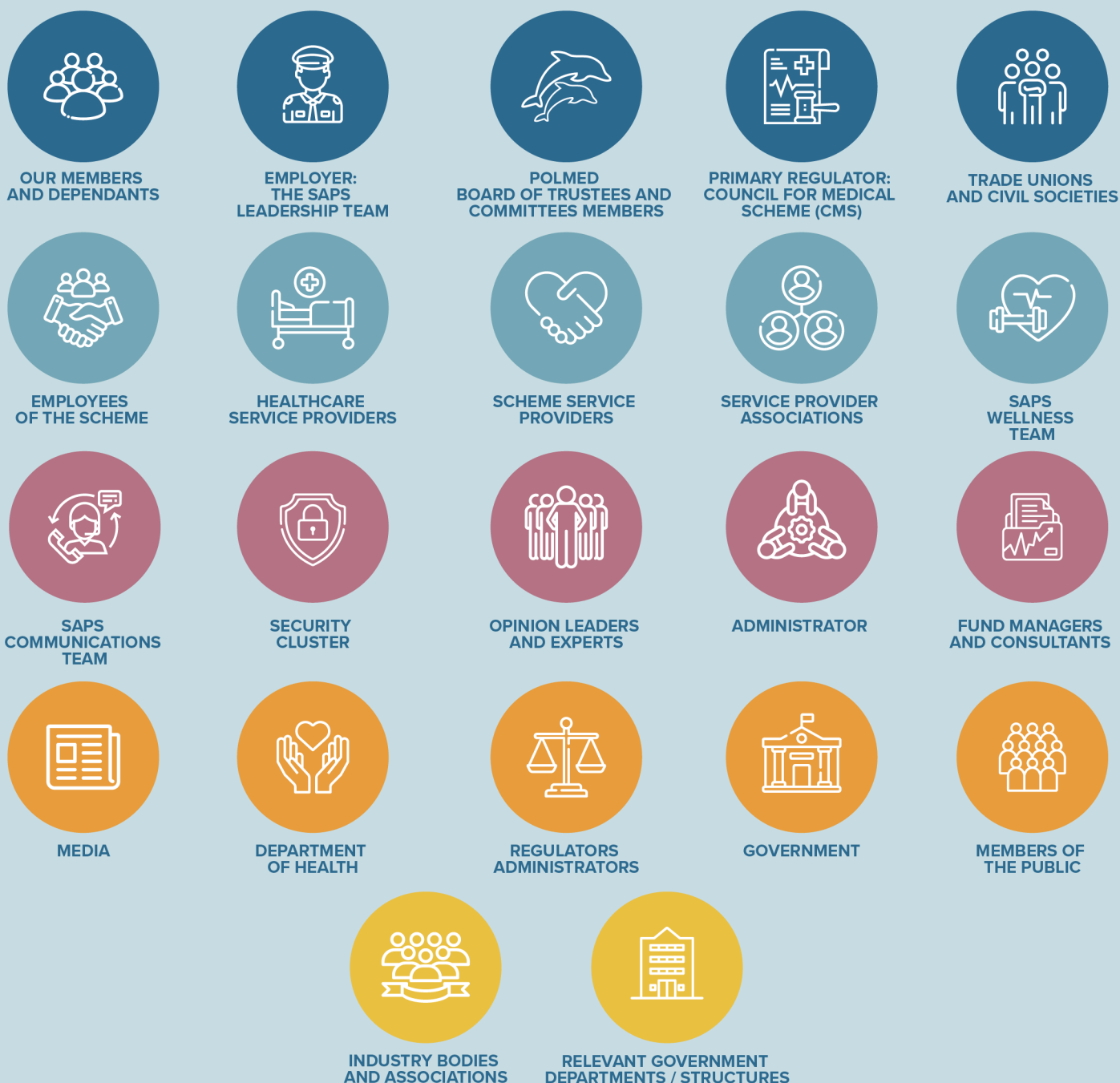
By carefully balancing and trading off our capitals, POLMED ensures that every decision made is in the best interest of our members and stakeholders. This integrated approach allows us to meet the evolving needs of our members while remaining resilient and forward-looking in a complex healthcare environment.

3.3 OUR STAKEHOLDERS

At POLMED, we recognise the importance of building strong relationships with our stakeholders to ensure the successful delivery of our mandate. Engagement with our stakeholders is guided by mutual respect, transparency, and a commitment to addressing their needs and expectations. Below, we outline our key stakeholder groups, how we engage with them, and the frequency of these engagements.

We strive, on an ongoing basis, to maintain and enhance relationships with all stakeholders by involving them in our day-to-day operations to establish enduring value in the short, medium and long-run. We continuously engage with internal and external parties to identify key stakeholders.

Our approach to stakeholder engagement is centralised and integrated into Stakeholder Engagement divisional operations and supportive functions. The Board is responsible for stakeholder management, ensuring a balanced approach that considers stakeholders' needs, interests, and expectations while serving the Scheme's best interests. The execution of stakeholder engagement is delegated to the management.



OUR KEY STAKEHOLDERS AND HOW WE ENGAGE



POLMED Board of Trustees and Committee Members

Our Board and its Committees provide strategic and governance oversight. Engagement methods include regular governance meetings, Strategic and Risk workshops, amongst others. Through these engagements, we foster and maintain transparency;

- Frequency: Quarterly and ad-hoc.
- Responsibility: Principal Officer, Executive: Legal, Compliance and Scheme Secretary, and Delegated Executives.



Our Members and Dependants

Members and their dependants are at the heart of POLMED's operations. We engage them through AGM, educational campaigns, wellness initiatives, symposiums, sporting events and specific communication via multiple platforms, including SMS, newsletters, and social media. Our goal is to empower members with the knowledge and support they need to make informed decisions about their healthcare.

- Frequency: Ongoing, as outlined in the outreach calendar.
- Responsibility: Principal Officer, Administrator, Managed Care Company, Executive: Operations, and the Marketing and Communication team.

OUR KEY STAKEHOLDERS



Primary Regulator: The Council for Medical Schemes (CMS)

We maintain a strong relationship with the CMS to ensure compliance and align with regulatory requirements. Engagements include statutory returns, participation in legislative processes, and ongoing dialogue through meetings and reports.

- Frequency: Ad-hoc and as legally required.
- Responsibility: POLMED Board, Principal Officer, and Executive: Legal, Compliance and Scheme Secretary



Employer: The SAPS Leadership Team

The SAPS Leadership Team is a critical stakeholder group that ensures alignment between POLMED and the employer. Regular meetings, reports, and participation at leadership forums help us foster collaboration and address shared goals.

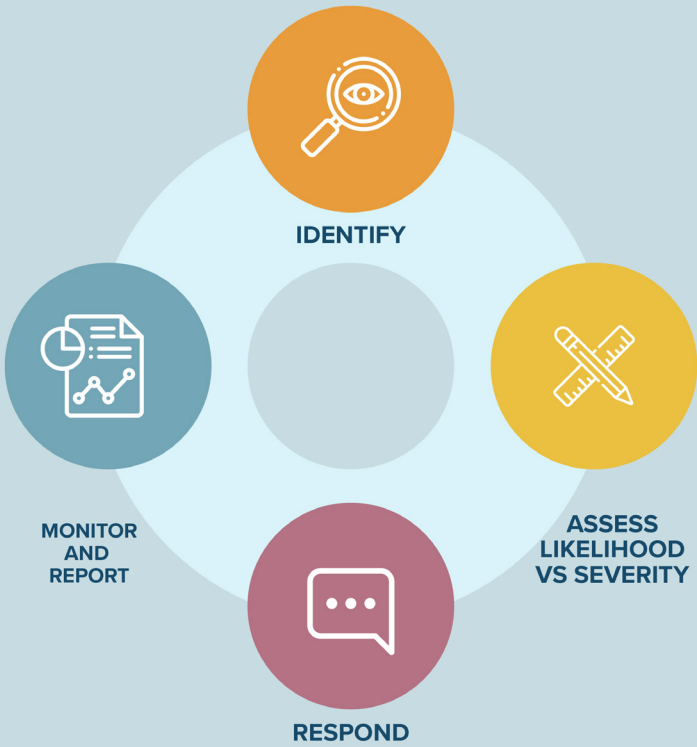
- Frequency: Ad-hoc and at request
- Responsibility: POLMED Board, Principal Officer, and Delegated Executives.

CREATING IMPACT THROUGH ENGAGEMENT

Our stakeholder engagement approach ensures that all voices are heard, and needs are addressed effectively.

3.4 RISKS AND OPPORTUNITIES

The healthcare industry faces numerous risks, many of which are volatile and uncertain, requiring agile decision-making and effective risk management strategies that mitigate exposure and harness available opportunities.



Our approach to risk management is not merely to minimise risks but also to capitalise on opportunities that may arise. By maintaining a proactive stance, POLMED seeks to turn potential threats into value-added opportunities, ensuring the sustainable growth of our Scheme. To achieve this, POLMED has an Enterprise Risk Management Policy and Framework in place, and an Enterprise Risk Management (ERM) Work Plan is developed and approved every financial year, demonstrating POLMED’s commitment to ERM.

The Board recognise that ERM is an essential part of effective corporate governance. To this end, POLMED adopts international best practices and aligns its risk management processes with established frameworks such as ISO (“International Organisation for Standardisation”) 31000 and COSO (“The Committee of Sponsoring Organizations of the Treadway Commission”) ERM.

In 2024, management undertook an independent maturity assessment which resulted in rating of 4 which means the Scheme is progressing and implementing ERM policy and frameworks.

OUR PROCESS



IDENTIFICATION AND ASSESSMENT OF RISKS

The journey of effective risk management begins with the identification and assessment of potential risks. Our dedicated Enterprise Risk Management team, in collaboration with the governance structures, employs a robust process to identify and categorise risks, considering Board internal and external factors that may impact our operations.

Our risk assessment process is ongoing and dynamic, allowing us to respond swiftly to emerging risks or changing circumstances. We maintain an open and transparent communication channel with all employees, encouraging them to report any risks or concerns they may identify during their day-to-day activities.



RESPONDING, MONITORING AND REALISING OPPORTUNITIES

Once risks are identified and assessed, we develop tailored risks mitigation strategies. Our aim is not merely to minimise risks but also to capitalise on opportunities that may arise. By maintaining a proactive stance, we seek to turn potential threats into value-added opportunities, ensuring the sustainable growth of our Scheme.

Our risk management process includes specific provision for identifying and realising business opportunities. We define an opportunity as a set of exploitable circumstances with uncertain outcomes, requiring commitment of resources that may involve exposure to risk.

RISK APPETITE AND TOLERANCE

At POLMED, we understand that not all risks are created equal, therefore, we have defined a risk appetite that varies according to the nature and impact of each risk. Our risk appetite is carefully calibrated to strike a balance between pursuing strategic priorities and safeguarding the interests of our members.

This approach ensures that we take calculated risks that align with our vision, mission and values while avoiding undue exposure. We define risk appetite as the nature and extent of the risk the Scheme is willing to accept in pursuit of its objectives; risk tolerance refers to the organisation's strategic capacity to accept or absorb risk.

Risk appetite and tolerance are high on the Boards agenda and are a core consideration of our enterprise risk management approach. The Board reviews the risk tolerance and appetite on a quarterly basis and approves them annually to ensure the effective execution of the Scheme's strategy within the context of a continually evolving operating environment.

COMBINED ASSURANCE

Our combined assurance framework is supported by the three lines of defence model that specifies and delegates accountability for managing, overseeing, and independently assuring risk mitigation across the scheme. The duties of each line of defence are described below.

The combined assurance framework provides principles and guidelines used in implementing combined assurance across the scheme and continues to evolve as this process is embedded and matures.

MANAGING EMERGING RISKS

In our commitment to transparency and responsible governance, we recognise the critical importance of managing emerging risks as an integral component of our strategic planning and operations. Emerging risks, stemming from factors such as technological advancements, geopolitical shifts, regulatory landscapes, treatments, environmental changes, and societal trends, have the potential to shape our future in profound ways.

We view these evolving landscapes not only as challenges but as opportunities for growth and innovation. Following are some of the emerging risks and opportunities that POLMED has identified:

- **Regulatory Changes and Compliance:** healthcare regulations are constantly evolving, and non-compliance can result in severe penalties and legal implications. Ensuring adherence to complex regulatory frameworks and other industry-specific regulations is crucial to avoid financial and reputational risks.
- **Technological Advancements and Integration:** the rapid evolution of healthcare technologies introduces both opportunities and risks.
- **Shifts in Members Expectations:** healthcare consumers are increasingly demanding more personalised and convenient services. Adapting to these evolving expectations and providing seamless, patient-centric experiences while maintaining quality healthcare delivery poses a risk to companies that do not keep up with consumer demands.
- **New Global Pandemics:** a global pandemic can disrupt the normal operations of medical schemes creating challenges in enabling routine healthcare services and managing medical claims efficiently. Enhancing our resilience and readiness to navigate such crises effectively is essential

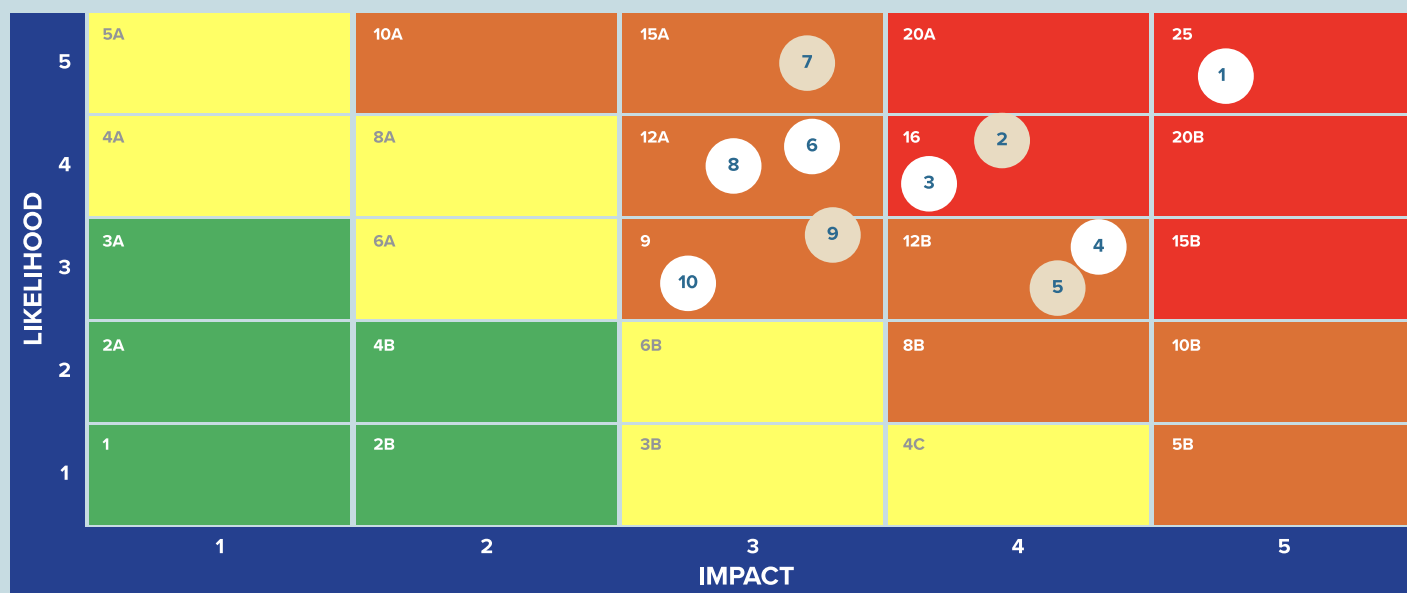


TOP TEN STRATEGIC RISKS

The heat maps alongside illustrate the Scheme's main residual risk themes, the magnitude of their potential effect, and the likelihood.

The residual risk rating is the exposure that remains after all mitigating measures have been implemented. External variables outside management's control, such as the prolonged impact of the pandemic and the sluggish economic reset that has an impact in benefits and cost of healthcare, continue to be significant contributors to the present residual risk rating.

Figure 6: Top Ten Strategic Risks heat map



No.	RISK
1	The impact of the implementation of the National Health Insurance (NHI) on the Scheme in its current form
2	Continued exposure to cybersecurity
3	Tenuous relationship with the Council for Medical Scheme (CMS)
4	Escalating Healthcare Costs
5	Over-dependence of POLMED on its Administrator
6	Strategic Execution Misalignment
7	Fiscal constraints pose a risk of a reduction in SAPS contribution
8	Scheme-wide Digitisation
9	External policy uncertainties
10	Insufficient member - centricity due to insufficient communication, stakeholder management and member engagement







STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
1. Navigating Opportunities and Challenges Posed by NHI	The inclusion of SAPS within the NHI framework introduces strategic challenges and opportunities, requiring the Scheme to navigate shifts in healthcare accessibility and service quality. Adapting to these changes will be crucial to align with NHI objectives while safeguarding the unique healthcare needs of SAPS members.	POLMED is actively engaging with relevant stakeholders and regulatory bodies to address the implications of the NHI Act. Concurrently, contingency measures are being explored to ensure that the unique healthcare needs of SAPS members are safeguarded, regardless of the outcomes.
ASSURANCE OVERSIGHT COMMITTEE	CDRC, ARC & BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
2. Strengthening Resilience Against Cybersecurity Threats	The risk involves continued threat of cybersecurity breaches and vulnerabilities. Developed cybersecurity mitigation (Cloud migration) enhances the Scheme's ability to respond to and recover from incidents quickly, minimizing damages	POLMED has adopted a robust cybersecurity strategy with cloud migration, advanced threat detection, and employee training to enhance resilience. Regular oversight with our partners ICT further secure its digital infrastructure.
ASSURANCE OVERSIGHT COMMITTEE	RSC, ICT STEERCO, ARC, BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
3. Enhancing Collaboration with the Council for Medical Schemes (CMS)	The risk involves challenges from regulatory scrutiny and the continuous potential risk of curatorship by the CMS, presenting difficulties like increased scrutiny, stringent compliance demands or curatorship initiation. Legal actions and restrictions may result, impacting the Scheme's operations and reputation.	POLMED fosters open communication with the regulatory body to ensure alignment with evolving regulations and their interpretations, and to proactively address concerns. Engagement through industry forums promotes collaboration, while the internal compliance and legal functions provide guidance on regulatory compliance and dispute resolution.
ASSURANCE OVERSIGHT COMMITTEE	CDRC, ARC & BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
4. Managing the Escalating Costs of Healthcare	This risk involves the potential escalation of healthcare costs. The Scheme is required to implement effective containment measures and curtail non - health related costs.	POLMED manages healthcare costs through actuarial reviews, provider network optimisation, and strategic tariff negotiations. Wellness programs, member education, and oversight forums further support sustainable cost management.
ASSURANCE OVERSIGHT COMMITTEE	OPS COM, FIN COM, RSC, ARC, BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
5.) Dependency on the Scheme Administrator	Failure to effectively monitor and oversee the performance of Administrator in line with its Service Level Agreement (SLA). Insufficient SLA monitoring may result in POLMED not deriving full value from its Administrator.	POLMED enforces stringent SLAs with defined performance expectations and penalties for non-compliance. Regular audits and structured engagements with service providers ensure accountability and adherence to standards.
ASSURANCE OVERSIGHT COMMITTEE	RSC, ICT STEERCO, ARC, BOARD	

STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
6. Aligning Strategic Execution with Organizational Goals	Misalignment of strategic initiatives with scheme goals risks inefficiencies and irrelevance to strategic direction. Even when aligned, poor execution from resource gaps, coordination issues, or unclear accountability can lead to missed opportunities and wasted resources.	POLMED has launched the 2025 Strategy Planning process, aligning departmental strategies with organizational goals. Implementation plans, monitoring mechanisms, and stakeholder engagement are prioritized to ensure effective execution and collaboration.
ASSURANCE OVERSIGHT COMMITTEE	RSC, ICT STEERCO, ARC, BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
7. Mitigating Fiscal Constraints and Ensuring Contribution Stability	The risk involves in fiscal challenges faced by the government, which may have a negative impact on grant funding to SAPS by government. A reduction of the SAPS budget may pose a risk of reduced contributions by SAPS to the Scheme.	POLMED benchmarks against peers, optimizes investments, and conducts in-house provider negotiations to stay competitive. Strategic advocacy includes budget grant support, impactful reporting, and member collaboration to enhance influence.
ASSURANCE OVERSIGHT COMMITTEE	RSC, ARC, BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
8. Embracing Digitalisation and Advancements	This risk reflects potential disruptions from rapid digitalisation and medical technology advancements, requiring POLMED to remain agile and adaptable. Embracing digital platforms, big data analytics, and modern medical offerings can enhance efficiency, cost management, and preventive care. Top of Form Bottom of Form	POLMED is advancing a Digitalisation strategy to leverage emerging medical technologies and stay ahead of industry trends. Strategic partnerships, research investments, and Clinical Assurance Forum discussions drive informed decision-making and innovation integration.
ASSURANCE OVERSIGHT COMMITTEE	OPS COM, RSC, ICT STEERCO, ARC, BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
9. Navigating Policy Uncertainties	Effective and efficient governance structures are critical for ensuring that the scheme's strategic objectives are aligned with its operations and regulatory environment. When governance structures are ineffective, there may be gaps in oversight, accountability, and strategic direction, leading to poor decision-making.	POLMED keeps the Board and stakeholders informed on political developments and related risks. Scenario planning and solvency assessments support readiness for NHI implementation. Policy monitoring and flexible strategies ensure adaptability to electoral outcomes.
ASSURANCE OVERSIGHT COMMITTEE	RSC, CDRC, BOARD	
STRATEGIC RISK AND OPPORTUNITY THEME	RISK AND OPPORTUNITY CONTEXT	RESPONSE
10. Enhancing Member-Centric Approaches and Engagement	The risk involves the need to improve communication and engagement with Members and key stakeholders through effective stakeholder and communication strategies, channels, and interventions. The risk also requires the Scheme to adopt a formalised and proactive visible brand management approach.	POLMED is strengthening member engagement through WhatsApp messaging, website links, and regular events. Tailored benefits and participation in wellness forums support a member-focused approach. Feedback from surveys guides continuous improvement efforts.
ASSURANCE OVERSIGHT COMMITTEE	SCHEME OPERATIONAL MANAGEMENT COMMITTEE, RSC, CDRC, BOARD	

3.5 MATERIAL MATTERS

We have identified a set of key material matters that significantly impact our ability to deliver value to our members and stakeholders. These material matters are central to our strategic planning and guide our efforts to remain resilient and responsive in an ever-evolving healthcare landscape. By addressing these issues proactively, we ensure the sustainability and effectiveness of the Scheme, aligning our actions with the best interests of our members and the communities we serve.

