

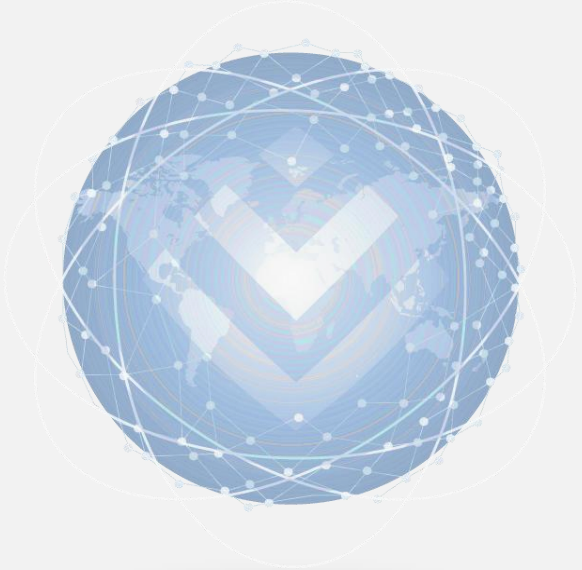


Discovery
Health

Discovery Health Medical Scheme Annual General Meeting

Dr Ron Whelan, CEO, Discovery Health
June 2026

Discovery Health **value** to Discovery Health Medical Scheme



Scheme value =

$$f \left((\text{Prevention} \times \text{Value based care}) + (\text{Product} \times \text{Distribution}) \right)^{\text{Shared value}}$$

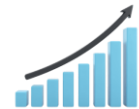
Health outcomes

Prevention: Earlier identification of risk and proactive intervention
Value based Care: Better outcomes and quality, lower cost



Scheme growth

Product innovation: Differentiated plans, products, benefits and services
Distribution: Scale, reach, and access to the right markets



Differentiated core capabilities



Actuarial &
Data Science



People



Technology,
Data & AI



Service



Stakeholder
Relations



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Differentiated core capabilities

- Actuarial & Data Science**
- People**
- Technology, Data & AI**
- Service**
- Stakeholder Relations**