 Impact of National Health Insurance (NHI)	<p>The anticipated implementation of NHI presents both opportunities and challenges for POLMED. We are actively assessing how NHI will impact our operations, funding model, and member benefits. Our strategy includes engaging with policymakers, preparing for potential integration or collaboration, and ensuring that we remain adaptable and aligned with national healthcare reforms. We are committed to advocating for our members' interests.</p>
 Financial Sustainability	<p>Rising healthcare costs, economic instability, and the dependency on employer funding require prudent financial management. We focus on cost containment, efficient resource allocation, and strategic investments to maintain a healthy solvency ratio and ensure long-term stability.</p>
 Healthcare Quality and Accessibility	<p>Enabling high-quality, accessible healthcare to our members remains central to our purpose. This includes providing preventative care, chronic disease management, and comprehensive wellness programs. Addressing this material matter is essential to improving health outcomes, managing healthcare costs, and enhancing the overall member experience.</p>
 Governance and Compliance	<p>Strong governance and strict adherence to regulatory frameworks, such as those set by the Council for Medical Schemes, are essential for maintaining trust and accountability. Our governance practices ensure ethical decision-making, transparency, and effective risk management, safeguarding the Scheme's reputation and operational integrity.</p>
 Fraud, Waste, and Abuse (FWA)	<p>Preventing and mitigating the impact of fraud, waste, and abuse is critical to protecting member contributions and maintaining the Scheme's financial health. We deploy advanced detection systems, member education initiatives, and strict oversight measures to minimize FWA and ensure resources are used effectively.</p>
 Member Engagement and Satisfaction	<p>Engaging our members and understanding their healthcare needs is vital for delivering relevant and effective services. We prioritize clear communication, member education, and feedback mechanisms to continuously improve member satisfaction and ensure our offerings align with their expectations and health requirements.</p>
 Risk Management	<p>The dynamic and evolving healthcare landscape presents various risks that must be managed proactively. From economic and regulatory risks to operational and environmental challenges, our risk management framework is designed to identify and mitigate these threats, ensuring the resilience of the Scheme.</p>
 Technology and Digital Transformation	<p>Our current digital infrastructure requires urgent enhancement to support our strategic goals. As we prioritize the advancement of our technological capabilities, we are committed to investing in cutting-edge digital solutions. These investments will drive operational efficiency, improve member access to healthcare, enable the delivery of more personalized and efficient services. This material issue is critical as we navigate the evolving healthcare landscape and position ourselves for future success.</p>
 Environmental Impact and Sustainability	<p>As part of our commitment to responsible corporate citizenship, we are focused on reducing our environmental impact. Initiatives such as minimizing paper usage, improving energy efficiency, and implementing sustainable practices reflect our dedication to environmental stewardship and our broader societal responsibilities.</p>
 Cybersecurity and Data Protection	<p>As healthcare data increasingly transitions to digital platforms, protecting our members' sensitive information from evolving cyber threats remains our top priority. To strengthen our cybersecurity posture, we are investing in cutting-edge infrastructure, including advanced threat detection systems, continuous security monitoring, proactive vulnerability management, regular security audits, and comprehensive staff training. Our unwavering commitment is to safeguard our data and IT environment, preventing breaches and ensuring the confidentiality, integrity, and security of our members' information at all times.</p>

3.6 ETHICS MANAGEMENT



Ethical leadership is the cornerstone of POLMED's governance framework and operational excellence. By fostering a culture rooted in ethical behaviour, the Scheme ensures transparency, accountability, and trust in all its interactions with members, stakeholders, and the broader community.

DRIVING ETHICAL BEHAVIOUR ACROSS THE SCHEME

POLMED actively promotes ethical behaviour through continuous engagement and awareness programs, ensuring that trustees, independent members, and staff fully understand their ethical responsibilities.

Key initiatives include:

- **Monthly Ethics themes:** these themes are shared with trustees, independent members, and staff, creating consistent reminders of the importance of ethical behaviour in daily operations.
- **Regular Discussions:** Ethics is a standing topic in key forums, such as Board committees and staff Meetings

STRATEGIC IMPORTANCE OF ETHICS IN POLMED

POLMED's focus on ethics extends beyond compliance to becoming a key enabler of strategic success. By embedding ethics into all aspects of governance and operations, the Scheme ensures:

- **Enhanced Decision-Making:** Ethical frameworks guide leadership and operational decisions, ensuring a balanced approach that considers both member needs and the Scheme's sustainability.
- **Reputation and Trust:** Consistently upholding high ethical standards strengthens stakeholder confidence, reinforcing POLMED's credibility with all stakeholders.
- **Cultural Alignment:** Ethical conduct is deeply rooted in POLMED's core values, shaping a workplace culture that emphasises fairness, respect, and accountability.
- **High Performance:** Ethics is integrated into performance expectations, promoting integrity-driven excellence across all levels of the Scheme.

POLMED's commitment to ethics goes beyond policies and workshops, it is about creating a shared understanding of what it means to act with integrity. By continuously reinforcing ethical behaviour at all levels, the Scheme is well-positioned to navigate challenges and build lasting value for its members and stakeholders.

3.7 COMPLIANCE AND REGULATORY MANAGEMENT

POLMED actively monitors and evaluates compliance with all the compliance frameworks regulating a medical scheme. In this report, the Scheme presents its state of compliance with the Medical Schemes Act, 1998 (Act No 131 of 1998), the Protection of Personal Information Act, 2013 (Act No 4 of 2013) (POPIA), Treating Customers Fairly (TCF) principles, and internal policies. The focus areas include financial compliance, governance, member services, and adherence to medical scheme regulations as mandated by the Council for Medical Schemes (CMS).

COMPLIANCE APPROACH

Our compliance approach proactively manages regulatory obligations. We have a designated compliance function that oversees compliance activities and reports to the Board and the Audit and Risk Committee. Regular training and awareness programs ensure that all employees are up to date with regulatory changes and compliance obligations.

Key compliance activities during the reporting period:

- Internal Audit Compliance review
- POPIA training
- Governance day

RISK MANAGEMENT

Compliance risk is a key component of our enterprise risk management framework. We conduct ongoing regulatory horizon scanning to identify emerging risks and perform periodic compliance risk assessments. Controls are implemented to mitigate identified risks, and policies and procedures are regularly updated to align with best practices and regulatory changes.

COMPLIANCE MANAGEMENT CONTROLS

During the reporting period, our Internal Audit function conducted comprehensive compliance reviews in Q1 and Q2.

In Q1, the review focused on our adherence to applicable laws, regulations, and contracts, yielding no adverse findings. This affirmed that we have appropriate and approved management systems for legislative acts and policies, including a Board-approved Code of Ethical Conduct that outlines the expected behaviour of employees, as well as the Scheme's values and principles. Evidence confirmed that all mandatory requirements for core legislative acts are fully complied with.

In Q2, the focus shifted to reviewing the Scheme's list of core legislations including the Gifts and Conflict of Interest Registers. The Internal Audit conducted a compliance review to assess the nature of gifts and declarations, their approval processes, and any emerging trends. Again, there were no adverse findings.

The Scheme maintains an appropriate and approved Gift Policy, and both the Gift and Conflict of Interest Registers are diligently updated. Trustees and employees fully complied with disclosure requirements regarding financial interests and potential conflicts for the period under review.

LOOKING AHEAD

We are preparing for future regulatory focus areas ongoing improvements to data security infrastructure and leveraging technology for more efficient compliance reporting. We remain committed to fostering a compliance culture, continuous improvement of our compliance framework, and transparent communication with our stakeholders.

REGULATORY ENVIRONMENT

POLMED operates within a stringent regulatory environment designed to safeguard the interests of its members and ensure the long-term sustainability of the Scheme. The primary legislation and regulatory bodies governing our operations include:

The Medical Schemes Act, 1998 (Act No. 131 of 1998), which provides for the registration, governance, and oversight of medical schemes, and mandates the protection of members' rights through the Council for Medical Schemes (CMS)

The Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), which establishes a framework for financial sector oversight and promotes financial stability and integrity.

The Protection of Personal Information Act, 2013 (POPIA), which governs the lawful processing of personal information and ensures the privacy and data protection of members.

In addition to these, POLMED complies with all other applicable legislation and adheres to industry best practices to maintain the highest standards of governance, transparency, and accountability



MEDICAL SCHEMES ACT

POLMED remains fully compliant with the provisions of the MS Act while adapting to regulatory changes, including the implementation of the National Health Insurance (NHI) Act. With the NHI Act introducing potential reforms to the role of medical schemes, POLMED is closely monitoring developments to align its long-term strategy with future regulatory changes. Key focus areas include the changes to the MSA anticipated in the NHI Act. This requires POLMED to ensure continued compliance with the MS Act while preparing for amendments that may arise.

POLMED ensures that all members have access to PMBs, which cover the diagnosis, treatment, and care of life-threatening and chronic conditions. POLMED continuously assesses its financial position to ensure compliance with solvency and liquidity requirements while maintaining affordability for members. The Scheme remains aligned with CMS Circulars and directives, ensuring proactive compliance with evolving industry standards.

SCHEME RULES

POLMED is governed by a set of Scheme Rules that outline the rights, responsibilities, and entitlements of members. These rules contain essential information that every current and prospective member should be familiar with. The rules are periodically reviewed and amended to reflect regulatory updates and operational needs. Once approved, all amendments are registered with the Council for Medical Schemes (CMS), making them legally binding on the Scheme, its members, officers, and any individual claiming benefits under these rules.



3.8 ENVIRONMENT, SOCIAL AND GOVERNANCE

Our approach is to disclose information about sustainability-related risks and opportunities to members, regulators and stakeholders who use POLMED financial reports in making decisions relating to providing resources to the Scheme, consistent with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.

ESG FRAMEWORK: A BLUEPRINT FOR RESILIENCE AND IMPACT

POLMED is committed to integrating Environmental, Social, and Governance (ESG) principles into its operations to build a foundation for long-term sustainability. Simply put, ESG refers to how an organisation considers its environmental responsibility, its impact on society, and the way it ensures ethical and transparent governance.

For POLMED, this means reducing our negative impact on the environment, improving the health and well-being of our members and communities, and ensuring strong governance practices that foster trust and accountability. While our approach is still in its initial stages, early initiatives and strategic planning are guiding our journey toward meaningful impact. These efforts are aligned with globally recognised frameworks such as the United Nations Sustainable Development Goals (SDGs)

OUR COMMITMENT TO UNITED NATIONS 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT AS PART OF OUR ESG STRATEGY.

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, serves as a shared blueprint for fostering peace and prosperity for both people and the planet, now and in the future. At its core lies the call to action presented by the 17 Sustainable Development Goals (SDGs). These goals emphasize the urgent need for collaboration and action by all nations, regardless of their level of development. They recognize that only through a global partnership can we effectively address poverty, enhance health and education, reduce inequality, stimulate economic growth, combat climate change, and safeguard our precious oceans and forests.

<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	<p>This goal aims to ensure healthy lives and promote well-being for all at all ages. It focuses on universal health coverage, reducing mortality from communicable and non-communicable diseases, improving maternal and child health, and ensuring access to essential medicines and vaccines. The goal aligns with efforts to strengthen healthcare systems and improve health outcomes globally.</p>
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<p>This goal focuses on ensuring sustainable consumption and production patterns by reducing waste, improving resource efficiency, and promoting environmentally friendly practices. It encourages businesses, industries, and individuals to adopt sustainable methods that minimize environmental impact while meeting economic and social needs.</p>
<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	<p>This goal focuses on ensuring sustainable consumption and production patterns by reducing waste, improving resource efficiency, and promoting environmentally friendly practices. It encourages businesses, industries, and individuals to adopt sustainable methods that minimize environmental impact while meeting economic and social needs.</p>

ENVIRONMENTAL

As a healthcare-focused organisation, POLMED recognises the critical connection between environmental sustainability and health outcomes. We are committed to reducing our carbon footprint while promoting responsible consumption within our operations and supply chains.

KEY ACHIEVEMENTS

Energy Efficiency Leadership

- POLMED House operates at an energy-efficient rate of 63 KWh per square meter, driven by investments in energy-saving technologies and operational discipline.
- Sensor-based lighting systems and energy reducing electricity consumption

Investment Policy Strategies

- Consideration of ESG in the way we invest. POLMED investment strategies incorporate the ESG requirements.

FUTURE ENVIRONMENTAL COMMITMENTS

Carbon Footprint Reduction

- Conduct a comprehensive assessment of POLMED’s carbon footprint to set reduction targets by 2028.

Green Procurement Policies

- Introduce sustainability criteria in procurement to prioritise environmentally friendly suppliers and services.

SOCIAL

POLMED places the well-being of its members and employees at the centre of its mission. Through targeted social programs, we address pressing health challenges, promote equity, and foster economic empowerment.

HEALTH AND WELLNESS INITIATIVES

Aligned with SDG 3 (Good Health and Well-Being), our efforts include:

- **Mobile Clinics:** Work is in progress to create access to preventative healthcare in underserved areas.
- **Lifestyle Programs:**
Smoking cessation and weight loss programs
Sponsored marathons and fitness events to promote physical activity and community engagement.
- **Holistic Wellness Education:** Educate members on managing chronic conditions and adopting healthier lifestyles.

WORKFORCE DIVERSITY, DEVELOPMENT AND COMMUNITY IMPACT

Aligned with SDG 8 (Decent Work and Economic Growth), we strive to create an inclusive and equitable workplace:

- **Gender and Racial Equity:** Women represent 67% of the workforce, and 92,5% of employees are African as defined by the BBBEE Act. Strengthened leadership pipeline by promoting diverse representation at senior level.
- **Employee Development:** Employees participated in formal coaching, skills development, and leadership training programs. Offering graduate internships that prioritise children of Fallen Heroes, with 5 participants enrolled in 2024.
- **Enterprise and Supplier Development:** Launched ESD programming. Procuring predominately from emerging and micro enterprise where possible.

GOVERNANCE

POLMED’s governance approach is designed to uphold transparency, ethical behaviour, and accountability.

FUTURE GOVERNANCE GOALS

- Develop an ESG-aligned governance framework to track and report on sustainability impacts.
- Conduct independent assessments of governance effectiveness and adapt to evolving best practices

LOOKING AHEAD: SHAPING A RESILIENT AND INCLUSIVE FUTURE

POLMED is committed to advancing its ESG approach in the coming years. Key priorities include:

1. **ESG Strategy:** formation of POLMED ESG strategy
2. **Impact Mapping:** conduct a baseline assessment of environmental and social impacts by 2025.
3. **Measurable ESG Targets:** establish actionable goals and integrate them into performance metrics by 2026.
4. **Stakeholder Collaboration:** strengthen partnerships with members, communities, and regulators to maximise shared value.
5. **Transparent Reporting:** publish comprehensive ESG disclosures, aligning with global frameworks such as the SDGs and Global Reporting initiative.

By embedding ESG principles into our operations, POLMED aims to create a lasting positive impact for its members, employees, and the environment. Together, we can shape a future that is sustainable, inclusive, and resilient.

3.9 ENTERPRISE AND SUPPLIER DEVELOPMENT



ENTERPRISE AND SUPPLIER DEVELOPMENT (ESD) STATEMENT

POLMED is committed to fostering economic growth and sustainability through its Enterprise and Supplier Development (ESD) Programme, which aims to support and empower SMME's i.e., small, and emerging businesses. This initiative aligns with POLMED's broader commitment to contributing to South Africa's socio-economic transformation and aligns with national development priorities. Through the Supply Chain Management (SCM) policy, the Scheme has approved a preferential procurement strategy to promote transformation objectives through procurement of goods and services. The Enterprise and Supplier Development framework has also been approved to achieve our commitment towards B-BBEE and transformation objectives.

The goal of this programme was to provide entrepreneurial training, access to market opportunities and business support to selected ED & SD SMEs. This report reflects the impact the programme has had at the halfway mark.

40

beneficiaries enrolled in the programme

91%

of beneficiaries said the programme helped them achieve a business goal

10

businesses created jobs

88%

of beneficiaries said they were satisfied with the services provided in the programme

17

businesses grew their revenue

In 2024, the Scheme prioritised ensuring the successful implementation of the programme's inaugural cohort. The programme includes:

- Providing tailored development plans to members based on their specific needs and capabilities.
- Offering mentorship and training to build business acumen and operational capacity.
- Facilitating access to opportunities within POLMED's supply chain to foster long-term sustainability.

POLMED also works to ensure that ESD efforts align with good governance practices and ethical standards. Suppliers and enterprises are selected through a

transparent process that includes open advertisement for Enterprise development, due diligence to confirm compliance with the Scheme's requirements, including conflict-of-interest declarations and alignment with procurement deliverables.

Through its ESD Programme, POLMED demonstrates its commitment to creating meaningful opportunities for economic inclusion, promoting supplier diversity, and contributing to the growth of sustainable businesses that positively impact the communities we serve. As we refine and expand the programme, POLMED remains focused on delivering measurable value to its stakeholders and the broader economy.



OUR STRATEGY **OVERVIEW**



4.1 VIEWS FROM OUR PRINCIPAL OFFICER



As we reflect on 2024, I am honoured to take stock of our achievements in the past year and share the strategic outlook for the future. This year marked the beginning of a new strategic cycle (2024–2028), building on the successes and lessons learned from the previous five years strategic cycle (2019–2023). Despite ongoing challenges in the healthcare and economic landscape, POLMED has demonstrated resilience and strategic foresight, ensuring we remain well-positioned for the future while we witnessed the healthcare industry continuing to face economic pressures, with medical inflation rising above the Consumer Price Index (CPI), leading to increased costs of healthcare services and medicines. Simultaneously, employer contribution increases remain below CPI, creating financial constraints for both members and the Scheme.

In October 2024, the Board and Management team gathered for a strategic planning session to solidify our vision for the next five years. Our renewed strategic focus emphasises wellness and preventative care, insourcing key services, adopting a Health Maintenance Organization (HMO) model, and accelerating our digital transformation efforts. These initiatives will enhance our ability to deliver member-centric healthcare services while ensuring the Scheme's sustainability and operational efficiency.

REFLECTING ON 2024

The 2024 financial year brought both opportunities and challenges amid ongoing economic pressures affecting members and the broader medical schemes industry. Through proactive financial management, POLMED maintained a strong solvency ratio and effectively managed healthcare costs. Continued investment in wellness initiatives contributed to improved member health outcomes and helped curb rising healthcare expenditures.

The Scheme also intensified its efforts to combat Fraud, Waste, and Abuse (FWA), implementing stronger controls and achieving significant recoveries. These actions underscore POLMED's commitment to ethical stewardship and ensuring that every member contribution is used efficiently and responsibly.

Our efforts to address Fraud, Waste, and Abuse (FWA) have remained steadfast, with strengthened controls and significant recoveries that reinforce our commitment to protecting the Scheme's resources. These achievements reflect our dedication to ensuring that every contribution made by our members is utilised efficiently and ethically.

MEMBER ENGAGEMENT AND THE 2024 AGM.

Member engagement is a core priority, and the 2024-member engagement activities provided an important platform for dialogue and reflection. We engaged openly with our members, discussing our performance, strategic priorities, and key areas for improvement. The feedback received was both encouraging and enlightening, reinforcing our commitment to transparency and continuous service enhancement.

NON-HEALTHCARE COST MANAGEMENT

POLMED is committed to efficient financial management, ensuring that our non-healthcare costs remain well within the regulatory thresholds set by the Council for Medical Schemes (CMS). As of December 2024, POLMED's non-healthcare cost stood at 4.31% (December 2023: 4.28%), reflecting our continued efforts to optimize operational efficiency while delivering high-quality services to our members. Our prudent approach to cost management ensures that the majority of our resources are allocated towards direct healthcare benefits, reinforcing our commitment to member-centric value and sustainability.

CLAIMS RATIO

In line with our commitment to providing comprehensive healthcare coverage to our members, POLMED recorded a claims ratio of 94.82% for the financial year ending December 2024. This reflects the significant portion of contributions allocated directly to member benefits. While a high claims ratio highlights our dedication to ensuring members receive necessary care, it also necessitates ongoing efforts to optimize cost efficiency, manage risk exposure, and maintain the Scheme's financial sustainability.

The Scheme holds reserves that will enable coverage of R23,991 per beneficiary. In the unlikely event the Scheme is required to pay R23,991 per beneficiary in one year, solvency reserves may be reduced to nil. Therefore, while we have a solvency of 86.56%, the deterioration of our combined claims ratio, may lead to a depletion of our reserves".

EMBRACING DIGITAL TRANSFORMATION

In 2024, we made significant investments in technology to modernise our operations and improve member engagement. These digital advancements have enabled us to provide more personalised and efficient healthcare solutions while ensuring that we remain at the forefront of industry trends. As we move into 2025, digital transformation will continue to be a strategic enabler, allowing us to deliver even greater value to our members. In line with this vision, the Scheme is actively developing its own app to further elevate member experience and engagement.

MEMBERS CONTRIBUTIONS

Over the past five years, POLMED has successfully balanced affordability with sustainability by keeping the average annual increase in member contributions at 6.61%, significantly below the average medical inflation rate of 9%. This gap highlights the effectiveness of the Scheme's proactive cost-containment strategies, which have allowed members to continue receiving comprehensive healthcare benefits without facing excessive financial pressure. It reflects a strong commitment to financial stewardship and member value.

STRATEGIC PRIORITIES FOR 2025 AND BEYOND

Looking ahead to 2025 our strategic plan for 2024–2028 is ambitious yet necessary to ensure the continued delivery of value to our members. We are prioritising wellness and preventative care and the continuation of our strategic plan. We are determined to continue our efforts to shift from reactive, hospital-based care to a proactive model centred on wellness and preventative healthcare. This approach will be underpinned by our ongoing digital transformation, which aims to streamline our operations, enhance member access to care, and provide data-driven insights for improved service delivery. Our strategic direction also includes the transition to an HMO model and the insourcing of critical services, which will give us greater control over healthcare quality and cost management. By embedding innovation and efficiency into our operations, we are committed to meeting the evolving needs of our members and ensuring the long-term sustainability of POLMED.

In terms of benefits introductions, in 2025, POLMED will introduce a range of new preventive care benefits, including the Maternal Pertussis Booster, Down Syndrome Screening, and the Hepatitis B Vaccine for adults. The Marine Option will also feature an Obesity Care Plan, encouraging members to adopt preventive health practices. Additionally, we have expanded our chronic disease management program to cover four additional conditions—Myasthenia Gravis, Cystic Fibrosis, Neuromyelitis Optica, and Huntington's Disease—providing dedicated support under both plans. Our dental benefits have also been updated to further promote preventive care, with new exclusions and enhanced tariff options.

ACKNOWLEDGMENTS

I extend my sincere appreciation to our Board for their strategic guidance, our dedicated staff for their hard work, and our members for their trust and engagement. As we publish this report in 2025, we do so with pride in our accomplishments and a strong commitment to delivering quality, sustainable healthcare. Together, we are making a meaningful difference for our members and supporting the well-being of the South African Police Service and the nation.

Thank you for your continued support. Here's to a future of health, wellness, and success

MS N KHAUOE
PRINCIPAL OFFICER






4.2 STRATEGY AND PURPOSE

Our purpose and our vision guide our strategy, which remains adaptive and responsive to our operating context, future developments, and the evolving needs of our members and other stakeholders.

Our Trustees and Executives annually review and agree on the material matters which inform the Scheme’s strategic objectives for the coming year. We continually review internal and external factors in line with our business model to identify, mitigate and manage our residual risks, seeking opportunities to optimise value outcomes for our members while ensuring the long-term sustainability of the Scheme. Our strategic themes respond to our material matters with due consideration of broader healthcare trends, while achieving related objectives mitigates our residual risks.

Our strategic pillars for POLMED:

 SCHEME SUSTAINABILITY	 QUALITY HEALTHCARE FOR SCHEME BENEFICIARIES	 SOUND RELATIONSHIPS WITH STAKEHOLDERS
Ensuring the long-term financial stability and operational efficiency of the Scheme, balancing affordability with high-quality healthcare services for our members.	Delivering superior healthcare solutions with an emphasis on preventative care and wellness, improving member health outcomes while managing healthcare costs effectively.	Strengthening our partnerships and communication with SAPS, government bodies, healthcare providers, and other key stakeholders to support the Scheme’s objectives and foster trust.

Over the next five years (2024 – 2028), Management has been tasked to continue positioning the Scheme to focus on wellness and preventative care. Furthermore, a directive was given that the Scheme must pursue an insourcing model and a health maintenance organisation (HMO) model and embed digitalisation and information management in healthcare. This direction means a change in the Scheme’s business operating model.

Therefore, the POLMED Strategic Plan for 2024–2028 is anchored on principles of preventative care and wellness, emphasising that members should be mindful, healthy, and maintain work-life balance. In pursuing the preventative care and wellness campaign, the Scheme embraces the eight pillars of well-being, allowing a holistic focus beyond physical wellness. In this context, wellness is seen as a dynamic process of change and growth.

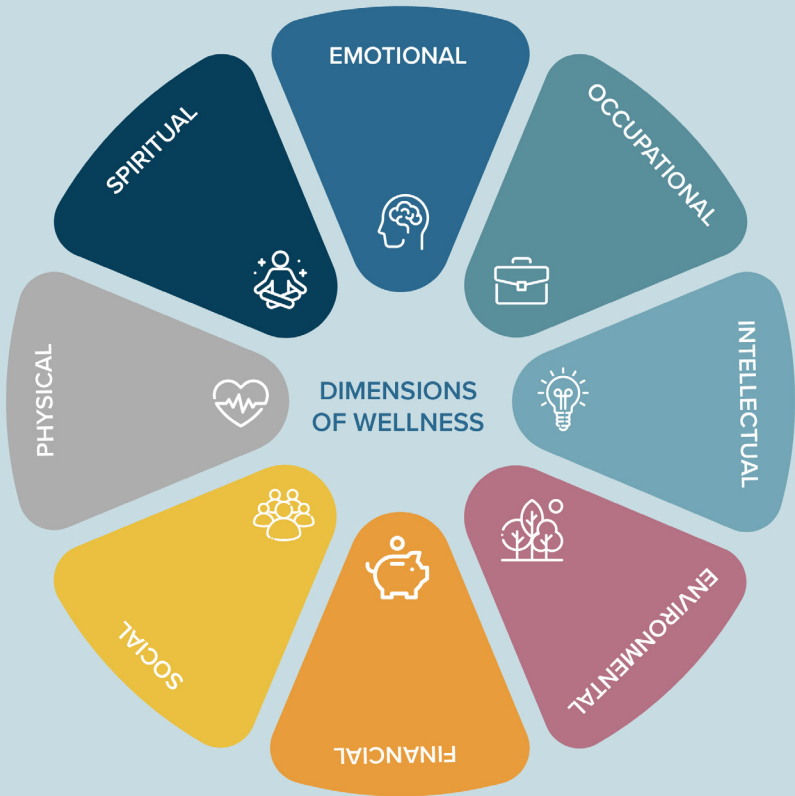








Figure 7: The Eight Wellness Dimensions

STRATEGY APPROVAL, MONITORING AND REVIEW

Our strategic plan is continuously monitored and reviewed to stay relevant and responsive to an evolving healthcare landscape. Approved by the Board, it is carefully managed to ensure alignment with our mission and to proactively address emerging challenges and opportunities.

<div></div> <div>APPROVAL</div>	<div></div> <div>REVIEW</div>	<div></div> <div>MONITORING</div>
<ul style="list-style-type: none">The Board approves POLMED’s strategy and the associated tactical plans, ensuring alignment with our long-term objectives and member needs.	<ul style="list-style-type: none">The Board, in collaboration with the Executive Management team, conducts a comprehensive strategy review annually. During this session, they:<ul style="list-style-type: none">Evaluate the progress made towards strategic goals.Assess the strategy in the context of the current healthcare environment, industry trends, and anticipated future developments.Identify emerging risks and adjust risk ratings as needed to ensure the strategy remains resilient.	<ul style="list-style-type: none">The Executive Strategy and Risk function oversees and guides the implementation of the strategy.Progress is tracked and evaluated through regular meetings and workshops. Updates and key insights from these sessions are presented to the Board for discussion and alignment during Board Strategy Workshop.

OUR STRATEGIC PILLARS AND OBJECTIVES

<div></div> <div>SCHEME SUSTAINABILITY</div>	<div></div> <div>QUALITY HEALTHCARE FOR SCHEME BENEFICIARIES</div>	<div></div> <div>SOUND RELATIONSHIPS WITH STAKEHOLDERS</div>
<ul style="list-style-type: none">Managing the contribution income risk.Vertical integration investment and cost optimisation to ensure a positive downstream return.Ensure effective and efficient Scheme governance.	<ul style="list-style-type: none">Provide quality and evidence-based healthcare benefits for the attainment of positive health outcomes.Digital health eco-system enabling data driven decisions.Value chain optimisation and performance management of delivery partners	<ul style="list-style-type: none">Support the NHI position and the Scheme’s increase in scope to include a security services cluster.Improve relationships with stakeholders through effective communication strategies, interventions, and formalised brand management.Promote healthy lifestyle and member wellness.

4.3 OUR 2024 STRATEGY OVERVIEW

2024 STRATEGIC INTENT

On 2nd of October 2024, the POLMED Board and Executive Management convened for our annual strategy session. The discussions were forward-thinking and centred on strengthening our scheme capabilities and governance. Several strategic themes emerged strongly from this session, highlighting our commitment to delivering high-quality, sustainable healthcare solutions for our members.

KEY STRATEGIC THEMES FOR 2024:

- The National Health Insurance**
The scheme recognises the significant impact NHI could have on its operating model, funding structure, and member offerings. As part of its strategic focus, POLMED continues to prioritise engagement with stakeholders, including government bodies and regulators, to ensure its alignment with the NHI framework. The Scheme will also continue with exploring innovative solutions, to complement the broader objectives of universal health coverage under the NHI. These efforts aim to position POLMED as a resilient and adaptive partner in South Africa’s healthcare reform journey.
- Refreshing the Organizational Structure and People**
A primary focus for 2024 was to optimise POLMED’s organisational structure. We are committed to building a more agile and effective workforce, ensuring that our teams are well-aligned with our strategic goals. This includes investing in staff development, enhancing capabilities, and promoting a culture of continuous improvement.
- Strengthening Governance around ICT and Business Intelligence**
Enhancing our governance framework, especially in areas related to Information and Communication Technology (ICT), is critical. We will implement robust governance measures to oversee our ICT systems and improve our business intelligence capabilities. By leveraging data-driven insights, we aim to make more informed decisions that benefit our members and improve operational efficiency.

- Continuing the Insourcing Journey and HMO Model**
Our journey toward insourcing remains a strategic priority, as it enables us to exercise greater control over healthcare delivery and cost management. We are also advancing our transition to a Health Maintenance Organisation (HMO) model, which will enhance our ability to offer comprehensive and cost-effective healthcare services tailored to the needs of our members.
- Cybersecurity**
With the increasing prevalence of cyber threats, cybersecurity has become a top strategic focus. We are committed to protecting our members’ sensitive information by strengthening our cybersecurity framework. This will involve implementing advanced security measures, conducting regular audits, and ensuring our IT infrastructure is resilient against potential breaches.
- Clinical Risk Management**
Managing clinical risk effectively is essential to improving member health outcomes and optimising healthcare spending. We will continue to develop and implement strategies that focus on proactive clinical risk management, using data analytics and preventative measures to mitigate health risks and manage chronic conditions more efficiently.
- Fraud, Waste, and Abuse (FWA) Prevention**
Combatting fraud, waste, and abuse remains a crucial part of our strategy. In 2025, we will further enhance our FWA prevention measures, leveraging technology and data analytics to detect and prevent fraudulent activities. Our goal is to protect the financial health of the Scheme and ensure resources are used to deliver maximum value to our members.
- Environmental, Social, and Governance (ESG) Initiatives**
Our commitment to ESG principles continues to guide our operations. We will advance our environmental sustainability efforts, foster social responsibility, and uphold strong governance practices. These initiatives will not only strengthen our reputation but also contribute to the long-term sustainability of the Scheme and the communities we serve.

STRATEGY SUCCESS MEASURES (STRATEGIC PRIORITIES 2025 - 2028)

STRATEGIC PILLAR	SUCCESS MEASURES
 SCHEME SUSTAINABILITY	Contribution Debt Claims Recoveries Cost Containment Strategic Project Implementation Regulatory Compliance Fraud, Waste and Abuse Recoveries Annual General Meeting Scheme Governance
 QUALITY HEALTHCARE FOR SCHEME BENEFICIARIES	Strategic Projects Implementation Mental Health Programmes Complaints and Escalation Management Managed Care Digitalisation Research Agenda Benefit Design
 SOUND RELATIONSHIPS WITH STAKEHOLDERS	Key Stakeholder Management Communication and Engagement Plans Preventative Healthcare Utilisation

4.4 Q&A WITH THE PRINCIPAL OFFICER



Ms N Khauoe

Principal Officer

Q

What steps is POLMED taking to ensure the scheme remains sustainable under the National Health Insurance (NHI) framework?

A

POLMED continues to engage with key stakeholders to advocate for SAPS members' interests within the NHI framework. The Scheme is actively monitoring legislative developments, conducting scenario planning, and exploring innovative healthcare models to ensure continued access to quality healthcare for members. Additionally, we are actively participating in policy discussions to ensure the best possible outcomes for our members.

Q

How is POLMED using technology to improve member experience and healthcare access?

A

POLMED is enhancing its digital ecosystem by investing in mobile health solutions. We will be introducing the POLMED App platform.

Q

How is POLMED protecting member data and ensuring cybersecurity?

A

Protecting member data is a top priority for POLMED. We continue to implement robust cybersecurity measures to safeguard sensitive health and personal information against cyber threats. These include:

- Encryption of member data to prevent unauthorized access.
- Regular cybersecurity risk assessments to identify and mitigate vulnerabilities.
- Compliance with the Protection of Personal Information Act (POPIA).
- Employee and member awareness programs on cybersecurity best practices to minimize risks of phishing and data breaches.
- Multi-layered security systems, including firewalls, intrusion detection, and advanced authentication mechanisms.

Q

Why does POLMED pay benefits at new rates from January, while member contributions remain at the old rates until April?

A

POLMED operates within a unique funding structure, where benefit adjustments are effective from 1 January each year to ensure members receive improved healthcare coverage at updated rates. However, due to the timing of the employer subsidy adjustment, member contributions remain at the previous year's rates until 1 April. This results in a temporary financial strain on the Scheme, as claims are paid at the new benefit rates while contribution income lags behind.

Q

How does the misalignment between the contribution grant and medical inflation rates impact the Scheme?

A

One of the biggest challenges POLMED face is that the contribution grant provided by the employer does not keep pace with medical inflation rates. Healthcare costs—driven by specialist consultations, hospital admissions, chronic disease management, and medicine prices—increase faster than general inflation. However, the annual increase in the employer subsidy is often lower, creating a funding gap.

This misalignment puts pressure on POLMED's ability to maintain affordable member contributions without reducing benefits. The Scheme continues to advocate for grant increase that is aligned to medical inflation. While POLMED remains financially stable, this challenge requires ongoing discussions with the employer to ensure long-term affordability for members.



The background is a solid purple color. It features several decorative elements: a large light purple circle in the center, a smaller reddish-brown circle in the upper right, a light blue circle in the top left, and a yellow circle in the bottom left. In the bottom right corner, there is a vertical teal bar with a light blue circle on top containing a white dolphin logo.

OUR **GOVERNANCE**

5.1 BOARD OF TRUSTEES

The Board holds the responsibility for the stewardship and governance of the Scheme, ensuring strategic direction and accountability. The Board meets regularly to oversee and evaluate the performance of POLMED's employees, administrators, and contracted service providers. The Board is also fully committed to upholding the principles of Corporate Governance for South Africa. As part of its commitment to continuous improvement, the Board has resolved to conduct a quarterly Board effectiveness self-assessment during 2024. All trustees have open access to all Board committees, the Principal Officer, and when appropriate, may seek independent professional advice at the Scheme's expense.

BOARD DIVERSITY

The MS Act, and the Scheme Rules regulate the Board's structure, diversity, and independence. As required by these rules, the Board consists of fourteen (14) members: seven (7) appointed by the employer and seven (7) elected by members, with two (2) of the elected members being continuation members. We are pleased to report that the Board remains fully compliant with these requirements.

The Board is also committed to reflecting the diversity of the Scheme's membership in terms of race and gender. The membership of the Scheme includes a minimum of 40% female members, with a racial composition of 70% black and 30% white members.

To support this diversity, the Board strives to ensure that at least one black member and one white member are elected as continuation members, with one being female and the other male.

Additionally, the Board actively monitors race and gender diversity across all levels of the Scheme's workforce, in accordance with the Employment Equity Act, Act 55 of 1998, ensuring alignment with national standards for equity and inclusion.



5.2 TRUSTEES PROFILES



Mr ST Nkosi

Highest Qualifications
Masters in theology (current),
LLB, BTH: Policing,
N Dip: Police administration

Designated: 01-Aug-2021
Term Ending: 31-Jul-26
Board Meeting Days: 10/10
Committees: N/A
Committee Meeting Attendance
AGM 1/1; AD HOC 1/1; ARC 1/5



Ms PA Mabotja

Highest Qualifications
SAPS Basic learning,
Higher Cert in Accounting

Re-elected: 13-Jul-2023
Term Ending: AGM 2028
Board Meeting Days: 10/10
Committees
IC; HRREMC
Committee Meeting Attendance
HHREMC 5/5; IC 4/4; AGM 1/1



Mr S Chamane

Highest Qualifications
LLB,
Diploma in Public Administration

Designated: 11-Jan-23
Term Ending: 10-Jan-28
Board Meeting Days: 10/10
Committees
CDRC
Committee Meeting Attendance
CDRC 5/5; AGM1/1



Ms PP Dimpane

Highest Qualifications
BCom: Accounting,
BBA (Hons)

Designated: 01-Jun-22
Term Ending: 31-May-27
Board Meeting Days: 9/10
Committees
IC; ARC
Committee Meeting Attendance
ARC 5/5; IC:4/4, AGM 1/1; AD HOC 1/1



Mr AJ Gerber

Highest Qualifications
LLB,
BCom

Member Elected: 16-Sep-21
Term Ending: AGM 2026
Board Meeting Days: 10/10
Committees
CDRC; AGMC
Committee Meeting Attendance
CDRC 5/5; AGMC 4/4; AGM 0/1



Mr SJ Kwena

Highest Qualifications
National Dip: Police Administration,
National Higher Dip: Policing, BA: Police
Science, B Iuris, B.HRM

Designated: 01-Aug-21
Retired: 31-Dec-2024
Board Meeting Days: 9/10
Committees
CGC
Committee Meeting Attendance
CGC 4/4, AGM 1/1



Ms MV Kwetepane

Highest Qualifications
Dip: Anti-Corruption and Commercial Crime
Investigation,
National Cert: Policing

Member Elected: 16-Sept-2021
Term Ending: AGM 2026
Board Meeting Days: 10/10
Committees
AGMC; CGC
Committee Meeting Attendance
CGC 4/4; AGM 1/1; AGMC 4/4



Mr JT Lusenga

Highest Qualifications
Cert: Labour Relations, Certificate: Local
Govt Admin and Mgmt, Introductory
Police Dev. Learning Programme

Member Elected: 13-Jul-23
Term Ending: AGM 2028
Board Meeting Days: 10/10
Committees
CDRC
Committee Meeting Attendance
CDRC 5/5; AGM 1/1

5.2 TRUSTEES PROFILES (Cont.)



Ms IN Molefe

Highest Qualifications
MTH in Policing, BTH in Policing,
PGDA in Labour Law

Member Elected: 13-Jul-23
Term Ending: AGM 2028
Board Meeting Days: 10/10
Committees
CGC; ARC
Committee Meeting Attendance
ARC 4/5 CGC 4/4; AGM 1/1



Ms LN Ngembe

Highest Qualifications
BSW, PGDA Labour Law,
PGDA: HRM

Member Elected: 13-Jul-2023
Term Ending: AGM 2028
Board Meeting Days: 10/10
Committees
CGC
Committee Meeting Attendance
CGC 4/4; AGM 1/1



Mr RP Ntsime

Highest Qualifications
National Higher Cert: Policing, Cert:

Re-designated: 20-Oct-23
Term Ending: 19-Oct-2028
Board Meeting Days: 10/10
Committees
IC; HRREMC
Committee Meeting Attendance
IC 4/4; HRREMC 5/5; AGM 1/1;
AD HOC 1/1



Mr Z Skade

Highest Qualifications
B Uris, PGDA: Labour Law

Re-designated: 14-Mar-2024
Term Ending: 09-Jan-2025
Board Meeting Days: 6/10
Committees
AGMC; HRREMC
Committee Meeting Attendance
HRREMC 4/4; AGM 0/1



Mr R Steyn

Highest Qualifications
National Dip:
Police Administration

Member Elected: 13-Jul-23
Term Ending: AGM 2028
Board Meeting Days: 10/10
Committees
CDRC
Committee Meeting Attendance
CDRC 5/5; AGM 1/1
HRREMC 1/4; IC1/4; ARC 1/5*
**Attended as observer*



Ms BP Temba

Highest Qualifications
Masters: Psychology, BA Hons
Psychology, BA Psychology, BA Ed

Designated: 08-Jul-22
Term Ending: 07-Jul-27
Board Meeting Days: 9/10
Committees
AGMC; IC
Committee Meeting Attendance
IC 4/4; AGMC 4/4, AGM 1/1



Mr NP Nethengwe

Highest Qualifications
LLB,Stadio, Diploma in Law - Cum Laude,
Postgrad Diploma in Management
Studies, BA (CUR),
Diploma in Nursing Science

Designated: 15-Jan-2025
Term Ending: 14-Jan-2030
Board Meeting Days: -
Committees
Members recently designated in 2025 Reporting year
Committee Meeting Attendance
Members recently designated in 2025 Reporting year



Mr TNL Ngwenya

Highest Qualifications
Dip: Labour Relations,
PGDA Labour Law

Designated: 10-Jan-2025
Term Ending: 09-Jan-2030
Board Meeting Days: -
Committees
Members recently designated in 2025 Reporting year
Committee Meeting Attendance
Members recently designated in 2025 Reporting year

Each Board Committee acts in line with the established Charter approved by the Board. These Charters outline the purpose, membership, duties, and reporting procedures and are reviewed annually. Each Board committee has a workplan to assist the execution of the Charter.

TRUSTEE AND INDEPENDENT MEMBERS REMUNERATION

The Scheme's Remuneration Policy covers the remuneration philosophy and methodology for Trustees and Committee members. The remuneration framework acknowledges the essential strategic oversight role of Trustees and Committee members, their fiduciary responsibilities, the risks assumed, and the significant time dedicated to serving the Scheme and its Members.

In acknowledging the above, the framework is intended to ensure that the Scheme remunerates fairly, responsibly, and transparently to promote the achievement of Strategic Objectives and attract and retain Trustees and Committee members with the appropriate level of knowledge, skill, and expertise. The Annual General Meeting Committee oversees remuneration practices and benchmarks Trustee Remuneration against similar or equivalent enterprises to establish market rates. Trustees are remunerated for their services in terms of the Scheme's Remuneration Policy. The benchmarked professional fees of Trustee and Board Committee Members are discounted in recognition of the Scheme's non-profit status.

REMUNERATION GOVERNANCE

The objective of remuneration policy is to provide a legal and policy framework against which the Trustees' and Independent Committee Members' remuneration decisions are made, validated, implemented, approved, and reported by the Scheme. The Scheme has put in place the necessary governance structures, measures, and procedures to ensure that those charged with the fiduciary responsibility of formulating and upholding the provisions of policies discharge their duties with due care and skill and are accountable to the Scheme in this regard.

The Remuneration Policy is based on the requirement set out by the CMS in Circular 41 of 2014 and was presented to members for the first time at the 2014 AGM, where it was approved by a majority of members in attendance. The Policy is reviewed annually by the Committee for Board approval and is tabled each year at the AGM for a non-binding vote by members.

The total remuneration paid to Trustees is determined by the following elements:

- Number of meetings planned per year.
- Preparation time for each meeting.
- Estimated time required for meetings.
- The number of actual meetings attended.

Trustees have a set rate approved at AGM – As per Remuneration policy.



5.3 TRUSTEE MEETING ATTENDANCE

The schedule below sets out Trustee attendance at Board of Trustee and key Committee meetings.

Trustee Members	Board of Trustee Meetings		Audit and Risk Committee Meetings		Human Resources and Remuneration Committee Meetings		Clinical Governance Committee Meetings		Investment Committee Meetings		CDRC Committee Meetings		AGM		AGM Committee Meetings		Other ADHOC Meetings	
Mr ST Nkosi	10	10											1	1			1	1
MS PA Mabotja	10	10			4	4			4	4			1	1			3	3
Ms IN Molefe	10	10	5	4			4	4					1	1			1	1
Ms BP Temba	10	9							4	4			1	1	4	4		
Ms PP Dimpane	10	9	5	5					4	4			1	1			1	1
Mr JT Lusenga	10	10									5	5	1	1				
Mr RP Ntsime	10	10			4	4			4	4			1	1			3	3
Mr R Steyn	10	10									5	5	1	1				
Mr AJ Gerber	10	10									5	4	1	0	4	4		
Mr LN Ngembe	10	10					4	4					1	1			2	2
Ms MV Kwetepane	10	10											1	1	4	4		
Mr Z Skade	10	6			4	3							1	0			3	3
Mr SJ Kwena	10	9					4	4					1	1			2	2
Mr SW Chamane	10	10									5	4	1	1				

X Meetings Planned Meetings Attended

The schedule below sets out the attendance by the Independent Audit and Risk Committee and Annual General Meeting Committee members

Independent Audit and Risk Committee Members	Audit and Risk Committee Meetings	
Z Samsam	5	5
JK Sikosana	5	5
FM Mathibela	5	5

Independent Annual General Meeting Committee Members	Independent Annual General Meeting Committee Meeting	
V Simelane	4	4
ML Lephoro	4	4
BJ Ximba	4	5
C Johnson	4	4



5.4 BOARD COMMITTEES

The Board has established, in line with the MSAct and POLMED Rules, various committees to enable it to discharge its duties and responsibilities efficiently and provide guidance in the decision-making process. In line with the Scheme’s Delegation of Authority, the Board is satisfied that roles are clarified, and that authority and responsibilities are exercised efficiently.



The following committees have been formally constituted:



**AUDIT
AND RISK
COMMITTEE**



**INVESTMENT
COMMITTEE**



**COMPLAINTS
AND DISPUTE
RESOLUTION
COMMITTEE**



**HUMAN
RESOURCES AND
REMUNERATION
COMMITTEE**








**CLINICAL
GOVERNANCE
COMMITTEE**



**ANNUAL GENERAL
MEETING
COMMITTEE**

Specific functions and responsibilities as stipulated in the Board Charter have been delegated to Board Committees with defined terms of reference set out in their respective instructions.

5.4.1 AUDIT AND RISK COMMITTEE (ARC)

Member	Capacity
 Z Samsam	Independent Chairperson (Term ended 31 December 2024)
 FM Mathibela	Independent Member
 JK Skosana	Independent Member
 PP Dimpane	Trustee Member
 IN Molefe	Trustee Member

Subsequent to year-end, FM Mathibela was appointed as Chairperson as of 01 January 2025.



CHAIRPERSON’S STATEMENT

Despite the persistent macroeconomic challenges facing our country over the past year, POLMED has demonstrated remarkable resilience. The organization has upheld its commitment to delivering exceptional service to its members, in alignment with its Vision and Mission Statements.

MANDATE OF THE COMMITTEE

The ARC is established in accordance with Section 36(10) of the Act to assist the Board in fulfilling its responsibilities in ensuring the integrity of financial reporting and reviewing the effectiveness of:

- The financial reporting processes.
- The accounting practices.
- The management of scheme risks, including financial risks.
- The combined assurance processes.
- The Scheme’s process for monitoring compliance with laws, regulations, rules, and policies; information systems; and
- Advising on any matter referred to the Committee by the BoT.

REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROLS

The Committee’s assessment of the effectiveness of the internal control system is based on input from internal audit reports, external audit findings, and management’s evaluations. Responsibility for developing and maintaining an efficient and effective internal control system rests with management. The Committee is confident that the internal financial controls in place are both adequate and effective, providing a robust foundation for the preparation of reliable financial statements. Furthermore, the auditors reported no significant findings during the year that would indicate a failure in the internal control system.

Any weaknesses in internal controls identified by the assurance providers are actively being addressed by management to ensure continuous improvement and risk mitigation.

RISK MANAGEMENT

POLMED adopts an enterprise-wide risk management methodology designed to ensure that the Scheme's entire risk universe is comprehensively addressed. This structured process of risk identification clearly distinguishes between strategic and operational risks, enabling the appropriate level of management focus to be directed to each category of identified risks. Strategic risks are escalated to the Board via the Risk Management Committee and the Audit and Risk Committee. These Committees oversee and ensure that the management strategies proposed for addressing risks are aligned with POLMED's approved organizational framework and risk appetite

Operational risks, meanwhile, are subject to continuous monitoring based on their frequency and potential impact. Controls are regularly adapted in response to the evolving risk exposure to maintain the Scheme's resilience.

The internal audit function plays a critical role in supporting the overall risk management process. By employing a risk-based approach, internal audit develops a targeted internal audit plan aimed at evaluating the effectiveness of risk-mitigation measures and reporting their findings to the Audit and Risk Committee.