People | >6,200 people serving 2.7 million DHMS members

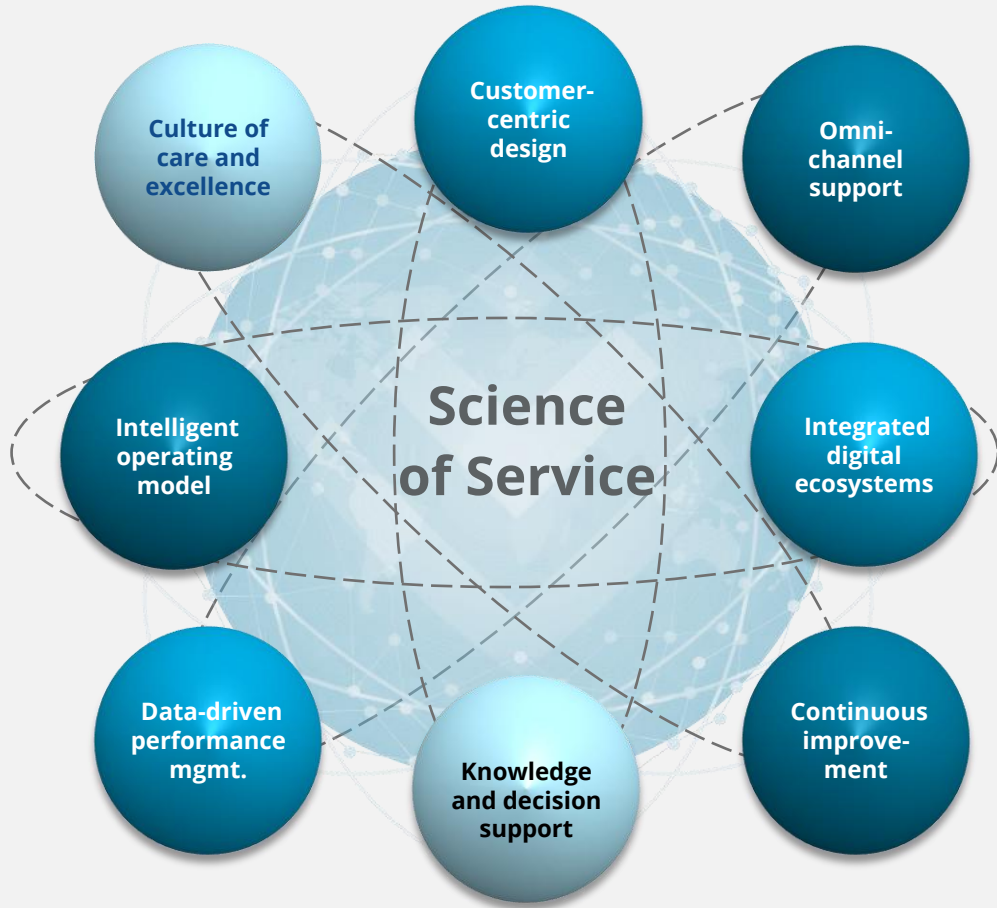


*Discovery Health, includes contractors
Source: Discovery Health 2025

Service | Customer-centric and scientific approach to service



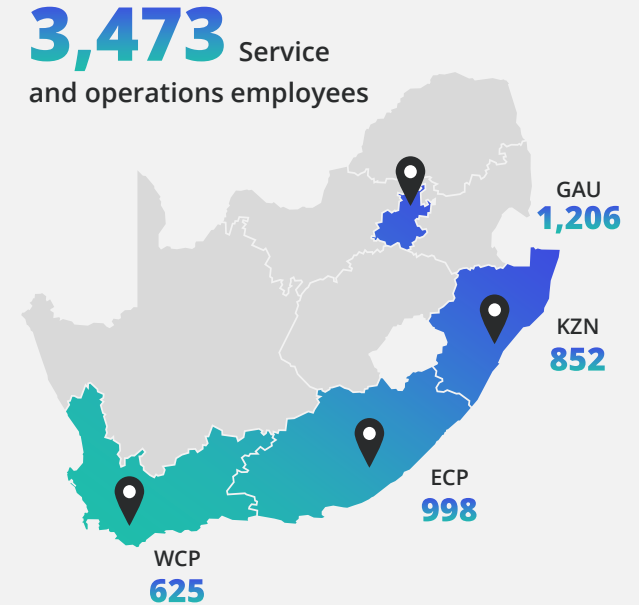
Science of Service



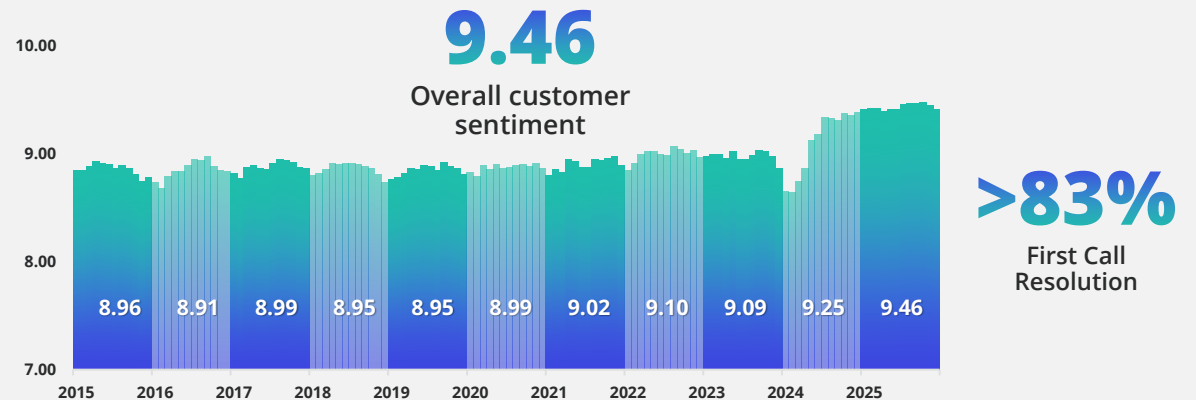
40+ AI models powering intelligent and member-centric call center and service operations

Scale of operations

- 2.7m** DHMS members
- 51,000** Health professionals
- 7,200** Employer groups
- 7,500** Financial advisors
- ~30,000** Calls per day
- ~60,000** Hospital admissions p.m.



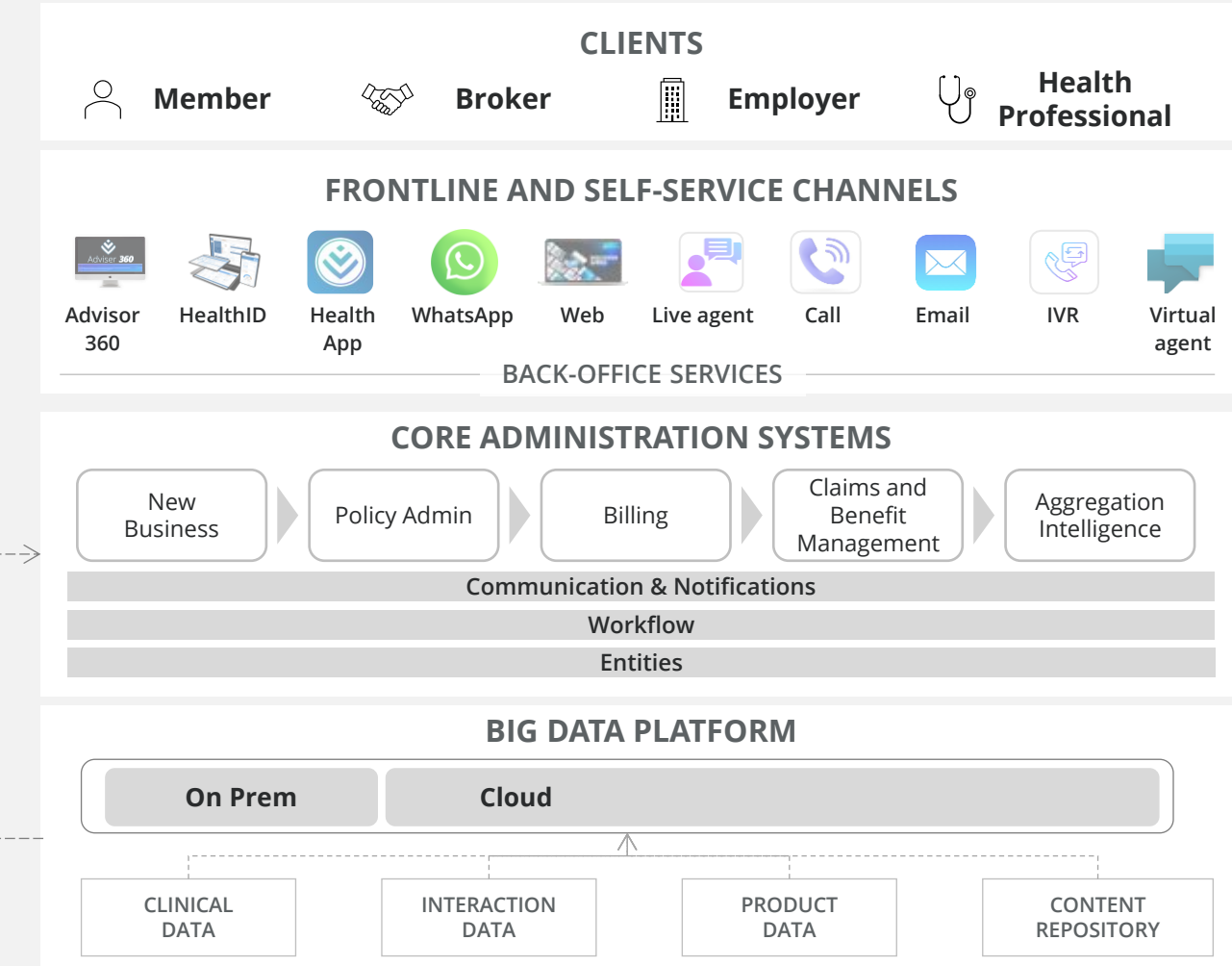
Service excellence



Technology | Advanced IT ecosystem operating at scale



Discovery Health technology environment



650+ IT professionals across Discovery Health systems	R1.4bn systems and infrastructure spend p.a.	R300m+ Investment in new claims system
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87m Claims processed per annum	95.5% Digital claims	99.9% Claims processing accuracy
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884k Health App users	19k HealthID users	14k Advisor 360 users
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R101m+ Data protection and Cyber security	ISO 27000 Information security management	ISO 27701 Privacy management
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Discovery Group Data Privacy, Security and Technology Governance



Leveraging data and AI to deliver precise and personalised healthcare



60m

life years of data



67+

AI models across Discovery Health



Discovery Clinical AI Council



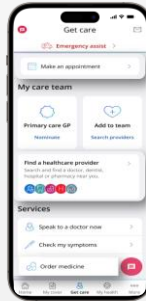


Seamless access to care and support

Virtual Doctor



Find a Healthcare Provider



Personal Health Pathways



Personal Health Fund



My Cover

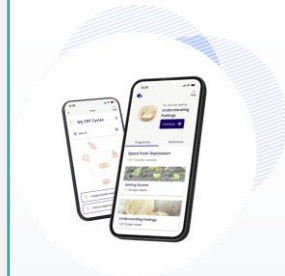


Get Care



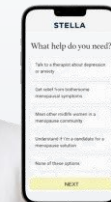
My Health

Specialised digital health services



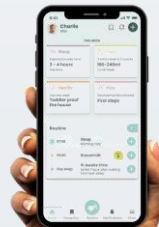
Digital therapeutics for mental health

SilverCloud
by Amwell®



Specialised women's health and menopause support

STELLA



Digital pregnancy and parenting support

parent sense™

Discovery Health **value** to Discovery Health Medical Scheme



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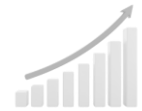
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Service



Stakeholder
Relations





2015 to 2025

>570 million
Health interactions

7.5 million
Hospital admissions

27.9 million
Days spent in hospital

HealthTrends26 | What the data tells us about the changing shape of healthcare



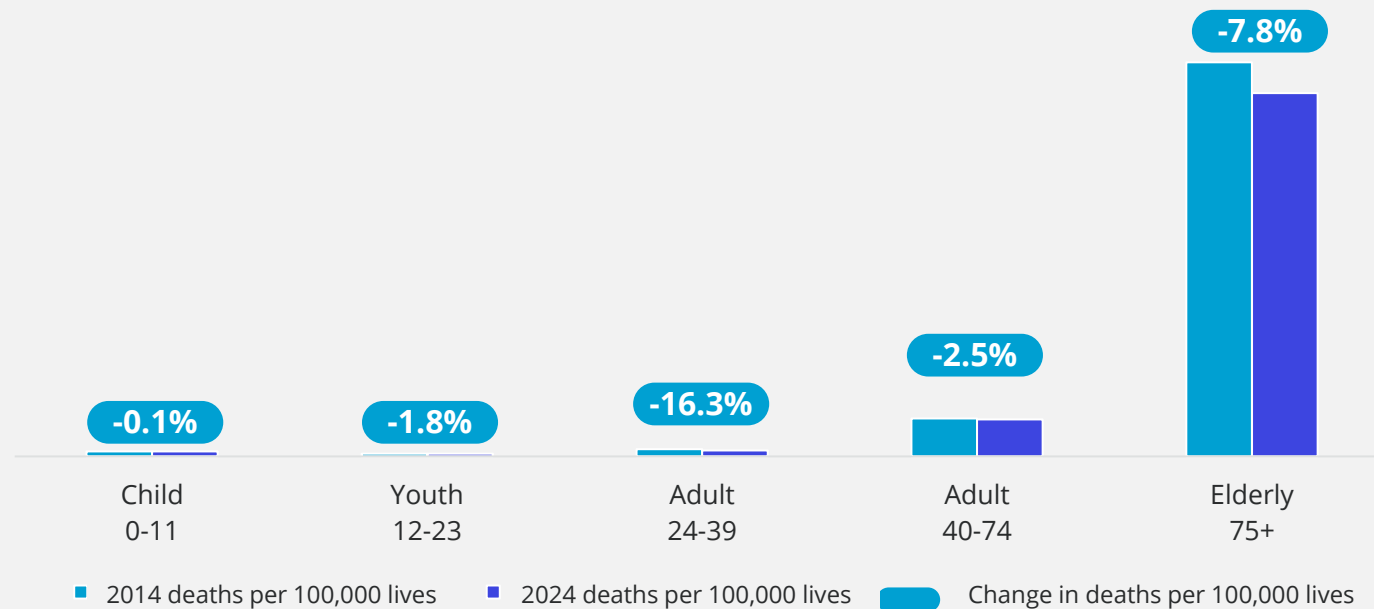
-  **Quality of Health, Quality of Life**
-  **Chronic care is more complex as conditions increasingly overlap**
-  **Mental health is more visible, recognised and supported**
-  **Cancer is increasingly becoming a long-term condition**
-  **Cardiovascular health is the gateway to longer and healthier years**
-  **Prevention Dividend is real and achievable**