The Committee is satisfied that POLMED's risk management processes remain effective and efficient in ensuring both strategic and operational risks are identified, managed appropriately, and mitigated effectively. In this regard, I would like to emphasize the following key areas:

- Review of the Strategic Risk Register
- Implementation of adequate combined assurance processes
- Sustained positive operational and financial performance

COMBINED ASSURANCE

With regard to the coordination of assurance activities, the Committee carefully reviewed the plans and outputs of both the external and internal auditors. After thorough evaluation, the Committee concluded that these assurance activities were adequate to address all significant risks confronting the Scheme.

The Committee is satisfied that the Scheme's Combined Assurance Model remains effective in achieving the following key objectives:

- Transparent reporting to management and the Board;
- Risk mitigation, ensuring that identified risks are addressed appropriately; and
- Maintaining an acceptable level of residual risk

Additionally, the Committee confirmed that the Combined Assurance Model facilitates a coordinated and integrated approach to assurance activities. The Committee was further assured that the levels of assurance provided by both internal and external assurance providers were adequate and effective in supporting the Scheme's risk management and governance objectives.

IMPLEMENTATION OF IFRS 17

The Scheme successfully implemented the IFRS 17 reporting standard in 2023, marking a significant milestone in its financial reporting framework. The Committee has reviewed the processes and controls established to ensure compliance with this standard and is satisfied that the 2024 financial statements have

been prepared in full accordance with the requirements of IFRS 17.

EVALUATION OF FINANCIAL STATEMENTS

The Committee has:

- Reviewed the audited financial statements to be included in the annual report prepared by the Scheme for Board approval.
- Reviewed the External Auditor's management report and management's response to it.
- Reviewed changes in accounting policies and practices; and
- Reviewed the Scheme's compliance with legal and regulatory provisions.

EXTERNAL AUDITOR'S REPORT

The Committee conducted a thorough review of the financial statements for the year ending 31 December 2024 and is satisfied that they comply with all material aspects of the relevant provisions of IFRS and the Act. Additionally, the Committee carefully considered the processes used to derive significant financial estimates. It confirmed that these estimates were appropriately addressed and incorporated in the plans and work undertaken by the external auditor.

The Committee further recognized and acknowledged the unqualified audit opinion issued by the external auditors on the annual financial statements, which reinforces confidence in the accuracy and integrity of the financial reporting.

COMMITTEE EVALUATION

During the 2024 financial year, the Committee conducted a formal self-evaluation to assess its own performance and effectiveness. The results of this evaluation were overwhelmingly positive, with consensus among members indicating satisfaction with the Committee's operations and outcomes. No material issues of concern were raised during the self-evaluation process, demonstrating the Committee's commitment to maintaining high standards of governance and oversight.

Other notable activities undertaken by the Committee during the 2024 financial year include:





- Reviewed the going concern assessment of the Scheme.
- Assessed the Project Wired (ERP implementation) close-out report.
- Evaluated the CIPS Maturity Assessment Project Plan.
- Reviewed and finalized the IFRS 17 Implementation Project Close-out Report.
- Approved the 2024 External Audit Plan.
- Recommended the 2025 Trustee Liability Insurance to the Board.
- Approved the 2025 Afrocentric Internal Audit Plan.

These activities reflect the Committee's proactive oversight and its dedication to ensuring the Scheme's effective governance, risk management and compliance with relevant standards and frameworks.

CHAIRPERSON MR FM MATHIBELA



5.4.2 HUMAN RESOURCES AND REMUNERATION COMMITTEE (HRREMCO)

Member	Capacity
<div>  <div>Z Skade</div> </div> <div>  <div>AJ Gerber</div> </div> <div>  <div>PA Mabotja</div> </div> <div>  <div>RP Ntsime</div> </div>	<div>Chairperson (Term ended 9 January 2025)</div> <div>Chairperson</div> <div>Member</div> <div>Member</div>

Subsequent to Mr Z Skade term end, Mr AJ Gerber was appointed as Chairperson as of 01 January 2025.

CHAIRPERSON’S STATEMENT

In 2024, POLMED remained committed to fostering sustainability by strengthening organisational capacity through strategic recruitment and comprehensive employee development initiatives. These efforts were further supported by targeted retention strategies, including the enhancement of bonus schemes, mentorship and coaching programs, the Leadership Development Programme, succession planning, and policy benchmarking. Collectively, these initiatives aim to attract, develop, and retain top talent within the organisation.

MANDATE OF THE COMMITTEE

The Committee’s primary mandate is to support the Board in its governance responsibilities, with a focus on:

- Establishing and approving an annual work plan to ensure that meeting agendas comprehensively address all relevant matters.
- Overseeing compliance with applicable labour relations regulations and guidelines.
- Monitoring the implementation of human resource management policies.
- Establishing and maintaining an effective remuneration and performance management policy aligned with the Scheme’s strategic objectives.
- Reviewing the human resources management budget and making recommendations to the Board.
- Ensuring that the Principal Officer is remunerated fairly and responsibly across short-, medium-, and long-term horizons, in alignment with the Scheme’s best interests.

RESPONSIBLE REMUNERATION

POLMED’s Remuneration and Performance Management policies are underpinned by the principles of fairness, transparency, and consistency, recognising the critical need to attract and retain high-calibre professionals. To this end, the Scheme introduced a Reward and Recognition Policy to enhance employee morale. Employee remuneration, including that of the Principal Officer, is benchmarked in intervals to ensure competitive market alignment.



Following the implementation of a new organisational structure, over 90% of employees qualified for performance bonuses, reflecting significant progress in the Scheme's overall performance.

EMPLOYEE DEVELOPMENT AND SUCCESSION

To foster a culture of continuous learning and professional growth, the Scheme continues to enhance its Study Assistance Policy to enable employees to access reputable academic institutions for their development. Additionally, employees are provided with on-the-job training opportunities, allowing exposure to functions beyond their primary responsibilities.

In 2024, 36% of the workforce pursued academic studies to further their education. While the succession pipeline is not yet fully optimised, there has been notable progress in building a talent pool for critical roles.

Significant strides have also been made in filling key Executive and Senior Management positions to strengthen leadership succession. In 2024, the Scheme appointed an Executive: Corporate Services and a Senior Manager: Clinical Services. Furthermore, several Senior Managers were given acting opportunities in Executive roles, including the Senior Manager: Supply Chain Management acting as Executive: Finance and Procurement, and the Senior Manager: Enterprise Risk Management continuing to act as Executive: Strategy and Risk Management.

KEY HIGHLIGHTS FOR THE COMMITTEE

- Reviewed standing Human Resources Reports and contributed to the enhancement of the Scheme's HR strategies, particularly in talent attraction, retention, succession management, and leadership development.
- Finalised HRRESCO's statement for inclusion in the 2024 Integrated Report.
- Reviewed and recommended the Grievance Procedure for BoT's approval.
- Considered the 2025 Payroll and Bonus Pool Budget and made a recommendation of a 5.7% increase in professional fees within the overall Scheme budget and benefit design.
- Reviewed four key policies— Recruitment and Selection Policy, Succession Management Policy, Study Assistance Policy, and Disciplinary Policy—and recommended Recruitment and Selection Policy to BoT for approval but requested management to resubmit the others in Q1 of 2025 upon further refinements.

These initiatives underscore POLMED's commitment to strengthening human capital, ensuring organisational sustainability, and fostering a high-performance culture.

CHAIRPERSON
MR AJ GERBER



5.4.3 INVESTMENT COMMITTEE (IC)

Member	Capacity
 RP Ntsime	Chairperson
 PA Mabotja	Member
 PP Dimpane	Member
 BP Temba	Member



CHAIRPERSON’S STATEMENT

As Chairperson of the Investment Committee, it is my privilege to present this report on the Scheme’s Investment performance for the year.

The Committee’s role is to safeguard the Scheme’s assets and ensure that our investment strategy supports the long-term financial sustainability of the Scheme, while also adhering to regulatory requirements. In a year marked by Board challenges and opportunities, our focus has been on balancing risk with reward and identifying investment opportunities that align with our commitment to inclusive growth and responsible asset management.

MANDATE OF THE COMMITTEE

The Committee’s overall objective is to assist the Board in fulfilling its responsibilities relating to:

- The annual review and development of the Scheme’s Investment Policy Statement and Investment
- The identification and appointment of Asset Managers to manage the Scheme’s portfolios across its various asset classes.
- The review and assessment of investment risk and opportunities.
- Monitoring of investment performance.
- Monitoring compliance with the Medical Schemes Act, 1998 (Act No 131 of 1998) (“MS Act”) and all applicable legislation.
- Any additional duties delegated to the Committee by the Board.

INVESTMENT POLICY STATEMENT REVIEW

The Committee thoroughly reviewed the Scheme's Investment Policy Statement (IPS) to ensure that the investment strategy supports the Scheme strategy, and risks are adequately managed. During this review we considered the Scheme's performance and have identified that the Scheme has the capacity to assume additional investment risk by increasing the allocation to the sustainability bucket from 60% to 65%. We believe that this adjustment will enhance long-term returns while aligning with our commitment to sustainable and responsible investing. We are confident that the investment strategy is appropriate, and the Scheme will continue to use the IPS to guide future investment decisions.

IDENTIFICATION AND APPOINTMENT OF ASSET MANAGERS

In line with the Scheme's long-term strategy and our commitment to developing emerging black asset managers, we thoroughly investigated investment opportunities that promote inclusivity, while compliant with the regulatory limits for medical schemes. Following a detailed assessment of the market landscape and potential risks, the Scheme allocated a maximum of 2% of its investment portfolio to listed property instruments.

REVIEW AND ASSESSMENT OF INVESTMENT RISK AND OPPORTUNITIES.

The Scheme strategically invested R240 million of its portfolio, into listed property instruments. This decision was driven by the interest rate cuts implemented by the South African Reserve Bank, which opened favourable opportunities in the listed property sector. These investments are expected to provide strong risk-adjusted returns.

MONITORING OF INVESTMENT PERFORMANCE

The first quarter of 2024 was challenging for the Scheme's investment portfolio due to market uncertainty surrounding the National Elections, which were set to take place in May 2024. This led to underperformance in bonds and equity instruments held by the Scheme. However, by the second quarter, the establishment of a Government of National Unity restored stability and optimism, improving the performance of all instruments in the Scheme's portfolio. As of 31 December 2024, the Scheme derived R 983,1 (2023: R849.1 million) returns net of investment management fees. This is testament to the Committee's strategic approach to navigating market volatility and capitalising on emerging opportunities.

2024 HIGHLIGHTS

Overall, we have achieved a positive return on investment and exceeded the benchmark - a true testament to the hard work and dedication of the POLMED team. The Scheme generated R36.6 million (2023: R14.2 million) in additional returns through our in-house treasury management function, underscoring its valuable contribution to the overall financial performance.

Based on the Scheme's financial position and the capacity to absorb volatility in the short term, it was resolved not to hedge a portion of the equity portfolio. However, the Scheme continuously reviews its hedge and asset allocations based on material developments in the economic or financial environments in which it operates.

COMPLIANCE WITH THE MEDICAL SCHEMES ACT.

The Committee has monitored and evaluated the Scheme's compliance with the MSA and all other applicable legislation. The Scheme has obtained an exemption from complying with section 35(8) of the MSA. The Committee is comfortable with all investments being compliant with the MSA.

OUTLOOK AND FUTURE FOCUS AREAS

Looking ahead, the committee remains committed to maintaining a balanced approach to managing the Scheme's investments, focusing on broad capital preservation and growth, while adhering to our regulatory obligations. We will continue to –

- provide oversight and support on the Scheme's investment strategy implementation and identify areas of risk and opportunity in leveraging growth, improvement, and value creation.
- ensure management strengthens due diligence, compliance, performance measures and reporting arrangements in accordance with the Scheme strategy and the investment allocation targets.





Other notable activities during 2024 include:

- Reviewed the ISAE3402 reports and POPIA compliance practices at the Scheme's Asset Managers
- Introduced a sliding scale model at most asset managers to reduce investment fees

CHAIRPERSON MR RP NTSIME



5.4.4 CLINICAL GOVERNANCE COMMITTEE (CGC)

Member	Capacity
 SJ Kwená	Chairperson (Term ended 31 December 2024)
 IN Molefe	Chairperson
 LN Ngembe	Member
 MV Kwetepane	Member

Subsequent to year-end, IN Molefe was appointed as Chairperson as of 22 January 2025.

CHAIRPERSON’S STATEMENT

I have the pleasure to present the CGC report for 2024. The Committee’s overall objective is to assist the Board in fulfilling its responsibility for the clinical governance procedures of the Scheme.

The Committee is established by the Board to assist in discharging its responsibilities relating to:

- Developing and implementing of a clinical governance strategy for the Scheme.
- Health Risk Management
- Benefit design process; and
- Ex-gratia management

KEY HIGHLIGHTS FOR THE COMMITTEE

- Enhancement of the preventative and screening benefits
- Oncology SDB benefit limit increased for Marine option and enhanced access for PET scans for both options for staging purposes.
- Enhancement of the rand limit for the external prosthesis benefit and the wheelchair benefit for both options
- Expansion of Chronic conditions on the ADL list for both options
- Enhancement of the basic and advanced dentistry benefits for both options
- Positive Outcome of 2024 Health Quality Assessment report when compared to the industry and the Scheme specific performance in previous years.
- Oversight of the management of 436 ex-gratia applications, amounting to R8,9m funding request





In 2025, the CGC will continue to apply principles of evidence-based medicine in its approach to execute the mandate received from Board.

As Chairperson the CGC, I would like to thank the Board for their continued support to CGC during 2024. The Scheme would not have achieved the results it did, had it not been for the continued support the Board demonstrated to CGC in implementing innovative managed care solutions to optimise healthcare delivery to our members.

**CHAIRPERSON
MS IN MOLEFE**



5.4.5 COMPLAINTS AND DISPUTES RESOLUTION COMMITTEE (CDRC)

Member	Capacity
<div>  <div>AJ Gerber</div> </div> <div>  <div>SW Chamane</div> </div> <div>  <div>JT Lusenga</div> </div> <div>  <div>R Steyn</div> </div>	<div>Chairperson (The member was reassigned to serve on another committee)</div> <div>Chairperson</div> <div>Member</div> <div>Member</div>

Subsequent to AJ Gerber reassignment, SW Chamane was appointed as Chairperson as 22 January 2025 .



CHAIRPERSON’S STATEMENT

It gives me great pleasure to present this CDRC Report outlining the Scheme’s performance during 2024 regarding the management of complaints, settlement of disputes and other legal, policy and ethics matters.

MANDATE OF THE COMMITTEE

The Committee’s mandate is to assist the Board in fulfilling its responsibilities in relation to the settlement of disputes, complaints, and attendance to legal, policy and ethics developments as envisaged by Board the Medical Schemes Act and the POLMED Rules.

In line with its Charter and Work Plan, the Committee was able to fulfil all its objectives for the year, which included:

- Reviewal and monitoring of members’ complaints, including matters escalated from the CMS.
- Monitoring of compliance with applicable legislative and regulatory frameworks.
- Reviewal and assessment of litigation matters for and/or against the Scheme.
- Monitoring of recoveries in respect of Fraud, Waste and Abuse matters.
- Monitoring of claims and recoveries in respect of Motor Vehicle Accident (Road Accident Fund).
- Monitoring of stakeholder engagements; and
- Monitoring of ethics management function.

PERFORMANCE IN ACCORDANCE WITH THE CHARTER AND WORKPLAN

The Committee always ensured compliance with the Medical Schemes Act, the Scheme Rules, and Policies. In addition, it continued to monitor the developments of applicable legislative and regulatory frameworks and their impact to the Scheme. These include the National Health Insurance Act, The Road Accident Fund Amendment Bill, Financial Sector Regulation Act, and the Climate Change Act.

In relation to complaints, the Committee saw a reduction in Board members' complaints and CMS escalations. This achievement was because of various mechanisms and controls put in place by Management to ensure proper integration of services at the managed healthcare level.

The Committee continues to monitor all the litigation matters and is satisfied that they are progressing very well. To this extent, the Committee is comfortable that the interests of Board the Scheme and the members remain protected.

Despite the Road Accident Fund's litigation proceedings regarding a directive intended to reject the payment of past medical expenses by members who are covered by medical schemes, POLMED continued to take all reasonable measures to ensure recovery of such past medical expenses as required by the Scheme Rules.

KEY HIGHLIGHTS FOR THE COMMITTEE

1. Favourable CMS Rulings and Court orders relating to matters that affect the interests of the Scheme and its members.
2. Positive Motor Vehicle Accidents Recoveries above target, despite the RAF related challenges
3. Positive Fraud, Waste and Abuse Recoveries above target and industry benchmark
4. Continuous monitoring of legislative developments, e.g., NHI, RAF, FSRA, Climate Change
5. Rule Amendments
6. Successful Stakeholder Engagements

COMMITTEE'S QUARTERLY SELF EVALUATION

To ensure effective and efficient execution of its mandate, the Committee extended the evaluation of its performance (self-evaluation) from annual to quarterly.

These evaluations are presented to the Board for consideration and guidance. In this regard, I am pleased to announce that the Committee's performance was in accordance with its mandate and no material issues of concern were identified.

CHAIRPERSON
MR SW CHAMANE



5.4.6 ANNUAL GENERAL MEETING COMMITTEE (AGMC)

Member	Capacity
 V Simelane	Independent Chairperson
 MV Kwetepane	Member
 AJ Gerber	Member
 BP Temba	Member
 Z Skade	Member
 LJ Lephoro	Independent Member
 BJ Ximba	Independent Member
 C Johnson	Independent Member
 ML Letebele	Independent Member (Term ended 26 February 2024)



CHAIRPERSON’S STATEMENT

It gives me great pleasure to present this AGMC Report outlining the Committee’s performance during 2024 as mandated by the members.

MANDATE OF THE COMMITTEE

The Committee’s mandate is to assist the Board in ensuring the implementation of the AGM’s resolutions and reporting progress to members during AGM’s.

In line with its Charter and Annual Work Plan, the Committee was able to fulfil all its objectives for the year, which included:

- monitoring the implementation of the resolutions emanating from the AGM’s.
- reporting to members at the AGM on progress made in the implementation of the resolutions.
- ensuring the delivery of successful AGM’s.
- assessing and managing AGM related risks and opportunities.
- monitoring compliance with MS Act, POLMED Rules and related applicable legislation; and
- implementing any other additional duties set out in its Charter or otherwise delegated to the Committee by the Board.

TRUSTEE INDEPENDENT MEMBERS’S REMUNERATION

The Board oversees the remuneration strategy, policy and practices of the Scheme and has delegated the responsibility of overseeing the Trustees’ and Independent Members’ Remuneration Policy to the AGMC.

The Committee is responsible for the benchmarking of the remuneration against the market trends within similar schemes to establish market rates for the remuneration of Trustees and Independent Members.

The Trustee and Independent Members' Remuneration Policy considers guidelines of Circular 41 of 2014 issued by the Council for Medical Scheme (CMS).

Trustees and Committee Members' remuneration is disclosed to members at the Scheme's AGM as well as on the CMS industry report and Scheme's Integrated Report in accordance with section 57(8) read with Regulation 6A of the MSA.

The Policy was approved by members at the 2024 AGM in accordance with rule 18.24 of POLMED Rules and is being implemented as such.

ENSURING THE DELIVERY OF A SUCCESSFUL AGM

In terms of Rule 26.1 of POLMED Rules, the Scheme is required to hold an AGM by 30 August of each year, unless there are legislated restrictions which prohibit the conducting of such an AGM. To ensure compliance with this Rule, the Board has delegated to the Committee the responsibility of monitoring the implementation of the processes and activities leading to the holding of the AGM.

The above includes ensuring that all the requirements in terms of the MS Act, POLMED Rules, AGM Circulars as issued by the Regulator and other applicable legislative and regulatory frameworks are adhered to.

Post the AGM, the Committee is also mandated to monitor the implementation of the AGM resolutions and other ongoing matters and report progress to members at the AGM.

The Committee can confidently report that the 2024 AGM was a huge success.

Key highlights for the Committee:

- Successful 2024 AGM
- Approved Trustees and Independent Members' Remuneration Policy

COMMITTEE'S QUARTERLY SELF EVALUATION

To ensure effective and efficient execution of its mandate, the Committee extended the evaluation of its performance (self-evaluation) from annual to quarterly. These evaluations are presented to the Board for consideration and guidance. In this regard, I am pleased to announce that the Committee's performance was in accordance with its mandate and no material issues of concern were identified. However, areas for improvements were identified and recommendations will be implemented during the financial year 2025.

CHAIRPERSON
MR V. SIMELANE



5.5 Q&A WITH THE TRUSTEES

Audit & Risk Committee (ARC)

Q

How does POLMED protect member funds and ensure financial sustainability?

A

POLMED maintains a solvency significantly above the statutory 25% requirement, ensuring financial stability. We implement robust risk management frameworks and fraud prevention measures to protect member contributions and maintain scheme sustainability.

Q

How does POLMED ensure assurance over the reports submitted to the Board?

A

The Scheme has implemented a Combined Assurance Model to ensure that all reports submitted to the Board (Including report to AGM) are accurate, complete, and reliable. This model integrates multiple assurance providers, including internal audit, external audit, management assurance, and regulatory oversight. The ARC also monitors the effectiveness of the Combined Assurance Model, ensuring that risks are well-managed and assurance activities remain aligned with best practices.

Investment Committee (IC)

Q

How does POLMED ensure its investments contribute to scheme sustainability?

A

POLMED follows a diversified investment strategy to generate returns that support member benefits while maintaining a risk-balanced portfolio.

Complaints & Disputes Resolution Committee (CDRC)

Q

How does POLMED handle member complaints and disputes?

A

POLMED has a clear complaints and dispute resolution process outlined on its website (www.polmed.co.za). Complaints and disputes are managed through defined channels, with the Principal Officer providing oversight and a gatekeeping role to ensure fairness and adherence to the process.

Human Resources & Remuneration Committee (HRREMCO)

Q

How does POLMED attract and retain skilled professionals?

A

POLMED attracts and retains skilled professionals through competitive remuneration, opportunities for growth, and a values-driven culture. Talent development, internal mobility, and leadership support remain key to staff engagement and retention.

Q

How does POLMED ensure fair and transparent remuneration?

A

The Scheme benchmarks salaries every three years to maintain market competitiveness. The remuneration framework is aligned with strategic objectives and ensures fairness, transparency, and responsible governance.

Annual General Meeting Committee (AGMC)

Q

How does POLMED ensure transparency and member participation in governance?

A

The AGM serves as a key platform for member engagement, providing updates on financial performance, governance, and strategic priorities.

Q

How is the remuneration of Trustees determined?

A

Trustee remuneration is determined through a structured and transparent process that considers industry benchmarks and governance best practices. The Annual General Meeting Committee (AGMC) oversees the remuneration framework, ensuring that it is fair, responsible, and aligned with the fiduciary responsibilities of Trustees.



5.6 FRAUD, WASTE AND ABUSE

Fraud, Waste, and Abuse (FWA) in the healthcare sector directly undermine the wellbeing of medical scheme members. Each fraudulent claim or misuse of resources erodes the pool of funds intended to ensure access to essential healthcare services. The consequences are far-reaching, FWA drives up premiums, reduces available benefits, and threatens the long-term sustainability of medical schemes. Ultimately, all members bear the cost, regardless of their individual healthcare needs.

The Scheme, through its administrator Medscheme, remains resolute in combatting FWA. As part of its risk mitigation strategy, the Scheme has implemented a comprehensive Fraud Risk Management Programme that spans prevention, detection, investigation, mitigation, and reporting. This multi-phase approach includes industry information sharing, targeted training and communication, forensic data analysis, and both civil and criminal recovery mechanisms—ensuring a robust and integrated response to fraud risk.

Ongoing collaboration with key stakeholders, including the SAPS, HPCSA, and CMS, reinforces the Scheme's commitment to combating FWA. In parallel, sustained awareness campaigns, newsletters, and direct communications are disseminated to both healthcare service providers and members, further strengthening the culture of integrity and accountability within the Scheme.



BLOW THE WHISTLE ON FWA
GIVE FRAUD + WASTE + ABUSE THE RED CARD!

POLMED
OUR INVESTMENT. OUR HEALTH. OUR FUTURE.

Did you know that healthcare fraud can contribute directly and indirectly to the rise of medical costs, including your membership contribution? You have the power to help us prevent fraud for the greater good of all our members.

You are encouraged to use any of the dedicated Whistle Blowers hotline reporting channels to report any suspected medical aid fraud.

HOW CAN YOU HELP?

- Check your claim statements carefully and ensure you received the services your service provider is claiming.
- Make sure your membership card and number are protected.
- Don't accept cash from a service provider in exchange for a medical aid claim.
- Report suspicious behaviour.

EIGHT WAYS TO SUBMIT A REPORT TO THE WHISTLE BLOWERS ETHICS HOTLINE

 Call directly on the toll-free number 0800 112 811 Use the dedicated Whistle Blowers hotline number to make a report via the live answering service.	 Download and use the Whistle Blowers app Download the secure Whistle Blowers app from Google Play or the Apple App Store. The app guides you through the reporting process.
 SMS to 33490 Send your report via the SMS line from anywhere in South Africa at a cost of R1.50.	 Post a letter of your report Send a letter of your report to Whistle Blowers via post using the below details: Freeport KZN665, Musgrave, South Africa, 4062
 Report online at www.whistleblowing.co.za Visit the Whistle Blowers website to report and make your submission via the online reporting platform.	 Fax your report Send your report to Whistle Blowers via a fax line: Toll-free on 0800 212 689
 Email to information@whistleblowing.co.za Send an email of your report privately to Whistle Blowers.	 WhatsApp Send your report to Whistle Blowers via WhatsApp on: 031 308 4446

REMEMBER, REPORTS CAN BE SUBMITTED ANONYMOUSLY OR IN CONFIDENCE*
*Your personal details will not be disclosed.



5.7 GOVERNANCE OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)



POLMED recognises that effective governance of Information and Communication Technology (ICT) is essential to achieving operational excellence, protecting member data, and enhancing service delivery. Our ICT function reports to the ICT Steering Committee which reports to ARC. The function is predominately outsourced.

The Scheme is finalising its ICT governance framework to ensure alignment between its technology strategy and overall strategic objectives, while supporting data-driven decision-making, security, and innovation.

APPROACH TOWARDS ICT

In 2024, POLMED made significant strides in advancing its ICT infrastructure to enhance data-driven decision-making and operational efficiency. The ICT division focused on developing a unified data platform to improve real-time information access and streamline data management across the Scheme. Additionally, strategic ICT projects were prioritized to align with POLMED's mission, including the transition to cloud-based services and the successful deployment of an Enterprise Resource Planning (ERP) system, which now provides integrated support across Scheme operations.

As POLMED continues to advance its self-administration capabilities and strengthen its role in the healthcare landscape, ICT remains central to this transformation. Our strategy is focused on building a robust, member-centric infrastructure that supports the Scheme's long-term objectives. Enhancing cybersecurity and fortifying our security systems are also top priorities, ensuring the protection of member data and the resilience of our ICT framework as we progress on our self-administration journey.

The following policies are being finalised;

- Third Part Information System Management Policy
- ICT Disaster Recovery Policy
- ICT Firewall Management Policy
- ICT Governance Framework
- ICT Security Policy
- ICT Backup and Restore Management Policy
- ICT Acceptable Use Policy
- Patch Management Policy



OUR **PERFORMANCE**

6.1 SCHEME SOLVENCY

Solvency, which reflects the Scheme's ability to meet its financial obligations, has shown steady improvement. This upward trend (figure 8) has been supported by strong investment performance and effective cost management. Improved solvency has enabled the Scheme to sustain key member benefits, including subsidised rates for adult dependants and lower contribution levels.

The Medical Schemes Act requires a minimum solvency level of 25%, while the Scheme's Board of Trustees has approved a higher risk-based solvency threshold of 40%. Maintaining a solvency level above this benchmark supports the long-term sustainability of the Scheme for both current and future members. It also enables the Scheme to absorb potential future shocks, such as pandemics, while continuing to offer comprehensive benefits with annual member contribution increases that remain below inflation.

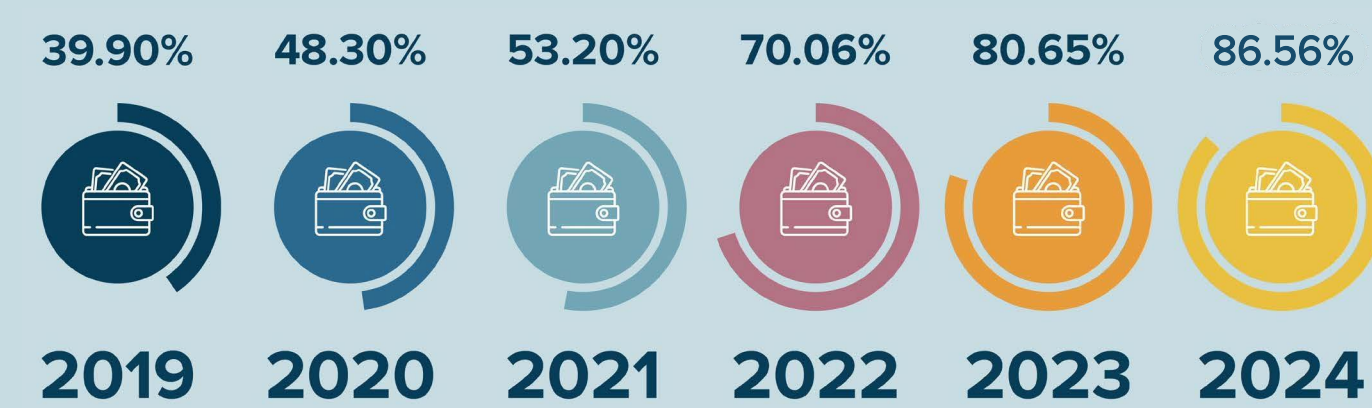


Figure 8: Scheme Solvency

6.2 NON-HEALTHCARE COSTS

The Scheme conducts annual reviews of its operational expenses, benchmarking them against industry standards to assess cost-effectiveness. In 2024, the Scheme's non-healthcare cost ratio was 4.31%, significantly below the budgeted 7.29%.

6.3 INVESTMENT INCOME

The Scheme's investment strategy delivered returns of R1.3 billion (2023: R898 million), despite early-year market challenges. The first quarter was marked by underperformance in bonds and equities, driven by uncertainty surrounding the National Elections held in May 2024. Following the formation of a government of national unity, market sentiment improved, resulting in a recovery in these asset classes. Furthermore, the 25-basis-point interest rate cut on 19 September 2024 created favourable conditions in the listed property sector. The Scheme capitalised on this by investing in Sesfikile Capital, an allocation expected to generate positive returns.

6.4 MEMBERSHIP TRENDS

6.4.1 Trends in Chronic Conditions and Healthcare Utilisation

• Chronic Condition Trends

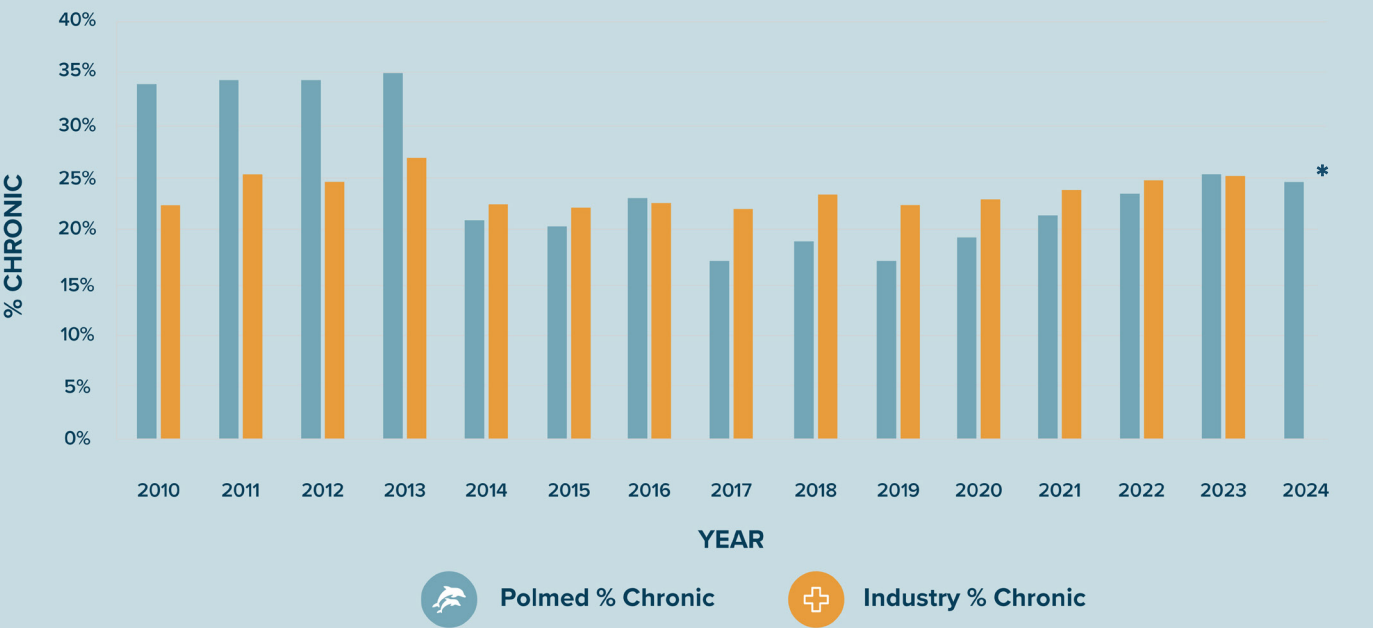
Between 2019 and 2023, the prevalence of chronic conditions among POLMED members increased steadily, slightly exceeding the industry average by 2023. In 2024, a positive shift was recorded, with a one-percentage-point reduction in chronic condition prevalence.

This improvement reflects the Scheme's continued investment in preventative interventions, including:

- **Health Promotion Initiatives:** Encouraging healthier lifestyle choices through wellness programmes and educational initiatives.
- **Mental Health Support:** Enhancing access to tools and services that promote emotional support and well-being.
- **Preventative Care:** Providing regular screenings, vaccinations, and targeted health education.

The figure below illustrates chronic condition prevalence trends among POLMED members relative to the industry average.

PERCENTAGE OF CHRONIC CONDITIONS



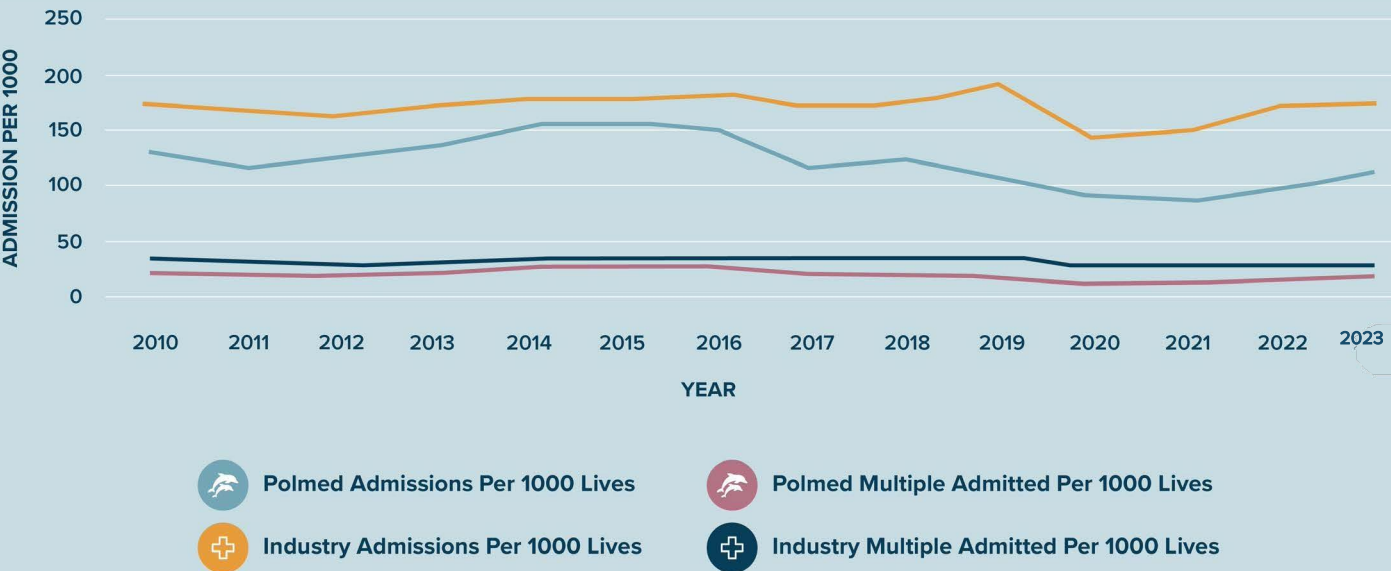
*2024 Industry % Chronic Not Yet Available
Figure 9: Chronic Condition Trend

Hospital Admissions

Trends in hospital admissions per 1,000 lives from 2010 to 2023 indicate that POLMED consistently recorded lower admission rates compared to the industry average. This outcome supports the Scheme’s focus on preventative care and early intervention.

Contributing factors include:

- Comprehensive outpatient benefits and access to primary care;
- Tailored support for members living with chronic conditions;
- Routine screenings and vaccinations promoting early detection;
- Member access to general practitioners for early-stage intervention.



*2024 Industry % Not Yet Available
Figure 10: Hospital Admissions

6.4.2 Prevalent Chronic Conditions Among Members

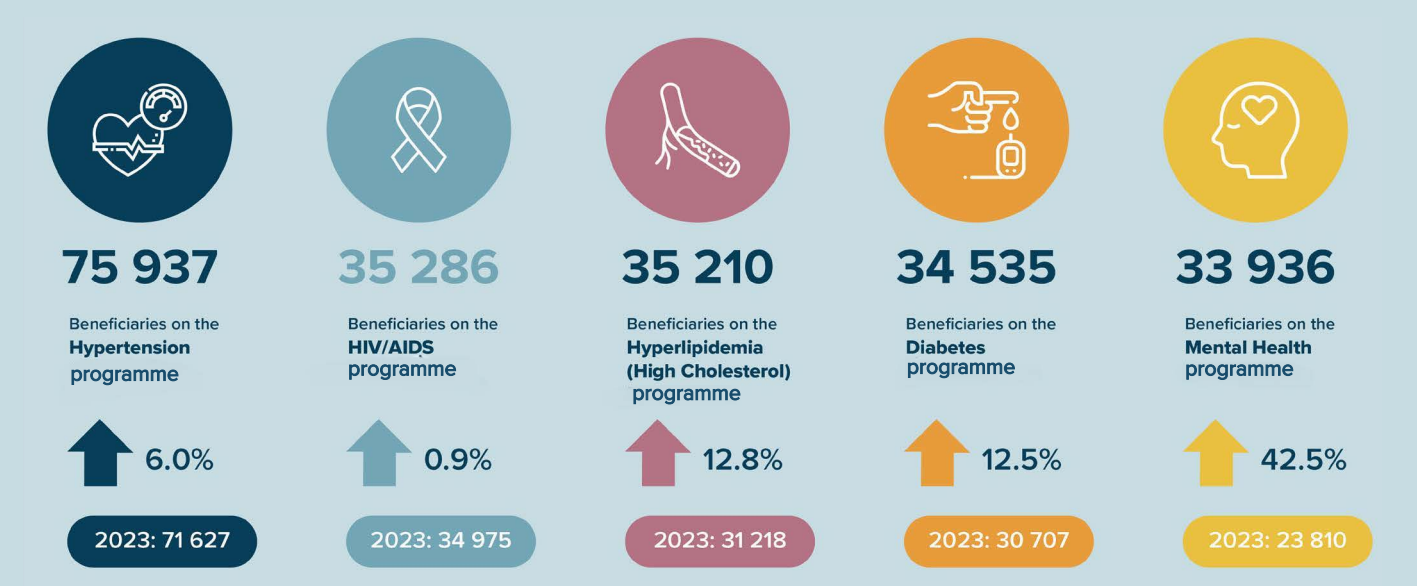


Figure 11: Top 5 Chronic Condition by Province

The most prevalent chronic condition among POLMED members is hypertension, with 15% of members registered for chronic medication. Other common conditions include HIV (7.2%), hyperlipidaemia (high cholesterol) (6.8%), and Type 2 diabetes (6.5%).

Targeted initiatives addressing these conditions include:

- **Health Promotion Events:** Conducted at police stations to improve access to education and screenings.
- **Support for Sporting Events:** Promoting physical activity and member wellness.
- **Health Risk-Based Outreach:** SAPS-specific interventions tailored to regional health profiles.
- **Symposiums:** Facilitating engagement between healthcare professionals, policymakers, and members to address chronic disease prevention and management.

6.4.3 Contributors to Lifestyle-Related Conditions



Figure 12: Key Contributors to Life-Style Related Conditions

6.4.4 Member Benefit Utilisation

The table below highlights the average claims per member per month (PMPM) processed by the Scheme adjusted for the approved Scheme tariff increases. The observed changes from 2023 to 2024 reflect variations in healthcare utilisation, evolving Scheme demographics, preferences for treatments of varying cost, and other general factors influencing healthcare usage.

Key insights:

- Claims for 2024 increased by 0.6% compared to 2023, but remain 1.1% below 2022 (inflated) levels.
- Five benefit categories accounted for 74.5% of total costs, led by hospital bills, in-hospital GP/ specialist visits, and non-chronic medicines.
- Notable PMPM increases were observed in in-hospital radiology (5.9%), in-hospital auxiliary services (4.6%), and emergency medical services (6.1%).
- At option level:
 - Marine claims were 0.4% higher than 2023, and 7.8% higher than 2022 inflated claims.
 - Aquarium claims rose by 0.4% compared to 2023 but were 5.3% lower than 2022 inflated claims.

BENEFIT CATEGORY	2024	2024 AS A % OF TOTAL
Hospital Bill	1 827	37%
Non- Chronic Medicine	478	14%
IH GPs and Specialists	700	10%
OH GPs	361	7%
IH Auxiliary	340	7%
OH Auxiliary	261	5%
OH Pathology	147	4%
IH Radiology	202	4%
IH Pathology	200	3%
OH Specialists	148	3%
Dental	138	3%
Optical	89	2%
OH Radiology	42	1%
EMS	44	1%

Figure 13: Healthcare Costs

6.4.5 Member Centred Health Initiatives

At POLMED, our member-centred initiatives are at the heart of everything we do, we prioritise proactive health management, education, and meaningful engagement to support the well-being of our members.

Through structured initiatives, strategic partnerships, and community outreach, we continue to ensure accessible, impactful healthcare solutions tailored to the needs of our members. Below are some highlights of our efforts and participation in 2024.

- **Health Symposia**

In 2024, POLMED hosted Health Symposia in North West and Northern Cape. These sessions were facilitated by healthcare professionals and attended by provincial SAPS leadership and members. The events offered health risk assessments, peer education opportunities, and access to clinical support.

- **SAPS Provincial Forums Engagement**

Engagements through SAPS Provincial Commissioners and Strategic Wellness Forums allowed POLMED to share provincial health risk profiles with leadership structures, enabling targeted interventions through Health Promotion and Awareness Events (HPAEs).

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- **Digital Engagement**

In 2024, POLMED expanded its digital reach through targeted content on multiple platforms, sharing health education and wellness material in real-time.

- Online Community Snapshot (2024):
 - **Instagram:** 540 followers
 - **Facebook:** 1,748 followers
 - **TikTok:** 1,010 followers
 - **LinkedIn:** 163 followers (launched in October 2024)

Looking ahead, we will strengthen our digital presence by enhancing member interactions, delivering engaging educational content, and leveraging innovative digital solutions to broaden access to health information.




POLMED HEALTH PROMOTION AND AWARENESS EVENTS

The POLMED Member Experience team conducted outreach across police stations nationwide, engaging members in discussions on health and wellness. They led topical health talks most delivered one-on-one to reinforce our member-centric approach. Many participants were referred for further care, with positive clinical outcomes reported, and a high percentage of invitees attended the Health Promotional Awareness Events.




165
HPAE


81%
ATTENDANCE


6 070
MEMBERS
ENGAGED


1 387
MEMBERS
REFERRED



• Member Feedback and Satisfaction

The Scheme achieved a Net Promoter Score (NPS) of 64 in 2024, an improvement from 2023. Member satisfaction remains high for in-hospital and GP-related benefits. Areas for improvement include query resolution and responsiveness, which are receiving focused attention.

POLMED continues to implement changes informed by feedback collected through annual member satisfaction surveys.



Figure 14: Members Sentiment

*NPS = %Promoters (9-10) - %Detractors (0-6)

6.4.6 MEMBER CONTRIBUTIONS

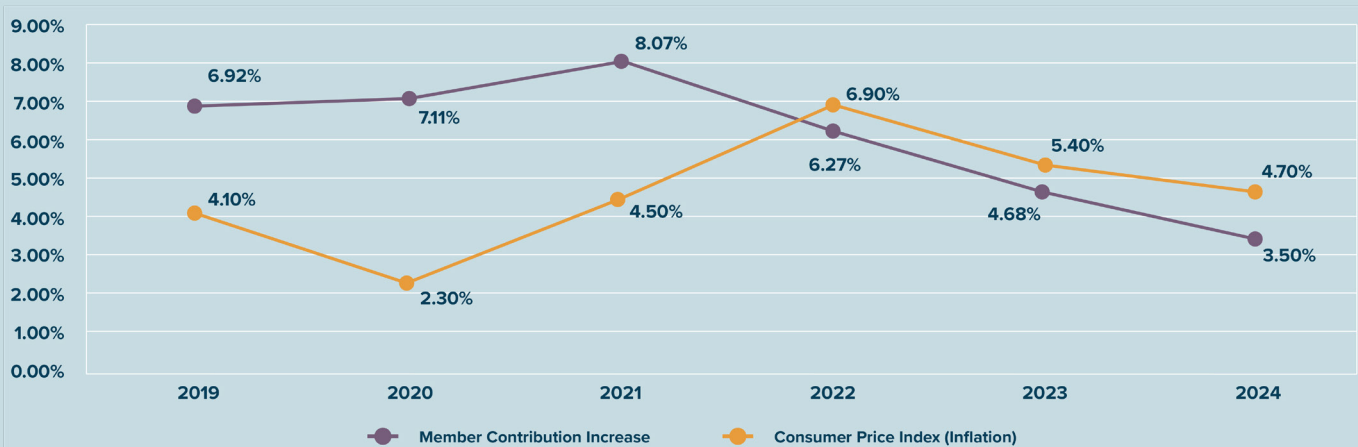


Figure 15: Members Contributions

Member monthly contributions on options are comparatively low:

- Marine plan subsidised contribution for a principal member or an adult dependant range from R495 to R1564 per month; and
- Aquarium plan subsidised contribution ranges from R122 to R546 per month.

Contribution Levels

- Marine option's lowest income band members are R21 for the main member and R5 for a child dependant. The highest income band is R67 for the main member and R30 for a child dependant.
- Aquarium option in the lowest-income band will be R5 for main members, R2 for a child dependant, R43 for the highest-income band, and R16 for a child dependant.

Buy-Down Trends

The buy down has led to 16,8% reduction in Marine membership and 52% increase in Aquarium membership between 2021 and 2024. Between 2019 and 2024, the Scheme's average member age has shifted by 3%, largely due to younger, healthier members transitioning from the Marine to the Aquarium option. This trend has impacted the Scheme's revenue, as member contributions have decreased, leaving the Marine plan with a comparatively older member demographic.

6.5 HEALTHCARE QUALITY AND ACCESS

6.5.1 WALK-IN CENTRES

In 2024, the Scheme operated 18 Walk-in Centres providing members with comprehensive services that includes amongst others claims enquiry submissions and processing, document management, issuing of membership cards and all other client related services. POLMED walk-in offices aims to enhance overall member accessibility, personalised assistance, quick resolution of queries and strengthening relationship with our members and providers.