Members are **living longer**, and in **better health**



DHMS members are living longer across all age bands

5.6% overall improvement in mortality experience over the past 10 years



Drivers of longevity



Better medicines and more consistent control



Earlier diagnosis and more precise clinical pathways

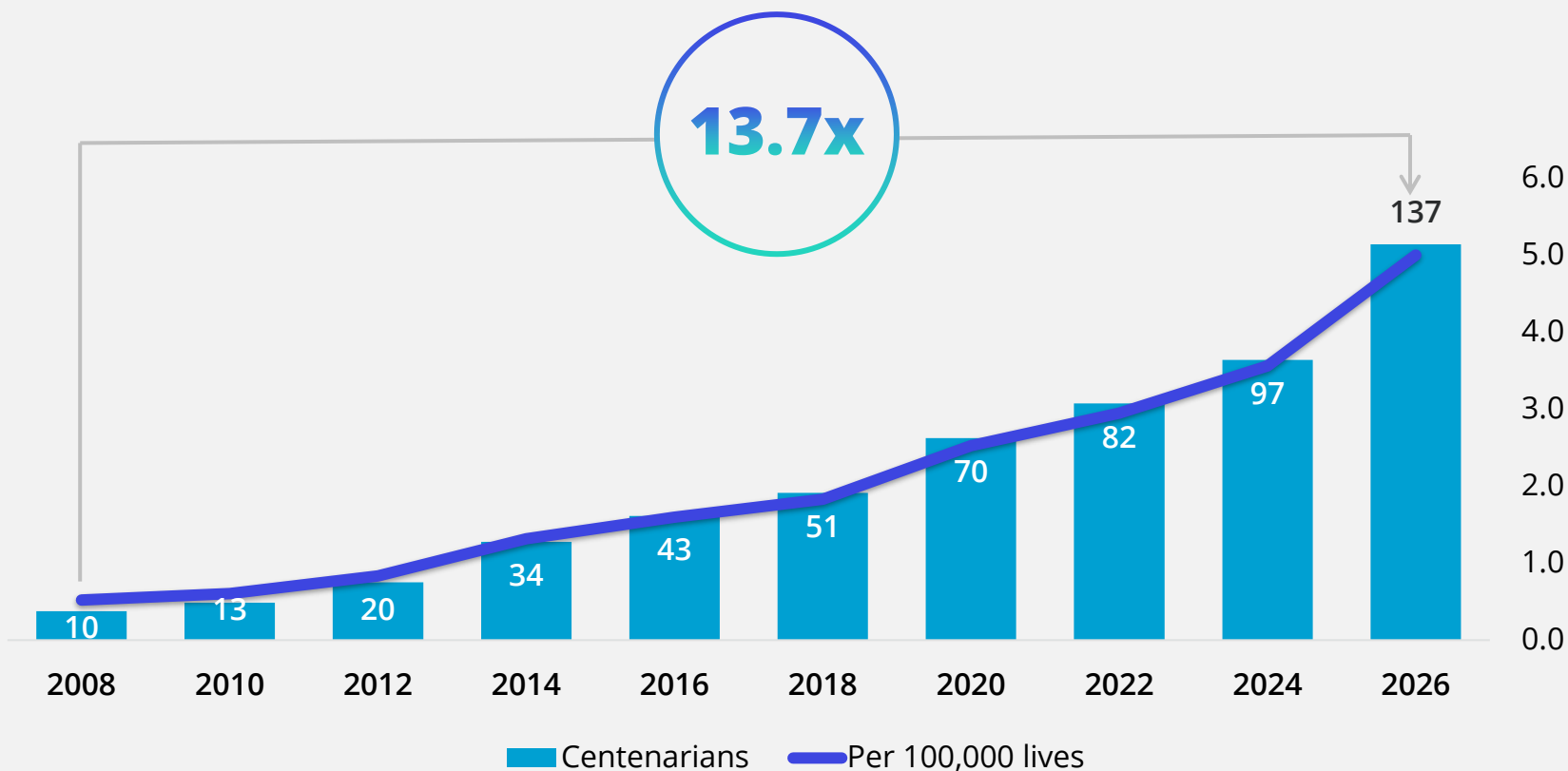


Earlier engagement in healthy behaviour

DHMS centenarians



No. of DHMS members reaching and exceeding the age of 100



Number and proportion of centenarians over the years

DHMS Centenarians



Selma "Billie" Sack (102)

"Boredom is the biggest threat to healthy ageing" Billie says. Staying busy and positive keeps her mind active and spirits high.



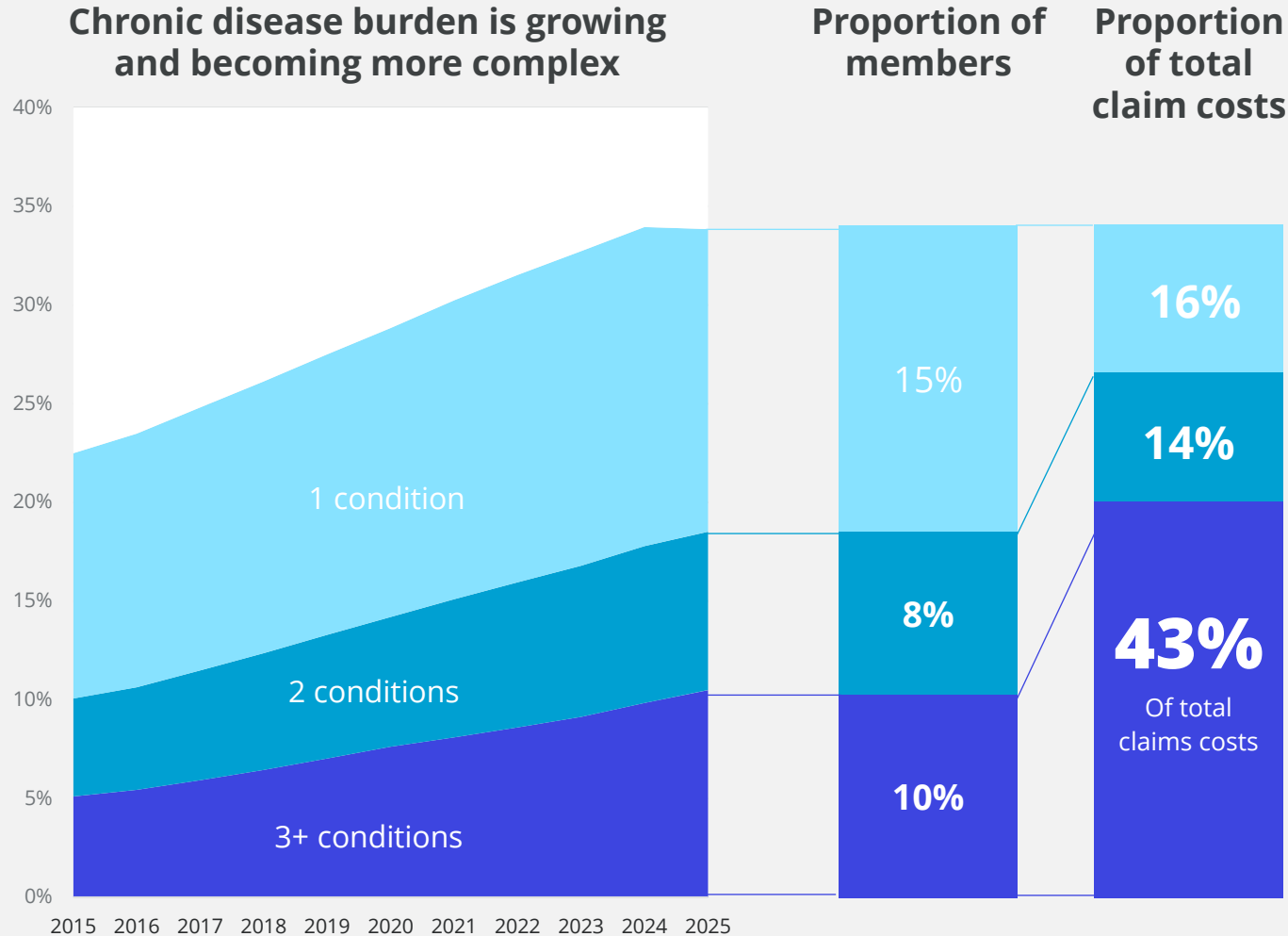
Hadassah "Dassie" Kobrin (103)

Dassie sings when she's happy. Dassie adds: "If you want to live a long life, eat yoghurt and take your vitamin tablets."

Chronic care is **more complex** as conditions overlap

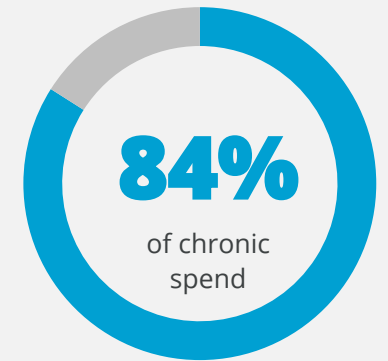


18% of members living with two or more chronic conditions



4 conditions dominate chronic care

- Cardiovascular disease
- Oncology
- Mental health
- Diabetes



92%

Of members with diabetes have another chronic condition

48%

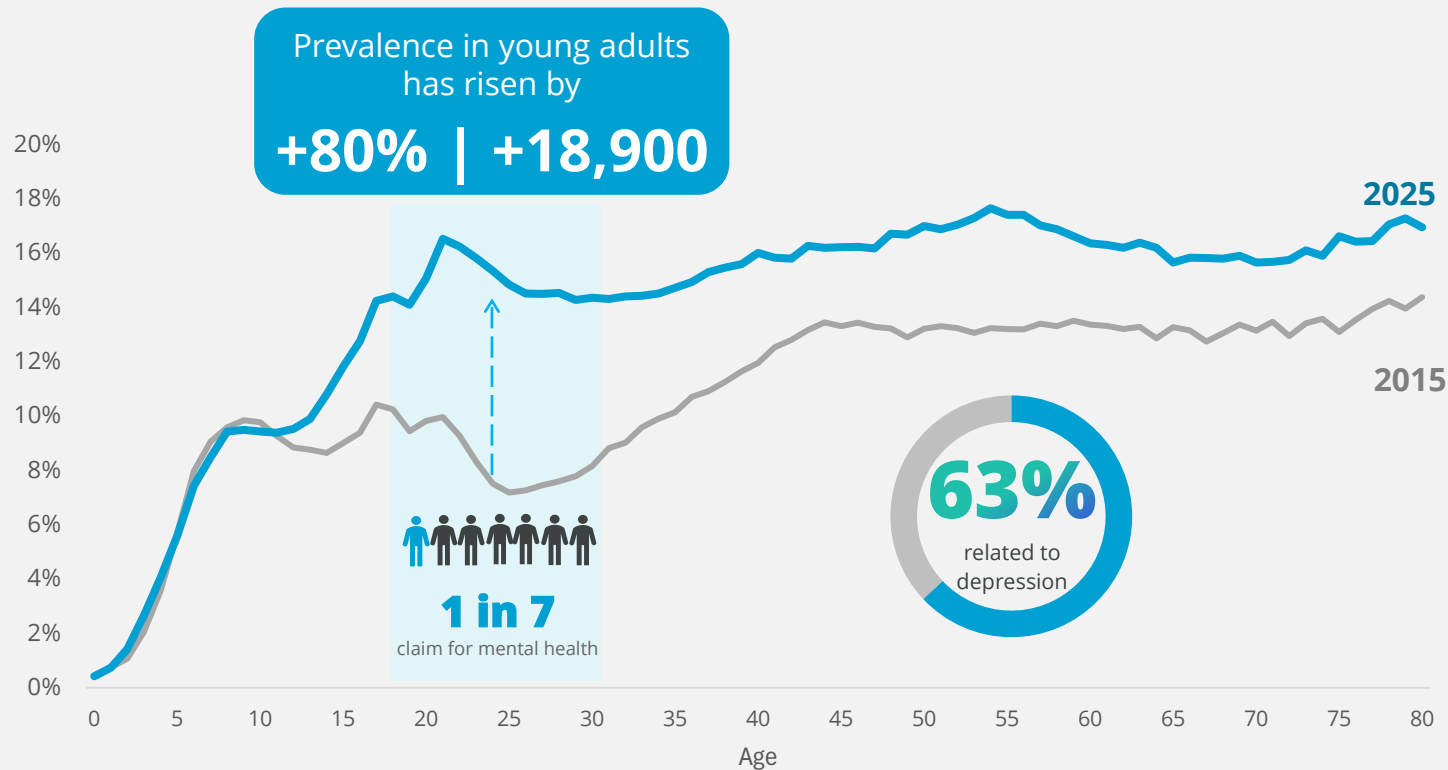
Of members with cardiovascular disease have another chronic condition