MEMBER VISITED WALK-IN CENTRES

REGIONAL OFFICE	VISITS	ENQUIRIES
Bloemfontein	4,890	11456
Cape Town	4,072	9942
Durban	1,728	4008
East London	6,690	15534
Florida	5,161	13493
Kathu	1,363	3243
Kimberley	2,509	5691
Klerksdorp	1,758	4502
Lephalale	708	1727
Mafikeng	1,574	3877
Nelspruit	3,422	7960
Pietermaritzburg	1,759	3706
Polokwane	5,003	11475
Port Elizabeth	3,483	8550
Pretoria	10,192	26544
Rustenburg	1,228	2560
Vereeniging	1,938	4340
Worcester	773	2117
TOTAL	58,251	140725

Figure 16: Walk-In Centre visits

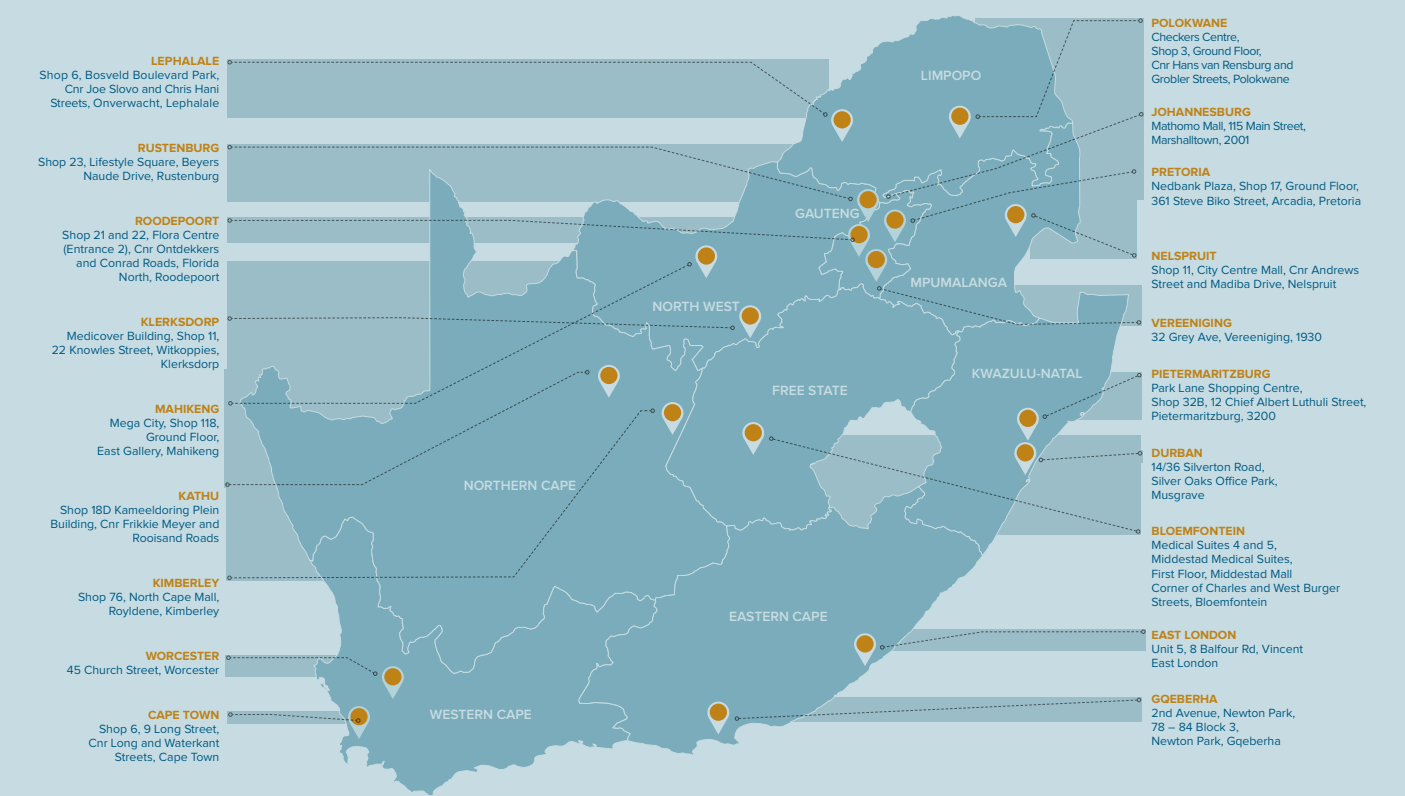


Figure 17: Membership and Wellness Centre Locations

6.5.2 WELLNESS EVENTS AND SCREENING OVERVIEW

In response to the demanding nature of SAPS work environments, POLMED continued its wellness journey in 2024, supporting members' physical and mental well-being through a range of targeted health interventions. Wellness screenings were delivered through wellness weeks, pharmacy walk-ins, ad hoc events, and during symposiums.

In total, 37,444 members participated in screenings. Members recruited through annual intake programmes were also screened as part of their enrolment.

2024 WELLNESS SCREENING STATISTICS

PROVINCE	HRA	HIV	PROSTATE CANCER	DENTAL SCREENING
Eastern Cape	3246	1494	693	591
Free State	453	221	0	0
Gauteng	7516	4276	1457	1163
KwaZulu Natal	1576	661	274	0
Limpopo	1495	1043	398	555
Mpumalanga	872	460	108	0
Northwest	769	385	153	0
Northern Cape	224	108	65	0
Western Cape	4086	1898	505	699
TOTAL	20237	10546	3653	3008

Figure 18: Member Screening Participation

6.6 HEALTH PREVENTATIVE MEASURES

POLMED’s preventative strategy is designed to empower members through access to early detection and disease prevention services. By promoting healthier behaviours and providing a basket of preventative benefits under both Marine and Aquarium options, the Scheme supports improved long-term outcomes.

Preventative Benefit Highlights (2024)

- **Utilisation** : 230,271 preventative claims (up from 188,974 in 2023)
- **Focus Areas:**

Preventative Screenings: POLMED benefits include health risk assessment screening, Cancer Screenings (prostate, breast, and cervical screenings), glaucoma screenings and HPV screenings as part of the annual preventative benefit basket.

Healthy Lifestyle Choices: These are promoted in member communication and in the preventative benefits. Members have access to healthy diet counselling. Members are encouraged to include eating healthy, exercising, drinking water, reducing alcohol and smoking as part of their lifestyle choices.

Regular Check-ups: Members are encouraged particularly with moderate to high-risk conditions to do regular check-up, this assists in the prevention of further complications and ensuring adherence to treatment

Vaccinations: Vaccination are provided annually as a benefit to members and are paid from risk benefit, members are encouraged to access vaccinations to prevent infectious diseases. In 2024, 26 176 flu vaccines were administered, an increase from 15 407 in 2023.

In 2024, POLMED has supported this initiative through Wellness Weeks, Ad hoc Events, and support during the various SAPS sporting events. Health risk assessments have been rolled out during these events and with our GP and pharmaceutical partners have resulted in the following screenings achieved:

YEAR	PLAN BENEFIT DESCRIPTION	UTILISATION
2024	AUDIOLOGY SCREENING	446
2024	BONE DENSITY WELLNESS	28
2024	CHILDHOOD IMMUNISATIONS	3 351
2024	CIRCUMCISION	4 591
2024	DEBRIEFING SERVICES	362
2024	DENTAL ORAL HYGIENE 7 TO 16 YEARS	8 608
2024	DENTAL SCREENING 19 YRS AND ABOVE	22 809
2024	FLU VACCINES	26 178
2024	GLAUCOMA SCREENING	8 269
2024	GLUCOSE SCREENING	967
2024	HRA	22 777
2024	HIV PRE TESTING COUNSELLING	35 198
2024	HPV SCREENING	6 443
2024	HPV VACCINE	193
2024	LIPOGRAM	33 194
2024	MAMMOGRAM	6 123
2024	OCCULT BLOOD	674
2024	PAP SMEAR	850
2024	PERTUSSIS VACCINE	72
2024	PNEUMOCOCCAL VACCINE	1 005
2024	PROSTATE ANTIGEN	22 294
2024	CHOLESTEROL	10 126



The Weight Management Programme

This 12-week biokinetics-led programme supports members with a BMI over 30 in achieving healthy weight loss. The intervention includes personalised exercise sessions, dietary planning, optional consultations with dietitians and psychologists, and regular weigh-ins at 4, 8, and 12 weeks.

- Outcomes Achieved:

10% clinical improvement in key biomarkers

15% of participants achieved a minimum 5% weight reduction

Go Smoke Free Programme

This programme is aimed at supporting members in reducing or quitting smoking. Delivered through pharmacy partners, the intervention includes access to nicotine replacement therapies (e.g., patches and gum) and support from dedicated case managers.

6.7 CHRONIC EDUCATION

MENTAL HEALTH Programme

Mental health conditions may present in various ways, including difficulty coping with daily decisions, prolonged irritability, excessive anxiety, disrupted sleep or eating patterns, social withdrawal, substance misuse, or symptoms of sadness and depression. Early recognition and intervention are essential to ensuring members receive appropriate care and support.

HOW DO I ACCESS THE PROGRAMME?

POLMED MENTAL HEALTH PROGRAMME

The POLMED Mental Health Programme is a comprehensive intervention designed to support members diagnosed with mental health conditions. It aims to improve quality of life and equip members with the tools to manage their mental well-being effectively. Once enrolled, each member is assigned a dedicated Mental Health Case Manager, who coordinates care in partnership with the member's treating healthcare providers.

WHAT DOES THE PROGRAMME OFFER?

- Up to 15 out-of-hospital counselling sessions or 21 days of in-patient care at an approved mental health or rehabilitation facility
- Direct access to a Case Manager who works collaboratively with the member's doctor and other healthcare professionals
- Support with treatment authorisations, guidance on wellness benefits, and resolution of health-related queries
- Educational resources to increase mental health awareness and encourage self-management

Key benefits of counselling include, but are not limited to, the following:

- Improved communication and interpersonal skills
- Enhanced self-acceptance and self-esteem
- Support to change unhelpful behaviours and habits
- Better emotional regulation and expression
- Relief from anxiety, depression, and related conditions
- Improved confidence and decision-making abilities
- Better stress management and problem-solving capabilities
- Greater ability to manage interpersonal conflict



STEP 1

Contact the POLMED Disease Risk Management Programme on 0860 765 633 and follow the prompts to the Mental Health Programme. Alternatively, send an email to polpsych@medscheme.co.za.



STEP 2

A qualified Mental Health Case Manager will engage with the member to assess their eligibility for the programme and understand their current mental health needs.



STEP 3

The member will be requested to nominate their treating doctor and provide informed consent, allowing the Scheme to monitor the treatment and overall management of the condition in collaboration with the healthcare provider.

6.8 TESTIMONIALS

MEMBER TESTIMONIAL

Mamasedi Sara May



My name is Mamasedi Sarah May stationed at Honeydew SAPS. I was diagnosed with LUPUS (SLE) on the 26th of August 2010 to date by the Physician at Olivedale Hospital. When The Dr was doing the screening before my diagnosis while he was writing all the notes, he was asking medical questions, he said to Mr May "I don't promise anything, but I will try my best. Because this is the last stage of LUPUS". I was admitted to Olivedale Hospital for 2 months for medical treatment. A year down the line I conceived Tshepiso, while the Doctor's review was that we would never conceive. God made the impossible possible!

LUPUS is a silent killer, (ICU) – Interesting, Complicated, and Unique, and patients differ. My friends like to say my disease is for rich people as it has lots of rules. It is very difficult to diagnose lupus because physically when people see you, they don't see a sick person. After all, physically you look healthy not knowing that your body is going through a lot inside. That is why our society likes to comment that we LUPUS patients want attention.

LUPUS is when the antibodies attack each other thinking they are fighting the bacteria and it attacks all the organs, the heart, lungs, and skin, you experience hair loss and so on. Lupus patients' Immune system is too high unlike with HIV patients where their immune is low. That is why it is important to take your immune suppressants to balance it like your CellCept and methotrexate.

I'm learning new things every day and my journey with LUPUS is not easy, and no one said it would be and I didn't choose to have LUPUS.

- Stress: is one of the most contributing factors. For me, as I am still standing here today is because Yes God gave me a second, third, and fourth chance at life by taking my chronic medication as prescribed every day.
- Balanced diet: - e.g., cut down on red meat, fizzy, dairy products, garlic, and alfalfa. I'm doing lots of research to empower myself and the people who are around me. Taking things day by day I'm always ready for what I'm going to face daily.
- Staying positive always is very important, laughter is the best medication.
- DDD: are my key words Dedication Determination and Discipline. I am emotionally supported by my husband my two girls, my friends, and my colleagues always they are my pillars of strength!
- Encouragement: Commanders, please give support, love, encouragement, take care, and embrace members; by doing that you will be decreasing absenteeism. Yes, some members take advantage of their commander and do not perform their daily duties hiding under the shadow of the decease. Not being aware that commanders will start not to support members, and it will affect those who are willing to perform their duties even when they are feeling sick.
- Thank you Polmed and EHW for the support and care that you are giving, let the organisation keep on doing great things for the members. I am a LUPUS Ambassador in life everyone is running his or her race let us respect and always love one another. Polmed and EHW I'm available and ready to help you and help others to raise LUPUS purple flag.

I have LUPUS, LUPUS doesn't have me! I am saying boldly and proudly today that I am a LUPUS WARRIOR.

MEMBER TESTIMONIAL

Captain T.N.A Rakgase



My name is Captain TNA Rakgase from Rustenburg LCRC. I joined SAPS on 30 May 2002.

I Went for Colonoscopy and Gastroscopy on the 11th of January 2019 and was diagnosed with Sigmoid Colon cancer stage 3b on the 15th of January 2019. Polmed played a major role in the time of my difficult journey and covered all my medical bills. I went through a Colon procedure, where 18cm of my colon was removed, and at an Oncologist where I took chemotherapy for 6 months, doing 2 sessions per month and on the 8th month I ended up with 31 days taking Radiation therapy.

Polmed put me on an Oncology Programme, where I could do all the necessary procedures needed by doctors. It was a stress relief, with no financial burden as Polmed took over the medical bills. The Scheme was fully behind me. They also offered me a Physiologist who also played the role of relieving my mental stress.

What makes me honour Polmed is that when I reviewed my January to December 2019 statements, I found that Polmed paid R1.3 million for my medical bills for that year. My family and I accepted my health condition and took it as any other illness. I am open to everyone about my health status. I always share with my colleagues and friends about how I found out and was diagnosed. Whenever I was stressed and in pain, I would encourage myself and believe I would fight and win this battle. Eating healthy and following the recommended diet is important. Follow-up consultations and having a good relationship with my Oncologist is very helpful for me.

Words of encouragement: Accept your health status. Listen to your body and do not ignore any unusual pain, consult your doctors, and make your immediate family aware of your condition. Do not panic and overstress after being diagnosed.

NEVER GIVE UP HOPE EVEN DURING THE TOUGH TIMES!!!

There Is Always a Chance. Things Will Get Better Eventually. God is always with us.

INTERNSHIP TESTIMONIAL



My internship journey began on 1 December 2022 when I joined POLMED. From the moment I arrived, I was warmly welcomed by the team and staff. I knew this was an opportunity I couldn't afford to miss—and it's turned out to be an incredibly rewarding experience. Through this internship, I've gained invaluable insight into what it means to be a young professional in Supply Chain Management.

The internship was thoughtfully structured to help me understand the relationship between Finance and Procurement. I was given a development plan that allowed me to assess my current skill set, learn new competencies, and work toward clear milestones. During the first six months, I worked in the Supply Chain Management unit alongside an exceptional manager who mentored me and helped me grasp SCM processes quickly and confidently.

I gained exposure to several key areas: Demand Management, Supplier Database, Specification Development, Bid Advertisements, Stakeholder Management, Inventory Management, Tender Management Process, Acquisition Management, and Supply Chain Management Audits.

On the Finance side, I was involved in Accounts Payable, Cash Flow, Management Accounts, Budgeting, and Fixed Assets.

Throughout the internship, I was treated as a valued member of the team. I appreciated the supportive environment—everyone was eager to help, and my contributions were taken seriously. I particularly valued working on meaningful, hands-on projects that had real impact on the business, which is not always common in internship roles.

The professional mentorship, dynamic culture, and positive energy at POLMED made the experience both enriching and empowering. Good leadership and a willingness to guide others made all the difference in my learning journey.

ESD TESTIMONIAL

Ntabiseng Male



We'd like to extend our sincere thanks to the MyDough team for what has been a truly impactful and rewarding year so far. The workshops featuring various speakers were especially valuable. Through these sessions, we've learned how to create proper budgets for our business and gained powerful insights into tailoring different aspects of our operations.

These strategies have helped us rethink how we manage our business and engage with our clients. A special mention goes to my business coach, Bernard Serote—an incredibly dynamic and passionate individual. His belief in us, along with his guidance and encouragement, has been deeply inspiring. We're excited to continue growing and taking bigger steps forward with his support.

ESD TESTIMONIAL

Witness Seripane



Being part of the MyDough & POLMED Business Support Programme has been an incredibly valuable experience. The business sessions were insightful and practical—equipping us with the tools and knowledge to grow and improve our business. The coaches provided hands-on support that made a real difference, and we were fortunate to have an exceptional mentor who helped us refine our business model and strategy.

One of the standout moments was the Steer Pole ad campaign, which significantly boosted our brand awareness and reach. Exhibiting at the SA Summit was another highlight, connecting us to a wider audience and raising our profile in the industry.

Overall, this journey has opened up many growth opportunities, and we are truly grateful for the support we've received. It has been a game-changer for our business. Thank you for the opportunity—we're excited to continue growing with your support.

EXTRACT OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



7.1 STATEMENT OF RESPONSIBILITY BY THE BOARD OF TRUSTEES

The Trustees are responsible for the preparation and fair presentation of the Annual Financial Statements of South African Police Service Medical Scheme (“the Scheme”), comprising the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes in accordance with IFRS® Accounting Standards (“IFRS”), and in the manner required by the Medical Schemes Act, No. 131 of 1998, as amended.

The Trustees consider that in preparing the Annual Financial Statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates.

The administration of the Scheme has been outsourced to an accredited medical scheme administrator, Medscheme Holdings (Pty) Ltd (“the Administrator”).

The Trustees are satisfied that the information contained in the Annual Financial Statements fairly presents the results of the operations for the year and the financial position of the Scheme at year-end.

The Trustees are responsible for ensuring that proper accounting records are kept and maintained by the Scheme and the Administrator. The accounting records disclose with reasonable accuracy the financial position of the Scheme, which enables the Trustees to ensure that the Annual Financial Statements comply with the relevant legislation.

APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS

The Annual Financial Statements of the Scheme were approved by the Board of Trustees on 23 May 2025 and were signed on its behalf by:

ST Nkosi
CHAIRPERSON

PA Mabotja
DEPUTY CHAIRPERSON

N Khaueo
PRINCIPAL OFFICER

The Trustees of the Scheme are responsible for the controls over, and the security of the website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to members and to Council for Medical Schemes.

The Scheme operates in an adequate control environment, which is well documented and regularly reviewed.

This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute assurance, that assets are safeguarded and the risks facing the business are controlled.

The Scheme’s external auditor, PricewaterhouseCoopers Inc., is responsible for auditing the Annual Financial Statements in terms of International Standards on Auditing, and reporting on the fair presentation of the Annual Financial Statements. Their report is presented on pages 20 - 25.

The going concern basis has been adopted in preparing the Annual Financial Statements. The Trustees have no reason to believe that the Scheme will not be a going concern, based on forecasts, the solvency ratio and available cash resources. These Annual Financial Statements support the viability of the Scheme.



7.2 STATEMENT OF CORPORATE GOVERNANCE BY THE BOARD OF TRUSTEES

The Scheme is committed to the principles and practices of responsibility, accountability, fairness and transparency in all dealings with its stakeholders. Fifty percent of the Trustees are elected by members of the Scheme, whilst another fifty percent are designated by the employer.

BOARD OF TRUSTEES

The Board of Trustees meet quarterly or when required to discuss matters of policy, strategy, risk and performance.

The Board of Trustees has access to the guidance and support of the Principal Officer and the Executive team. Additionally, they are entitled to seek independent professional advice, at the expense of the Scheme, to assist them in fulfilling their responsibilities.

The Board of Trustees has ensured compliance with all applicable provisions of the Medical Schemes Act.

BOARD EVALUATION

An independent Board evaluation is conducted every second year. In 2024, the Board undertook a self-evaluation, during which no major issues requiring improvement were identified.

INTERNAL CONTROL

The Scheme maintains internal controls and systems designed to provide reasonable assurance regarding the integrity and reliability of the Annual Financial Statements, as well as to safeguard, verify and maintain accountability for its assets. Such controls are based on established policies and procedures and are implemented by trained personnel with the appropriate segregation of duties. A formal internal audit function exists at the Scheme and the Administrator, with regular reporting to the Audit and Risk Committee.

No event or item has come to the attention of the Board of Trustees that suggests any material breakdown in the functioning of the key internal controls and systems during the year under review.

The Scheme received three enquiries in terms of Section 43 of the Medical Schemes Act, No. 131 of 1998, as amended, in the 2021 financial year-end, with regards to the following matters:

- the proceedings of the 2021 annual general meeting;
- the property purchased in the name of the former subsidiary, Polmed Property Investment (Pty) Ltd, which was subsequently purchased by the Scheme; and
- the purchase of multivitamins for members.

The proceedings of the 2021 AGM enquiry were concluded by CMS in favour of the Scheme during the 2024 financial year. The other two investigations remain ongoing, and no rulings were made during the 2024 financial year or as at the date of this report.

RISK MANAGEMENT

The Board is ultimately accountable for the complete process of risk management within the Scheme. The Board may elect to fulfil some of its functions through delegation to committees and the Principal Officer.

The Combined assurance universe of the Scheme includes the Audit and Risk Committee, the Risk Steering Committee, the Principal Officer, Scheme Management, third party service providers and Independent Assurance Providers.

Risks are reviewed and identified annually, with appropriate strategies implemented to mitigate them. These strategic actions are continuously monitored on a monthly basis to ensure effectiveness and alignment with the Scheme's objectives.

The Scheme adopted a risk framework and maintains a risk register for all identified strategic and operational risks. These are monitored on an ongoing basis by Management, Risk Steering Committee, Combined Assurance Forum, Audit and Risk Committee and the Board of Trustees.

The internal audit function was outsourced to PKF (VGA) Advisory Services (Pty) Ltd and Afrocentric Health (RF) (Pty) Ltd Internal Audit during the period under review. The internal auditors report to the Audit and Risk Committee.

APPROVAL OF THE STATEMENT OF CORPORATE GOVERNANCE

The Annual Financial Statements of the Scheme were approved by the Board of Trustees on 23 May 2025 and were signed on its behalf by:

ST Nkosi
CHAIRPERSON

PA Mabotja
DEPUTY CHAIRPERSON

N Khauoe
PRINCIPAL OFFICER

7.3 REPORT OF THE BOARD OF TRUSTEES

TERMS OF REGISTRATION

South African Police Service Medical Scheme (POLMED) (“the Scheme”) is a “not for profit restricted medical scheme”, registered in terms of the Medical Schemes Act of South Africa, No 131 of 1998, as amended (the “Act”) under registration number 374.

BENEFIT OPTIONS WITHIN THE SCHEME

The Scheme offers two benefit options to the employees of the South African Police Service (“SAPS”), both without a savings component. These are:

- Marine Plan; and
- Aquarium Plan.

RISK TRANSFER ARRANGEMENT

During the year under review, the Scheme had a risk transfer arrangement with Scriptpharm Risk Management (Pty) Ltd (“Scriptpharm”). Afrocentric Health (Pty) Ltd holds a majority shareholding in Scriptpharm Risk Management (Pty) Ltd.

Scriptpharm Risk Management (Pty) Ltd (Scriptpharm)

Scriptpharm provides chronic medication to both plans. The nature, terms and conditions of the Scheme’s risk transfer arrangement with Scriptpharm, including the results of the agreement thereof, is set out in note 13 of the Annual Financial Statements.