Mental health conditions are more visible, recognised and supported



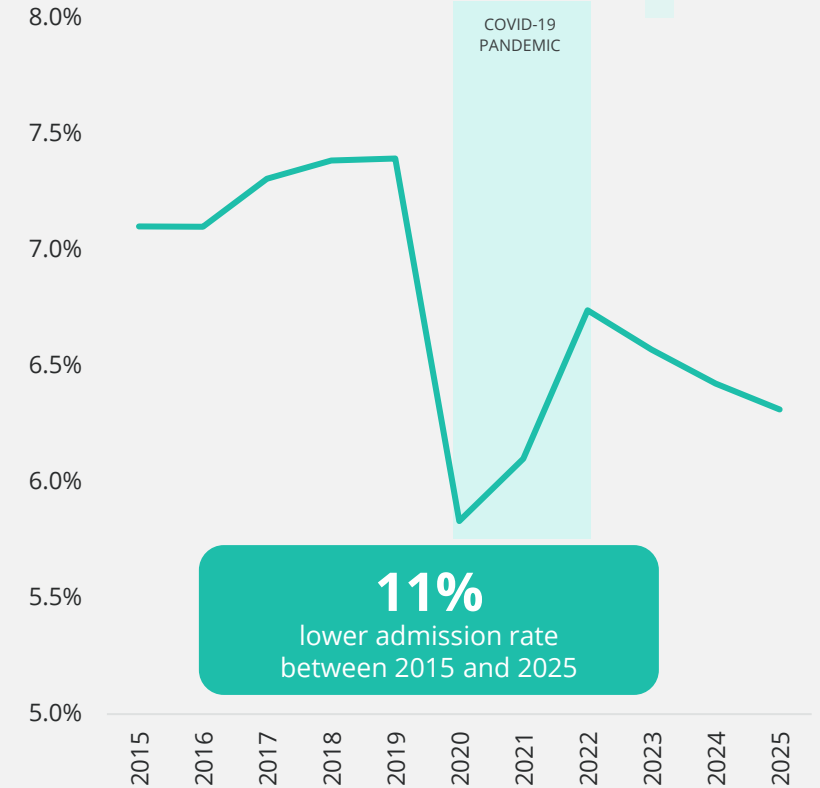
Mental health conditions are increasing, especially among young adults

Mental health prevalence by age



Rising prevalence with falling severity

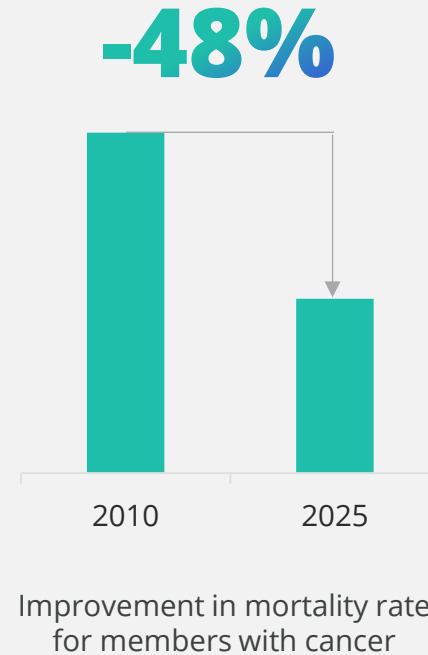
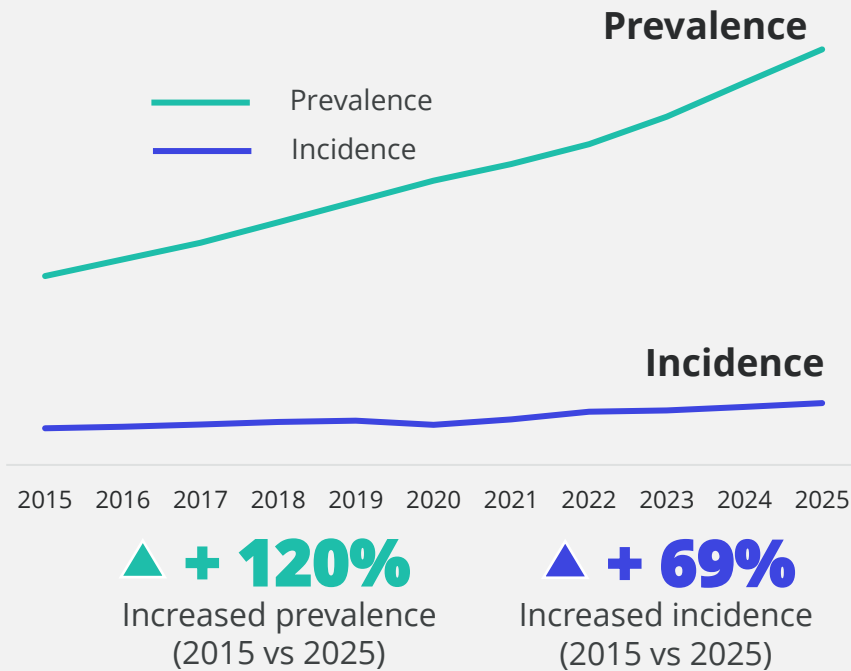
Admission rate for mental health conditions