MANAGEMENT

BOARD OF TRUSTEES IN OFFICE DURING THE YEAR UNDER REVIEW

EMPLOYER-DESIGNATED	APPOINTMENT DATE	TERMINATION DATE	RESIDES
ST Nkosi (Chairperson)	01 August 2021	26 July 2026	Gauteng
SJ Kwena	01 August 2021	31 December 2024	North West
PP Dimpene	01 June 2022	31 May 2027	Gauteng
BP Temba	08 July 2022	7 July 2027	Gauteng
SW Chamane	11 January 2023	10 January 2028	Gauteng
RP Ntsime	22 October 2023	21 October 2028	Gauteng
Z Skade	14 March 2024	13 March 2029	Eastern Cape

MEMBER-ELECTED	APPOINTMENT DATE	TERMINATION DATE	RESIDES
AJ Gerber	16 September 2021	AGM 2026	Western Cape
MV Kwetepane	16 September 2021	AGM 2026	Limpopo
JT Lusenga	13 July 2023	AGM 2028	Gauteng
PA Mabotja	13 July 2023	AGM 2028	Limpopo
IN Molefe	13 July 2023	AGM 2028	KwaZulu-Natal
LN Ngembe	13 July 2023	AGM 2028	KwaZulu-Natal
R Steyn	13 July 2023	AGM 2028	Western Cape

Subsequent to year-end, NP Nethengwe was appointed as an Employer-designated member as of 15 January 2025. Subsequent to year-end, the term of the Employer-designated member, Z Skade, ended on 9 January 2025. TNL Ngwenya replaced Z Skade effective 10 January 2025.

PRINCIPAL OFFICER	
N Khauoe Crestway Office Park Block A 20 Hotel Street Persequor Park Lynnwood 0081	PO Box 14812 Hatfield Pretoria 0028
REGISTERED OFFICE ADDRESS AND POSTAL ADDRESS OF THE SCHEME	
Crestway Office Park Block A 20 Hotel Street Persequor Park Lynnwood 0081	PO Box 14812 Hatfield Pretoria 0028

KEY **SERVICE PROVIDERS**

MEDICAL SCHEME ADMINISTRATOR DURING THE YEAR	
Medscheme Holdings (Pty) Ltd 37 Conrad Street Florida North Johannesburg 1709 Accreditation number: 21	PO Box 1101 Florida Glen 1708
MANAGED CARE PROVIDER DURING THE YEAR	
Medscheme Holdings (Pty) Ltd The Boulevard Buildings F & G Searle Street Woodstock 7925 Accreditation number: MCO53	PO Box 38632 Pinelands 7430

INVESTMENT MANAGERS DURING THE YEAR

ALUWANI Capital Partners (Pty) Ltd
EPPF Office Park
24 Georgian Crescent East
Bryanston East
Johannesburg
2152

Financial Service Provider Number: 46196

Postnet Suite 8
Private Bag X75
Bryanston
2021

Ashburton Fund Managers (Pty) Ltd
2 Merchant Place
1 Fredman Drive
Sandown
Sandton
2196

Financial Service Provider Number: 40169

PO Box 782027
Sandton
2146

Mergence Investment Managers (Pty) Ltd
2nd Floor
Cape Town Cruise Terminal
Duncan Road
V&A Waterfront
Cape Town
8001

Financial Service Provider Number: 16134

PO Box 8275
Roggebaai
Cape Town
8012

Mianzo Asset Management (Pty) Ltd
Unit 206, 2nd Floor
Foyer 3, The Colosseum
4 Century Way
Century City
7441

Financial Service Provider Number: 43114

PO Box 1210
Milnerton
7435

Perpetua Investment Managers (Pty) Ltd
5th Floor
The Citadel
15 Cavendish Street
Claremont
Cape Town
7708

Financial Service Provider Number: 29977

PO Box 44367
Claremont
Cape Town
7735

KEY SERVICE PROVIDERS (CONTINUED)

INVESTMENT MANAGERS DURING THE YEAR

Sanlam Investment Managers (Pty) Ltd
55 Willie van Schoor Avenue
Bellville
Cape Town
7530

Financial Service Provider Number: 579

Private Bag X8
Tyger Valley
Cape Town
7536

Taquantia Asset Managers (Pty) Ltd
5th Floor, Draper on Main
47 Main Road
Claremont
Cape Town
7708

Financial Service Provider Number: 618

PO Box 23540
Claremont
Cape Town
7735

Umthombo Wealth (Pty) Ltd
Suite 14, 2nd Floor
Katherine and West Building
114 West Street
Sandton
2196

Financial Service Provider Number: 44802

Postnet Suite 111
Private Bag 9976
Sandton City
2146

RH Managers (Pty) Ltd
Unit 12, 1st Floor
1 Melrose Boulevard
Melrose Arch
Johannesburg
2191

Financial Service Provider Number: 43114

PO Box 203
Melrose Arch
Johannesburg
2076

Aeon Investment Management (Pty) Ltd
4th Floor
The Citadel
15 Cavendish Street
Claremont
Cape Town
7708

Financial Service Provider Number: 29977

PO Box 44367
Claremont
Cape Town
7735



INVESTMENT MANAGERS DURING THE YEAR

Independent Actuaries & Consultants (Pty) Ltd
6m Floor, Wale Street Chambers
38 Wale Street
Cape Town
8001

P.O. Box 1172
Cape Town
8000

Financial Service Provider Number: 6832

ACTUARIAL SERVICES DURING THE YEAR

Insight Actuaries & Consultants (Pty) Ltd
2nd Floor, Gateway West
22 Magwa Crescent
Waterval City
Midrand
2066

Private Bag X17
Halfway House
1685

INDEPENDENT INTERNAL AUDITOR

PKF (VGA) Advisory Services (Pty) Ltd
PFK Building
89 Nelson Mandela Avenue
Corner Sangiro Close
Randhart, Alberton
1449

PO Box 2690
Alberton
1450

Afrocentric Health (RF) (Pty) Ltd
37 Conrad Street
Florida North
Johannesburg
1709

PO Box 1101
Florida Glen
1708

INDEPENDENT EXTERNAL AUDITOR

PricewaterhouseCoopers Inc.
4 Lisbon Lane
Waterfall City
Jukskei View
2090

Private Bag X36
Sunninghill
2157

INVESTMENT POLICY OF THE SCHEME

The Scheme's investments are subject to Regulation 30 of the Medical Schemes Act, read with Annexure B. The Scheme's investment strategy complies with these regulations. The investment strategy and Investment Policy Statement were reviewed and approved by the Board of Trustees during the financial year.

The Board of Trustees ensures that:

- the Scheme remains liquid;
- capital is preserved as far as possible; and
- the best possible rate of return is achieved for the determined tolerance to risk and that investments made are in compliance with the regulations of the Act.

The Scheme invested in money-market, listed equities, private equity, bonds, unit trusts and cash and cash equivalents during the year under review. The investment consultant's primary mandate was to ensure value retention and growth within the prevailing legislative constraints. The investment portfolio is managed through an Investment Policy Statement and Asset Manager mandates with oversight by the Investment Committee and the Board of Trustees.

MANAGEMENT OF INSURANCE RISK

The primary insurance risk carried by the Scheme is the risk of loss related to the health of the Scheme's members and their dependants. As such the Scheme is exposed to the uncertainty surrounding the timing and severity of claims under the contract. The Scheme also has exposure to market risk through its insurance and investment activities.

The Scheme manages its insurance risk through benefit limits, sub-limits, use of managed care tools such as pre-authorisation, medicine management, protocols and annual review of pricing guidelines. The Scheme further uses disease management techniques, hospital case management, high risk member management, service provider profiling and centralised management of the risk transfer arrangement as well as the monitoring of emerging issues to monitor and identify areas of concern on a more frequent basis. Certain risks are mitigated by entering into risk transfer arrangements. Depending on the risk transfer arrangements, the risk transferred/shared between the Scheme and the provider include frequency risk, severity risk and intensity risk. The Scheme ensures that these risks are managed in a manner consistent with the governance universe of medical schemes.

The Scheme uses several methods to assess and monitor insurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity analysis, scenario analysis and stress testing. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts.

The prioritisation of risk is based on the frequency and severity of impact on claims where the claims are greater than contributions or erode on reserves.

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

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Scheme has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The strategy is set out in the annual business plan, which specifies the benefits to be provided by each option, the preferred target market and demographic split thereof. Benefits and associated contributions are calculated taking into account the Scheme's risk concentrations, changes in utilisation based on historical data and inflationary increases.



Results of operations

The results of the Scheme are set out on pages 26 to 86 of the Annual Financial Statements. The Board of Trustees believe that the Annual Financial Statements fairly present the financial affairs of the Scheme for the year ended 31 December 2024.

Insurance service result

For the year ended 31 December 2024, at a Scheme level, the insurance service result was reported at a deficit of R1,196,153,163 (2023 : R900,794,192, after taking into account the amounts attributable to future members. In respect of the Marine plan, the insurance service result was reported at a deficit of R791, 149,108 (2023 : R482,860,115 whilst the Aquarium plan reported an insurance service result deficit of R405,004,055 (2023 : R417,934,077.

The Scheme realised negative insurance service results at a consolidated and at an option level, after taking into account the amounts attributable to future members. The current year's overall insurance service results deficit increased by 32.79% as compared to the prior year. The solvency ratio has increased from 80.54% in the prior year to 86.56% in the current year. The solvency ratio, in respect of the period under review, of 86.56% is substantially above the prescribed minimum solvency level of 25%.

In terms of Section 37(2) to the Medical Schemes Act 131, No. 131 of 1998, as amended, the Scheme has disclosed the benefits option results in note 31 of the Annual Financial Statements without the inclusion of the amounts attributable to future members in the insurance service expense, to allow members to gain an understanding of the year's results. For the year ended 31 December 2024, at a Scheme level, the insurance service result was reported at a surplus of R341,300,499 (2023: R690,220,881.

Liability to future members

The effects of adopting IFRS 17 on the financial statements at 1 January 2022 was presented in the Statement of Changes in Reserves in the previous financial year-end.

Benefit options within the Scheme

The basis for the calculation of the liability for incurred claims is detailed in note 9 of the Annual Financial Statements. In calculating an appropriate liability for incurred claims, the actuaries considered the provision suggested by the traditional Chain Ladder (CL) method,

the Bornhuetter-Ferguson (BF method and the Health Monitor model (Insight inhouse stochastic risk management model, and compared the results to arrive at an appropriate provision. The BF method was used to estimate the liability for incurred claims at year-end.

In accordance with IFRS17, estimates of the liability for incurred claims were not based on claims data processed after the year-end reporting date. Rather, the liability for incurred claims is based on cash flows within the coverage period, and is presented along with an adjustment for non-financial risk. The non-financial risk adjustment compensates the entity for uncertainty in the timing and amount of outstanding claims. The risk adjustment is based on a Bootstrapping model developed by the Scheme's actuaries and is set with a 75% confidence level.

Movements in the liability for incurred claims as well as changes in assumptions and sensitivity to changes in key variables are also set out in note 9 of the Annual Financial Statements. There are no unusual movements to be brought to the attention of the members of the Scheme.

Actuarial services

The Scheme's actuaries calculated the liability for incurred claims (LIC) and the non-financial risk adjustment and have been consulted in the determination of contribution and benefit levels.

Administration services

Medscheme Holdings (Pty) Ltd was appointed as the administrator effective 01 January 2022 until 31 December 2026. The administration fee is calculated monthly based on principal member count and therefore fluctuations can be expected.

Related party transactions

Refer to related party disclosures in note 23 of the Annual Financial Statements.

Solvency ratio

In terms of Regulation 29(2) of the Act, a solvency ratio, which is calculated as accumulated funds (excluding unrealised gains) divided by total contributions, has to be maintained at 25%. In order to achieve this level, the Scheme follows a scientifically sound and actuarially supported benefit design and contribution setting process on an annual basis. The solvency ratio is 86.56%. The calculation is set out in note 29 of the Annual Financial Statements. The Board of Trustees is confident that with the solvency level being well above the regulated requirement, the Scheme's reserves are adequate to cover its members' healthcare needs.

Benefit design

The Board of Trustees utilise refined benefit design techniques to provide access to quality healthcare while managing the cost and ensuring the sustainability of the Scheme.

The Clinical Governance Committee provides input on actuarial calculations supplied by the actuaries and assists the Board of Trustees in carrying out its duties relating to the benefit design of the Scheme.

Investments in and loans to employer and members of the Scheme and to other related parties

The Scheme holds no direct investments in, nor has it made loans to the employer of members nor the members of the Scheme nor to other related parties.

Operational statistics per benefit option

The operational statistics per benefit option have been calculated taking into account the changes in the presentation of the Statement of Financial Position and the Statement of Profit or Loss and Other Comprehensive Income as a result of the implementation of IFRS 17 and the requirements of CMS Circular 20 of 2024.

2024	MARINE PLAN	AQUARIUM PLAN	TOTAL SCHEME
Average number of members for the year	103 624	83 877	187 501
Number of members at 31 December	102 335	84 977	187 312
Average number of beneficiaries for the year	258 132	236 767	494 899
Number of beneficiaries at 31 December	253 946	239 327	493 273
Dependant ratio at 31 December	1.48	1.82	1.63
Average insurance revenue per beneficiary per month	R 3 163	R 1 211	R2 229
Average insurance service expense per beneficiary per month	(R 3 184)	(R1 054)	(R2165)
Average directly attributable insurance service expenses per beneficiary per month	(R 122)	(R 65)	(R 95)
Insurance service expense as a percentage of insurance revenue	100.67%	87.02%	97.13%
Directly attributable insurance service expenses as a percentage of insurance revenue	3.85%	5.39%	4.25%
Average relevant healthcare expenditure incurred per beneficiary per month	(R3 107)	(R1 032)	(R2 114)
Relevant healthcare expenditure as a percentage of insurance revenue	98.25%	85.18%	94.85%
Average age of beneficiaries	35.06	23.73	29.40
Number of beneficiaries older than 65 years at 31 December	18 315	1 525	19 840
Beneficiaries older than 65 years ratio	7.21%	0.64%	4.02%
Average insurance liability to future members per member at 31 December	R 114 049	R 140 899	R 63 030
Return on investments as a percentage of investments	8.23%	3.96%	12.19%



2023	MARINE PLAN	AQUARIUM PLAN	TOTAL SCHEME
Average number of members for the year	107 096	76 764	183 860
Number of members at 31 December	105 933	79 594	185 527
Average number of beneficiaries for the year	273 420	221 029	494 449
Number of beneficiaries at 31 December	269 846	225 627	495 473
Dependant ratio at 31 December	1.55	1.83	1.67
Average insurance revenue per beneficiary per month	R2 904	R 1149	(R1 997)
Average insurance service expense per beneficiary per month	(R2 812)	(R 989)	(R1 997)
Average directly attributable insurance service expenses per beneficiary per month*	(R 100)	(R84)	(R93)
Insurance service expense as a percentage of insurance revenue	96.81%	86.05%	94.20%
Directly attributable insurance service expenses as a percentage of insurance revenue*	3.45%	7.31%	4.39%
Relevant healthcare expenditure as a percentage of insurance revenue*	94.82%	82.03%	91.72%
Average age of beneficiaries	34.04	23.42	28.73
Number of beneficiaries older than 65 years at 31 December	17 329	1 409	18 738
Number of beneficiaries older than 65 years at 31 December	17 329	1 409	18 738
Average insurance liability to future members per member at 31 December	R 95 995	R 133 927	R 55 916
Return on investments as a percentage of investments	6.65%	2.71%	9.36%

* The 2023 financial year-end ratios have been restated to comply with the requirements of CMS Circular 20 of 2024.



BOARD COMMITTEES

The results of the Scheme are set out on pages 26 to 86 of the Annual Financial Statements. The Board of Trustees believe that the Annual Financial Statements fairly present the financial affairs of the Scheme for the year ended 31 December 2024.

Audit and Risk Committee (ARC)

Roles and responsibilities of the Audit and Risk Committee

The Audit and Risk Committee was established in accordance with Section 36(10) of the Act. The Committee has adopted appropriate formal terms of reference as provided for in its Audit and Risk Committee Charter, and has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

During the period under review, the Committee had five meetings and appropriate feedback was provided to the Board of Trustees on matters that fell within the mandate of the Committee. The Committee consists of the following members:

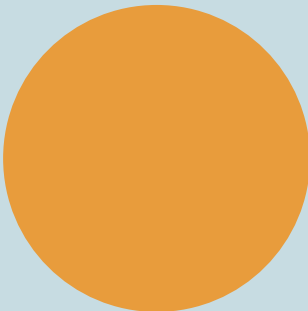
MEMBER	CAPACITY	APPOINTMENT/TERM ENDED DATE
Z Samsam (Independent)	Chairperson	Term ended 31 December 2024
JK Sikosana (Independent)	Member	Appointed 14 February 2022
FM Mathibela (Independent)	Member	Appointed 07 April 2022
PP Dimpane	Member	Appointed 19 July 2023
IN Molefe	Member	Appointed 19 July 2023

Subsequent to year-end, FM Mathibela was appointed as Chairperson as of 01 January 2025.

Human Resources and Remuneration Committee

The function of the Committee is to recommend, to the Board of Trustees, a broad human resources and remuneration framework for the Scheme and to ensure that personnel are adequately remunerated for their contribution to the Scheme’s operating performance. In fulfilling its duties, consideration is given to industry and local benchmarks. The Committee consists of the following members:

MEMBER	CAPACITY	APPOINTMENT/TERM ENDED DATE
Z Skade	Chairperson	Appointed 14 March 2024
RP Ntsime	Member	Appointed 12 May 2022
PA Mabotja	Member	Appointed 19 July 2023



Clinical Governance Committee

The primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the benefit design of the Scheme. The Committee consists of the following members:

MEMBER	CAPACITY	APPOINTMENT/TERM ENDED DATE
SJ Kwena	Chairperson	Term ended 31 December 2024
MV Kwetepane	Member	Appointed 13 October 2021
IN Molefe	Member	Appointed 19 July 2023
LN Ngembe	Member	Appointed 19 July 2023

Subsequent to year-end, IN Molefe was appointed as Chairperson as of 22 January 2025.

Investment Committee

The primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the Investment Policy Statement of the Scheme. The Committee consists of the following members:

MEMBER	CAPACITY	APPOINTMENT/TERM ENDED DATE
RP Ntsime	Chairperson	Appointed 12 May 2022
PA Mabotja	Member	Appointed 19 July 2023
PP Dimpane	Member	Appointed 22 June 2022
BP Temba	Member	Appointed 11 October 2022

Complaints and Dispute Resolution Committee

The Board has taken a decision to establish a complaints and dispute resolution committee which is responsible for legal, ethics, policy and for resolving both members’ and service provider complaints and disputes. The Committee consists of the following members:

MEMBER	CAPACITY	APPOINTMENT/TERM ENDED DATE
AJ Gerber	Chairperson	Appointed 22 August 2023
SW Chamane	Member	Appointed 11 January 2023
JT Lusenga	Member	Appointed 19 July 2023
R Steyn	Member	Appointed 19 July 2023



Annual General Meeting Committee

The main responsibility of the Committee is to monitor the implementation of the AGM resolutions to ensure the smooth running of the AGM and enhance the relationship between members of the Scheme and the Trustees. The Committee consists of the following members:

MEMBER	CAPACITY	APPOINTMENT/TERM ENDED DATE
V Simelane (Independent)	Chairperson	Appointed 15 November 2023
Z Skade	Member	Appointed 14 March 2024
MV Kwetepane	Member	Appointed 11 October 2022
AJ Gerber	Member	Appointed 19 July 2023
BP Temba	Member	Appointed 19 July 2023
BJ Ximba (Independent)	Member	Appointed 7 April 2021
C Johnson (Independent)	Member	Appointed 10 October 2023
ML Lephoro (Independent)	Member	Appointed 27 February 2024
ML Letebele (Independent)	Member	Term ended 26 February 2024

FRAUD RISK AND FORENSIC MANAGEMENT

Effective fraud risk management is about mitigation and deterrence of actual and potential losses that may be suffered as a result of false and irregular claims submitted by the insured or on their behalf. By combining preventative, detective and corrective controls, savings are realised, thus attaining the value of an integrated fraud risk management programme. The Scheme continues to make important strides in reducing the losses incurred by abusive and fraudulent billing. The drop in claims continued to set a new benchmark of medical necessity and clinical appropriateness.

From a forensic perspective, Medscheme Forensics uncovered new ways that practitioners and facilities tried to circumvent payment controls and took the relevant actions.

Despite the recovery and legal challenges, favourable forensic investigation outcomes were realised in the 2024 financial year-end. A return on investment of 698% was achieved.

Direct savings of R83.4 million (R70.4 million through recoveries and R13.0 million through claim intervention) was recorded in 2024. Since the Scheme contracted Medscheme to perform their healthcare forensic services in 2017, forensic initiatives saved the Scheme R2.5 billion through direct savings and a drop in billing behaviour. R1.3 billion worth of fraudulent and abusive billing has been identified and R566.1 million (R487.5 million through recoveries and R78.6 million through claim intervention)



LEGISLATIVE ENVIRONMENT

Governance

The Board of Trustees has the fiduciary responsibility to look after the Scheme and to ensure that the actions of the service providers and management are in the best interest of the members.

The Board of Trustees meets regularly and monitors the performance of the Scheme. They address a range of key issues and ensure that discussion of items of policy, strategy and performance is critical, informed and constructive.

Prescribed minimum benefits (PMBs)

The management of PMBs is an industry-wide challenge given that there is a broad view that medical schemes are compelled to reimburse providers at cost for the treatment of PMB conditions. If this view was to be upheld, it would cast into doubt the sustainability of a number of medical schemes in the industry.

To mitigate PMB risk, the Scheme introduced a PMB management process that requires the billing behaviour of the claiming provider to be ascertained in order to determine the reimbursement level.

The Scheme has also introduced a Specialist Network which is continuously expanding and has had the effect of capping the Scheme's exposure to PMBs by setting the reimbursement tariffs upfront.

Protection of Personal Information Act (POPIA) Regulations

The Scheme remains committed to monitoring and adhering to the POPIA and has updated its internal and external documentation to ensure compliance with the Act's provisions. This includes providing comprehensive training to both Trustees and staff, as well as incorporating POPIA-related clauses into its contracts, non-disclosure agreements, and policies.

Medical Schemes Amendment Bill and National Health Insurance Bill

On 15 May 2024, the President proclaimed the National Health Insurance (NHI) Act into law. The Act is inoperative pending the promulgation of regulations to the NHI Act. POLMED continues to monitor the legislative developments. In the interim, the NHI Act is not expected to impact the operations of the Scheme during the 2025 financial year.

GOING CONCERN

The going concern basis has been adopted in preparing the Annual Financial Statements. The Trustees have reviewed the Scheme's financial position as at 31 December 2024, as well as the budget for the year ended 31 December 2025. The insurance liability to future members exceeded R11 billion (2023: R10 billion) with a solvency level of 86.56% (2023: 80.54%) as at 31 December 2024.

On the basis of this review, the Trustees considers that:

- The Scheme's total assets of R12.9 billion (2023: R11.2 billion) exceed its current liabilities of R1.6 billion (2023: R948.2 million)
- The Scheme reports a current ratio of 1.60 (2023: 2.77)
- The Scheme will be able to settle its liabilities as they arise for the foreseeable future.

The commitment of the Employer to provide the Scheme with an employer contribution each year is a key contributor to the Scheme's going concern assumption. There is no indication that the Employer will be unable to fund the employer contributions for the coming year.

The Scheme assets are weighted to short-dated money market instruments. The Scheme expects the duration and credit risks exposure to be low.

The Scheme does not foresee any impact of NHI on the operations of the Scheme for the coming year.

Based on the assessment conducted, the Trustees have no reason to believe that the Scheme will not be a going concern in the foreseeable future.

EVENTS AFTER THE REPORTING DATE

No material events have occurred subsequent to the financial year-end that required disclosure in and adjustment to the Annual Financial Statements for the year ended 31 December 2024.