Cancer is increasingly becoming a **long-term condition**



Better outcomes are reshaping the cancer burden



2025 oncology snapshot

>108k

Members enrolled on oncology program

Top 3 cancer types



Breast Cancer
28%



Prostate cancer
20%



Non-melanoma skin cancer
8%

R4.6bn

Spend on cancer related-claims

Improved life expectancy for members living with cancer over past 15 years

The Longevity Factor

Years in good health

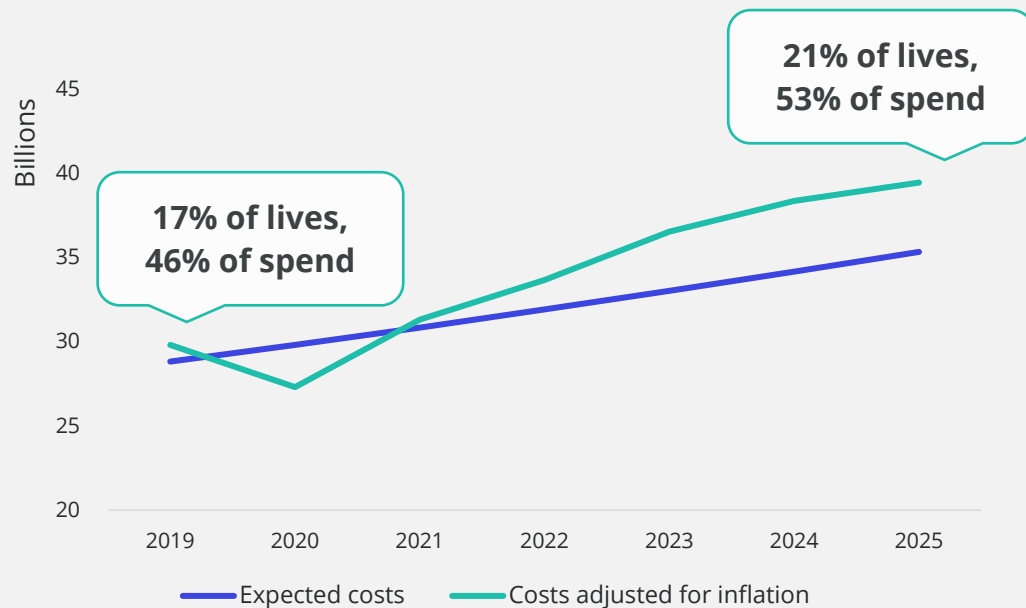
+ 7 years

Years in poor health

Significant potential gains in preventing progression of cardiovascular disease

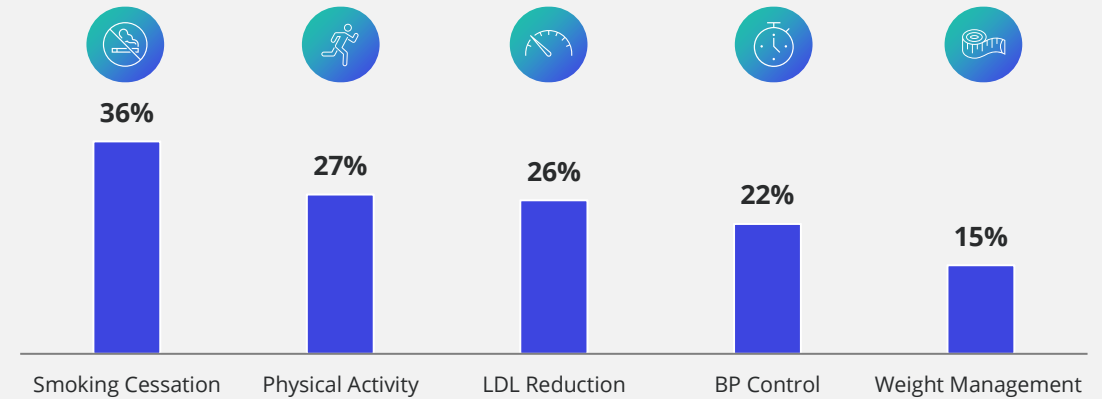


1 in 5 members live with cardiovascular disease



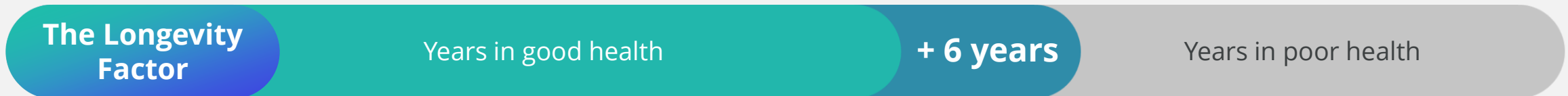
Earlier action can improve the trajectory

Cardiovascular conditions can be improved through better management & lifestyle choices



*Targeted levels of lifestyle and clinical factors have been identified to reduce MACE risk, including: Smoking cessation; > 60 minutes of physical activity per week; LDL < 1.8 mmol/l; weight management; blood pressure control (SBP < 122, DBP < 81).

Optimal cardiovascular health slows ageing by up to 6 years



The Prevention Dividend: The value today of future actions taken to improve quality of health and quality of life



Prevention Dividend =

$$\Sigma \left(\Delta \text{ Clinical actions} + \Delta \text{ Physical activity} + \Delta \text{ Sleep actions} \right) \times \text{Habit Strength}$$



Clinical actions =
Targeted health actions
and clinical interventions



Physical activity actions =
Exercise frequency, intensity
and duration



Sleep actions =
Sleep quality, regularity
and duration



Habit strength =
Converts individual actions
into sustained behaviour
change

Personal Health Pathways turns the formula into action



CLINICAL ACTIONS



1.4m

Health actions completed

Prevent onset of disease

>160,000

Flu vaccines funded in 2025

Prevent progression of disease

26%

Lower risk of major adverse cardiac event for members with healthy cholesterol levels

Prevent complications of disease

24%

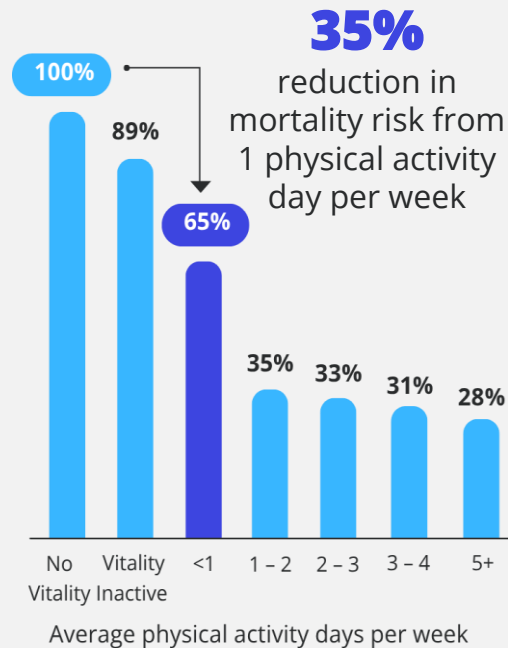
Reduction in re-admission risk for members enrolled on mental health program