BOARD OF TRUSTEES MEETINGS

Trustee Members	Board of Trustee Meetings		Audit and Risk Committee Meetings		Human Resources and Remuneration Committee Meetings		Clinical Governance Committee Meetings		Investment Committee Meetings		CDRC Committee Meetings		AGM		AGM Committee Meetings		Other ADHOC Meetings	
Mr ST Nkosi	10	10											1	1			1	1
MS PA Mabotja	10	10			4	4			4	4			1	1			3	3
Ms IN Molefe	10	10	5	4			4	4					1	1			1	1
Ms BP Temba	10	9							4	4			1	1	4	4		
Ms PP Dimpane	10	9	5	5					4	4			1	1			1	1
Mr JT Lusenga	10	10									5	5	1	1				
Mr RP Ntsime	10	10			4	4			4	4			1	1			3	3
Mr R Steyn	10	10									5	5	1	1				
Mr AJ Gerber	10	10									5	4	1	0	4	4		
Mr LN Ngembe	10	10					4	4					1	1			2	2
Ms MV Kwetepane	10	10											1	1	4	4		
Mr Z Skade	10	6			4	3							1	0			3	3
Mr SJ Kwena	10	9					4	4					1	1			2	2
Mr SW Chamane	10	10									5	4	1	1				

X Meetings Planned Meetings Attended

The schedule below sets out the attendance by the Independent Audit and Risk Committee and Annual General Meeting Committee members

Independent Audit and Risk Committee Members	Audit and Risk Committee Meetings	
Z Samsam	5	5
JK Sikosana	5	5
FM Mathibela	5	5

Independent Annual General Meeting Committee Members	Independent Annual General Meeting Committee Meeting	
V Simelane	4	4
ML Lephoro	4	4
BJ Ximba	4	5
C Johnson	4	4



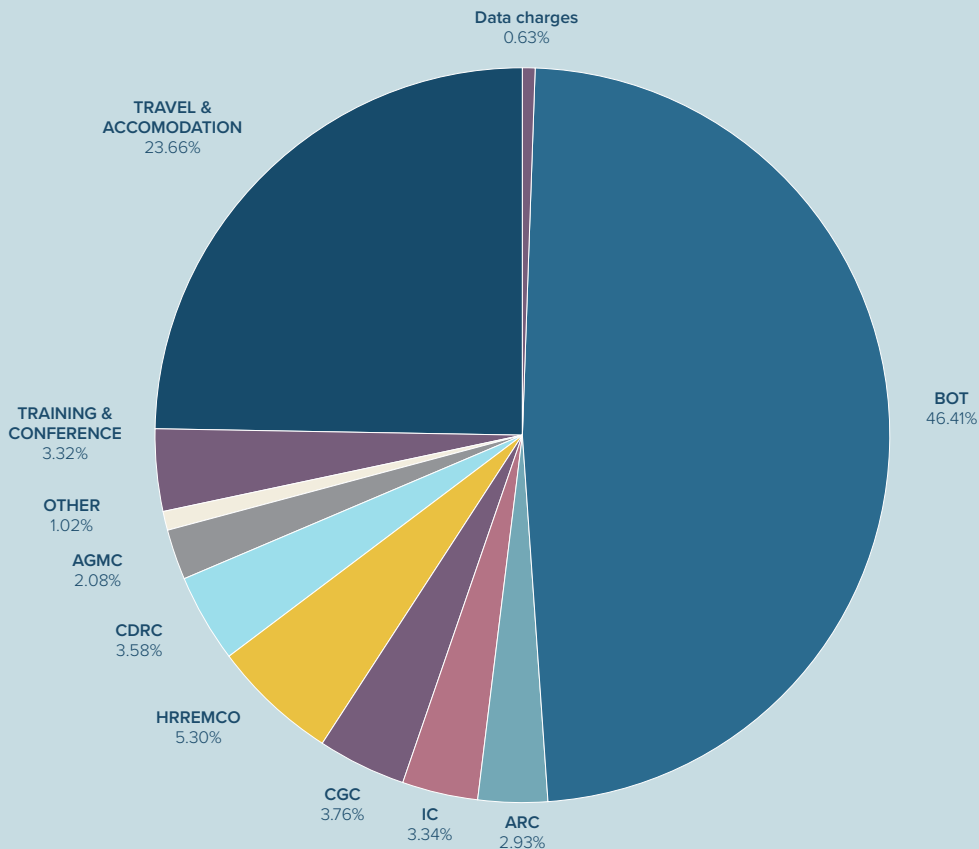
Trustee honoraria and considerations

Policy guidelines for Trustee honoraria

Members of the Board shall be entitled to such honoraria and other fees in respect of services rendered in their capacity as members of the Board and to such reimbursement in respect of travelling, accommodation and other expenses, which they may incur in attending meetings of the Board, as the Board may from time to time determine.

The rate of reimbursement for travelling is reviewed by the Board on an annual basis and is calculated by taking into account the South African Revenue Service rates.

Trustee honoraria and considerations



Other - The Chairperson and Deputy Chairperson of the Board were required to attend additional meetings during the year.

Travel and accommodation - Reimbursement to Trustees residing outside Gauteng who travel to POLMED House (Pretoria) for Trustee meetings, the AGM, pertinent Trustee training sessions and conferences.



NON-COMPLIANCE WITH THE MEDICAL SCHEMES ACT, NO. 131 OF 1998, AS AMENDED

The following areas of non-compliance with the Act were identified during the course of the financial year:

Contravention of Section 26(7):

NATURE AND CAUSE OF THE NON-COMPLIANCE	CORRECTIVE COURSE OF ACTION
In terms of Section 26(7) of the Medical Schemes Act 131 of 1998, as amended, all subscriptions or contributions shall be paid directly to a medical scheme no later than three days after payments thereof becoming due.	<p>Contributions are receivable from the employer, South African Police Services, and continuation members. Continuation members' contributions are collected via debit orders and cash payments.</p> <p>In accordance with the Scheme's Debt Policy, the late paying members are contacted and informed of the requirement of the Medical Scheme Act and Polmed Rule 13.3. Failure of the member to settle outstanding contributions will result in suspension and termination of Scheme membership.</p>
POSSIBLE IMPACT OF THE NON-COMPLIANCE	
Late payments may result in a loss of interest to the Scheme for the number of days that payments are late. The amount is, however, not considered significant as it relates to a small number of continuation members.	

Contravention of Section 35(8):

NATURE AND CAUSE OF THE NON-COMPLIANCE	CORRECTIVE COURSE OF ACTION
<p>In terms of Section 35(8) of the Medical Schemes Act 131 of 1998, as amended, a Scheme should not have any shares in an employer who participates in the medical scheme or any administrator or any agreement associated with the medical scheme.</p> <p>As at 31 December 2024, the Scheme had indirect holdings in the following entities:</p> <p>Discovery Ltd - R 89,144,482</p> <p>Momentum Metropolitan Holdings Ltd -R 30</p>	<p>The Council for Medical Schemes has granted the Scheme an exemption from Section 35(8)(a) and (c) of the Medical Schemes Act for a period of 3 years, effective 01 December 2022 to 30 November2025.</p> <p>The exemption is granted subject to the following conditions:</p> <ul style="list-style-type: none">- the Scheme continues to take steps to avoid conflicts of interest;- the investments, which constitute the subject matter of this exemption application continue to be managed by an independent investment manager with no influence from the Scheme or its officers. The Scheme will be required on an annual basis to submit declarations from investment managers stating that no conflict of interest exists between themselves and the prohibited investment entities; and- the Scheme conducts a comprehensive quarterly analysis on total assets to ensure that the investments do not exceed the limitations set out in Annexure B.
POSSIBLE IMPACT OF THE NON-COMPLIANCE	
To remedy the non-compliance, the Scheme obtained an exemption from Section 35(8)(a) and (c) of the Act.	

Contravention of Section 59(2):

NATURE AND CAUSE OF THE NON-COMPLIANCE	CORRECTIVE COURSE OF ACTION
<p>In terms of Section 59(2) of the Medical Schemes Act 131 of 1998, as amended, a Scheme shall settle all claims due within thirty (30) days of receipt.</p> <p>Majority of the claims settled after 30 days relate to claims held for forensics intervention due to trend anomalies or no vendor banking details were available.</p>	<p>Claims held for forensic review are released post validation checks being performed. details. Such updates are actioned via post or via the provider portal.</p>
POSSIBLE IMPACT OF THE NON-COMPLIANCE	
Valid claims could be rejected or could be paid beyond the prescribed 30-day period.	

Contravention of Section 33(2):

NATURE AND CAUSE OF THE NON-COMPLIANCE	CORRECTIVE COURSE OF ACTION
<p>In terms of Section 33 of the Medical Schemes Act of 1998, as amended, the Registrar shall not approve any benefit option under this section unless the Council for Medical Schemes is satisfied that such benefit option -</p> <ul style="list-style-type: none">- includes the prescribed benefits;- shall be self-supporting in terms of membership and financial performance;- is financially sound; and- will not jeopardise the financial soundness of any existing benefit option within the medical scheme. <p>Options that are considered loss making by CMS are benefit options that report a deficit after excluding amounts attributable to future members from insurance service result.</p> <p>The Marine plan reported a deficit in the insurance service result of R82,281,438. The Marine plan realised a profit for the year of R594,511,316 before amounts attributable to future members.</p>	<p>The Scheme continues to monitor the performance of the benefit option on a monthly basis. In alignment with this, a long-term strategy has been adopted to address and correct the loss-making option over time via the benefit design process.</p>

POSSIBLE IMPACT OF THE NON-COMPLIANCE
<p>In terms of Section 33(4), the Registrar may withdraw the approval of such benefit options, which in the Registrar’s opinion are or may not be financially sound. The Scheme may also be required to change its contribution rates accordingly with effect from a date determined by the Registrar.</p>

Contravention of Explanatory Note 2 of Annexure B to the Regulations of the Medical Schemes Act

NATURE AND CAUSE OF THE NON-COMPLIANCE	CORRECTIVE COURSE OF ACTION
<p>The Scheme was not compliant with Explanatory Note 2 of Annexure B, as the Scheme’s assets in category 1 (a)(i) and 1 (a)(ii) of Annexure B fell below the required 20% threshold of the Scheme’s Regulation 30 assets, reaching 17.74%.</p> <p>The assessment was conducted using the aggregate fair value of liabilities and total accumulated funds, rather than the minimum accumulated funds specified in Regulation 29..</p>	<p>The Scheme met the 20% requirement in the following week with the receipt of contributions increasing category 1 (a)(i) and category 1(a)(ii) assets to 22.7%. The breach was thus temporary in nature.</p> <p>The breach was calculated where the denominator (liabilities plus Regulation 29 funds) includes the Scheme’s accumulated reserves. If the accumulated reserves are excluded, then the Scheme’s category 1 (a)(i) and category 1 (a)(ii) assets amount to 46.0% of the aggregate fair value of liabilities and the minimum accumulated funds to be maintained in terms of Regulation 29.</p>

POSSIBLE IMPACT OF THE NON-COMPLIANCE
<p>There is no impact operationally to the Scheme as it has sufficient liquid assets to meet any claims as and when they fall due. The Scheme is also highly solvent.</p>



7.4 STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

	NOTE	2024	2023
		R	R
Non-current assets		10 327 394 699	8 603 216 847
Property and equipment	3.1	51 402 432	44 673 675
Intangible asset	3.2	7 093 777	8 867 222
Investments			
Financial assets at fair value through profit or loss	4	4 091 768 454	3 591 248 316
Financial assets at fair value through other comprehensive income ("OCI")*	5	6 177 130 036	4 958 427 634
Current assets		2 575 617 589	2 625 701 524
Investments			
Financial assets at fair value through profit or loss	4	658 439 548	498 650 890
Financial assets at fair value through other comprehensive income ("OCI")*	5	1 163 492 827	1 519 259 953
Trade and other receivables*	6	19 243 394	169 947 698
Cash and cash equivalents	7	696 342 305	404 748 552
Reinsurance contract assets	8	38 099 515	33 094 431
Total		12 903 012 288	11 228 918 371
FUNDS AND LIABILITIES			
Reserves**		–	–
Non-current liabilities		11 297 086 199	10 280 704 537
Insurance liability to future members	9.2	11 291 086 199	10 280 704 31
Current liabilities		1 605 926 089	948 213 834
Reinsurance contract liabilities	8	1 007 596	981 302
Insurance contract liabilities	9.1	1 035 900 637	911 267 692
Insurance liability to future members	9.2	521 072 000	–
Trade and other payables	10	47 945 856	35 964 840
Total liabilities		12 903 012 288	11 228 918 371

*- During the current year, the accrued interest on financial instruments measured at fair value through other comprehensive income, was reclassified from Trade and other receivables to the Financial assets at fair value through other comprehensive income line item to more accurately reflect the nature of the transactions. The prior period's comparatives remain unchanged, as the reclassification was deemed immaterial.

** - Refer to the footnote on page 28 regarding the Statement of Changes in Reserves for more information.

7.5 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTE	2024	2023
		R	R
Insurance revenue	11	13 237 839 611	12 576 876 762
Insurance service expenses	12	(14 394 708 038)	(13 439 021 819)
Net (expense)/income from risk transfer arrangement	13	(39 284 736)	(38 649 135)
Risk transfer arrangement premiums paid		(748 794 009)	(713 492 138)
Recoveries from risk transfer arrangements		674 489 172	645 672 748
Profit share arising from risk transfer arrangements		35 020 101	29 170 255
Insurance service result		(1 196 153 163)	(900 794 192)
Other income		1 309 334 069	1 102 897 828
Investment income	16	1 306 776 968	897 663 141
Sundry Income	17	2 557 101	205 234 687
Other expenditure		(282 248 953)	(293 274 701)
Administration fees and other operating expenses	14	(231 895 558)	(185 111 346)
Asset management fees	19	(50 353 395)	(108 163 355)
(Loss)/profit for the year		(169 068 047)	(91 171 065)
Other comprehensive income			
Items that will not be reclassified to profit or loss		169 068 047	91 171 065
	16	166 769 260	91 171 065
Debt instruments at fair value through OCI net change in fair value		138 323 299	100 735 389
Debt instruments at fair value through OCI reclassified to profit or loss		28 445 961	(9 564 324)
Property revaluation		2 298 787	—
Total comprehensive income for the year		—	—

Refer to note 31 of the Annual Financial Statements for disclosure of the benefits option results note without the inclusion of the Amounts attributable to future members in the Insurance Service Expense line item, in compliance with CMS Circular 12 of 2024.

7.6 STATEMENT OF CHANGES IN RESERVES

	ACCUMULATED FUNDS	INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME RESERVE	PROPERTY REVALUATION RESERVE	TOTAL RESERVES
	R	R	R	R
Balance as at 1 January 2023*	45 401 818	(45 401 818)	–	–
(Loss)/profit for the year	(91 171 065)	–	–	(91 171 065)
Other Comprehensive income 16	–	91 171 065	–	91 171 065
Realised gains on disposal of investments held through fair value through other comprehensive income	–	(9 564 324)	–	(9 564 324)
Unrealised losses on revaluation of investments held through fair value through other comprehensive income	–	100 735 389	–	100 735 389
Balance as at 31 December 2023	(45 769 247)	45 769 247	–	–
Balance as at 1 January 2024	45 769 247	(45 769 247)	–	–
(Loss)/profit for the year	(169 068 047)	–	–	(169 068 047)
Other Comprehensive income 16	–	166 769 260	2 298 787	169 068 047
Realised gains on disposal of investments held through fair value through other comprehensive income	–	28 445 961	–	28 445 961
Unrealised losses on revaluation of investments held through fair value through other comprehensive income	–	138 323 299	–	138 323 299
Revaluation of property 3.1	–	–	2 298 787	2 298 787
Balance as at 31 December 2024	(214 837 294)	212 538 507	2 298 787	–

* - Mutual entity guidance requires a Scheme to utilise all surplus assets in favour of future and current members. As a result the Scheme has not disclosed any reserves in its Statement of Financial Position and Statement of Changes in Reserves previously. However, in terms of IAS 1, the Scheme is required to disclose a reconciliation of accumulated funds and other comprehensive income even though IAS 1 does not require these reserves to be separately disclosed as such on the Statement of Financial Position. The Scheme has now included the Statement of Changes in Reserves in order to reflect the required reconciliation which was previously omitted.

7.7 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTE	2024 R	2023 R
Cash flows from operating activities		13 385 126 064	12 526 914 986
Cash receipts from members and providers		13 234 918 429	12 585 493 990
Cash receipts from members - contributions		150 207 635	(58 579 004)
Cash paid to providers, employees and members		(12 915 035 802)	(11 800 679 747)
Cash paid to providers and members - claims		(12 772 349 546)	(11 838 416 578)
Cash paid to providers and employees - non healthcare expenditure		(142 686 256)	37 736 831
Net cash from operating activities	20	470 090 262	726 235 239
Cash flows from investing activities			
Purchase of property and equipment	3	(4 271 907)	(3 362 918)
Proceeds on disposal of property and equipment	3 & 16	44 777	39 935
Purchase of investments		(16 485 846 821)	(19 302 490 004)
Proceeds on maturity of investments	4 & 5	15 669 330 230	18 082 130 869
Investment income	18	642 247 212	537 033 714
Net cash used in investing activities		(178 496 509)	(686 648 403)
Net increase/(decrease) in cash and cash equivalents		291 593 753	39 586 835
Reinsurance contract liabilities	7	404 748 552	365 161 717
Cash and cash equivalents at the end of the year		696 342 305	404 748 552



8.1 FREQUENTLY ASKED QUESTIONS (FAQS)

What documents are required to add my dependant?

1. Application form to add dependants.
2. Copy of ID
3. Copy of marriage certificate if applicable
4. Copy/copies of birth certificates
5. Membership certificate from previous medical aid if applicable
6. POLMED affidavit A, B, C or D if applicable

How long would I have to wait before my dependant is added after submitting the documents?

Three working days.

Will there be waiting periods imposed on my dependant(s) after adding them?

Yes, waiting periods will be applied where applicable.

Why is my membership suspended?

Due to outstanding contributions or member claims debt.

I've made payment, would you be able to lift the suspension?

Suspension is lifted immediately after payment has been received and allocated to the member.

How much am I supposed to pay monthly?

The full monthly contributions. Short payments may lead to suspension of benefits. The total contributions amount is reflected on your certificate of membership.

Has my suspension been lifted?

Is my membership active?

An SMS will be sent to confirm that the suspension has been lifted and that membership is active.

Have you received a claim from my doctor?

Has the claim been paid and what is the date of payment?

Claims are submitted to polmedcurrentclaims@medscheme.co.za and are paid to providers on a bi-weekly basis. Remittance advice (member statements) are issued after each payment run, detailing the claims and the amounts paid to providers. Valid claims are paid at POLMED rates, doctors on our network are paid at an increased rate. The claim are paid within 30 days.

Please send me a list of the GP Network.

You can access a list of network GPs nearer to you on the website by using the provider locator tool on www.polmed.co.za. You need to insert your address/location and select your plan. A list of all the GPs with network indicators can be exported from the website.

I would like to update my contact details, cell number/email address/address.

Kindly contact the contact centre on 0860 765 633 to update your personal details.

How do I report Injuries on-Duty (IoD)?

Any employee who experiences an injury, no matter how minor, or contracts a disease while performing their official duties must report the incident to their employer, the SAPS. IODs are governed by the Compensation for Occupational Injuries and Diseases Act (COIDA) of 1993 (Act No. 130 of 1993).

Members must report any injury to their commander immediately or before going off duty. If they are unable to do so, a colleague should report on their behalf. IOD forms can be obtained from the HR office.

Please send me my previous year(s) tax certificate

Your tax certificate can be downloaded from the website, WhatsApp chat, obtained from a walk-in-centre or by calling the call centre.

Please assist me in obtaining my electronic card.

How do I go about getting my e-card on WhatsApp?

You need to save the WhatsApp chat number 060 070 2547 to your contacts and follow the instructions.

What benefits do I have for a mammogram?

A mammogram will be paid from the Preventative Benefit for women aged 40 to 69, every two years. If needed outside the guidelines, a motivation letter needs to be sent to polmedspecialcases@polmed.co.za. The mammogram will be paid from Basic Radiology if approved.

What do my preventative care/allied health benefits entail?

- The Preventative Benefit allows for risk assessment tests to ensure the early detection of conditions that may be completely cured or successfully managed if treated early. All services as per the specified benefit will be covered from the in-hospital benefits and will not deplete your out-of-hospital benefits. A full list of all the tests allowed under this benefit is available on p22 and 23 of the benefit guides.
- Allied health services and alternative healthcare providers bio kineticists, chiropractors, chiropodists, dieticians, homeopaths, naturopaths, orthoptists, osteopaths, podiatrists, reflexologists, therapeutic massage therapist benefits will be paid for clinically appropriate services.
- This benefit is ONLY available for Marine member.

Why do members need to be referred by a GP to a specialist?

- There is a growing trend of fragmented care, where few of our members are receiving duplicate treatment from multiple doctors and providers. This leads to poor patient experience and unsatisfactory outcomes, resulting in claim's short payment and depletion of OOH benefits.
- The GP referral process ensures that our members receive appropriate and effective care.
- It also helps to ensure that their benefits last longer by avoiding duplication of tests and consultation with specialists for concerns that can be handled by GP.
- To enhance the coordination of care, members are required to obtain a referral number.

What happens to a specialist's claims if a member did not obtain a referral?

- If you consult a Specialist without being referred by your GP, you will be charged a co-payment of up to R1 000. This will be payable by you and not refundable by the Scheme.
- POLMED allows 2 specialist visits per member per year for unforeseen circumstances without a referral.

8.2 ABBREVIATIONS AND TERMINOLOGY

AGM	Annual General Meeting
AGMC	Annual General Meeting Committee
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
BCM	Business Continuity Management
BHF	Board of Healthcare Funders
Board	Board of Trustees
CAM	Combined Assurance Model
CGC	Clinical Governance Committee
CDRC	Complaints, Disputes and Resolutions Committee
CMS	Council for Medical Schemes
CPI	Consumer Price Index
CoFI Bill	Conduct of Financial Institutions Bill
COIDA	Compensation for Occupational Injuries and Diseases Act
COSO	Committee of Sponsoring Organisations
CRMP	Compliance Risk Management Plan
DRMs	Disease Risk Management
DOA	Delegation of Authority
EEC	Employment Equity Committee
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESD	Enterprise Supplier Development
ESG	Environmental, Social and Governance
FAQ's	Frequently Asked Questions
FSR Act	Financial Sector Regulation Act, 9 of 2017
FWA	Fraud, Waste and Abuse
HCPs	Health Care Providers
HCT	HIV Counselling and Testing
HMOs	Health Maintenance Organisations
HPAE	Health Promotional Awareness Events
HRREMCO	Human Resource and Remuneration Committee
IBNR	Incurred But Not Reported
IC	Investment Committee
ICT (SC)	Information, Communications and Technology (Steering Committee)
IOD	Injury on Duty
ISO	International Organisation for Standardisation
KWh	Kilo-Watt hour
MS Act	Medical Schemes Act 131 of 1998.
MVA	Motor Vehicle Accidents
NH Act	National Health Act, 2003 (Act No 61 of 2003)
NHI	The National Health Insurance
NHI Bill	The National Health Insurance Bill [B_11_2019]
PERSAL	Personnel and Salary System
PMB	Prescribed Minimum Benefits
POLMED	South African Police Service Medical Scheme



POPIA	Protection of Personal Information Act
PMPM	Per Member Per Month
PSA	Prostate- specific Antigen
RSC	Risk Steering Committee
SAPS	South African Police Service
SAPS Act	South African Police Service Act (Act No 68 of 1995)
SCM	Supply Chain Management
SDG	Sustainable Development Goal
SMME	Small, Medium and Micro Enterprises
TCF	Treating Customers Fairly
Trustee	Member of the Board
YTD	Year to Date

Prescribed Minimum Benefits	A set of defined benefits to ensure that all medical scheme members have access to certain minimum health services, regardless of the benefit option they have selected.
Board	This means the Board charged with overseeing the affairs of the Scheme, which have been appointed in line with the Rules of the Scheme.
Board Committees	The Board established committee(s) to assist in executing its duties, powers, and authorities.
Board Committee Members	This means advisors/ professionals appointed to the Board Committees who are not trustees.



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**THANK YOU TO
OUR MEMBERS**

SCAN FOR THANK YOU
IN YOUR OWN LANGUAGE





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0860 765 633 OR 0860 POLMED
WWW.POLMED.CO.ZA