PHYSICAL ACTIVITY



7.6m

Exercise actions completed



SLEEP



>6.2K

Members activating sleep per day

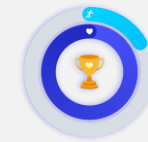


1 in 3 adults consistently fail to achieve sufficient sleep

22%

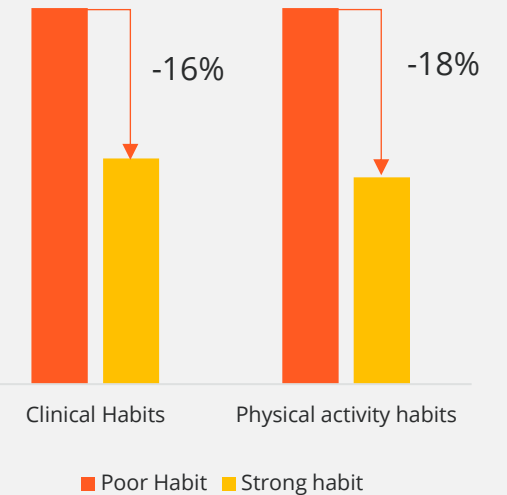
higher mortality for individuals getting less than 7 hours of regular sleep

HABIT FORMATION



Members have activated PHP, a first step towards building good habits

Good habits materially reduce mortality risk

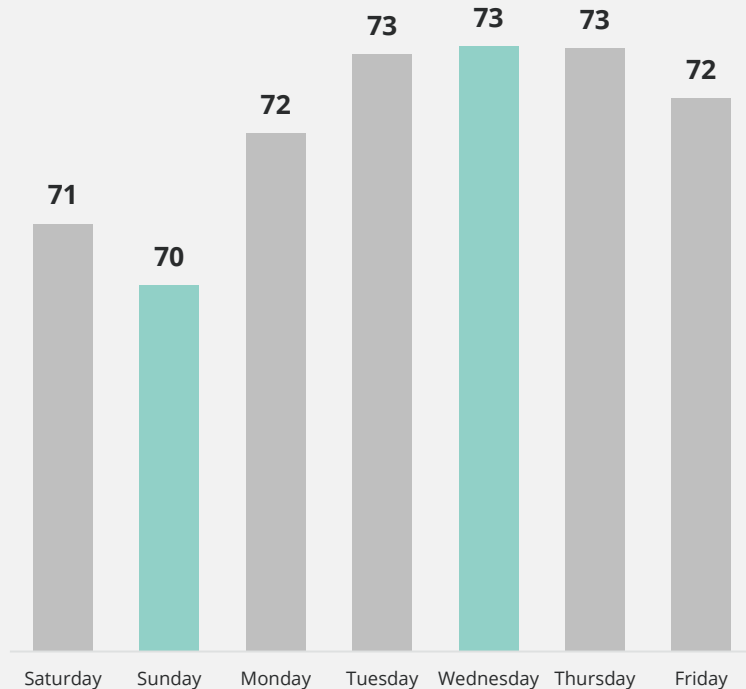


Early evidence of positive shifts in **sleep habits**



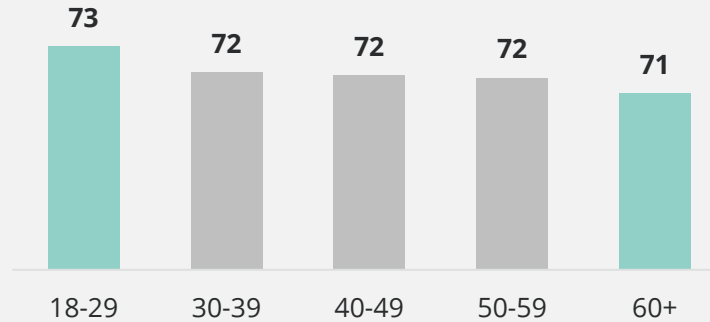
Best sleep scores are on Wednesday and worst are on Sunday

Average Sleep Score by Day of Waking Up
(e.g. Sunday refers to Saturday night sleep)



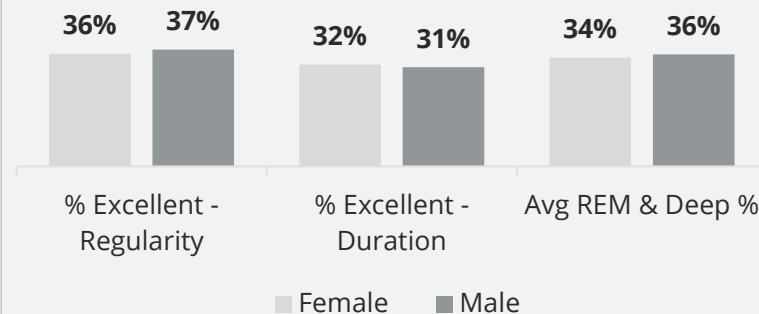
Sleep score is the highest at younger age bands

Avg Sleep Score by Age Band



Little differentiation for males and females

Inputs into Sleep Score for Best and Worst Age Bands

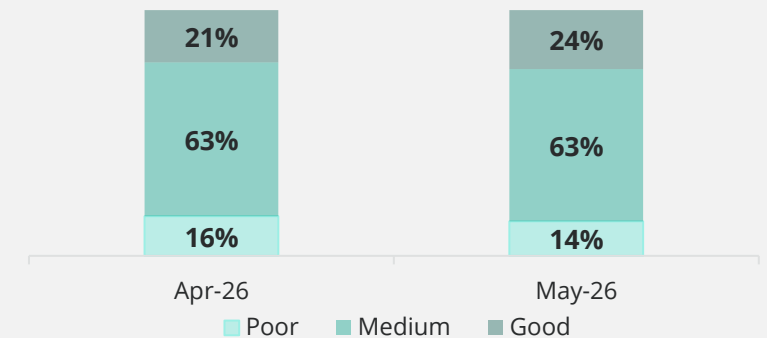


Early signs of improving sleep habits



2.4k members have improved their sleep habits; potential **11.7%** potential reduction in hospital claims

Monthly sleep habit distribution



Poor: Sleep Score ≤ 65, **Medium:** 65 ≤ Sleep, Score ≤ 75, **Good:** Sleep Score ≥ 75

Maximising the prevention dividend



Access to Care | Extensive access to care and market-leading cover



Extensive access to care

Hospital admissions

713k
Hospital admissions p.a.

GP visits

>5.9m
GP visits p.a.

Specialist visits

>2.3m
Specialist visits p.a.

Pharmacy visits

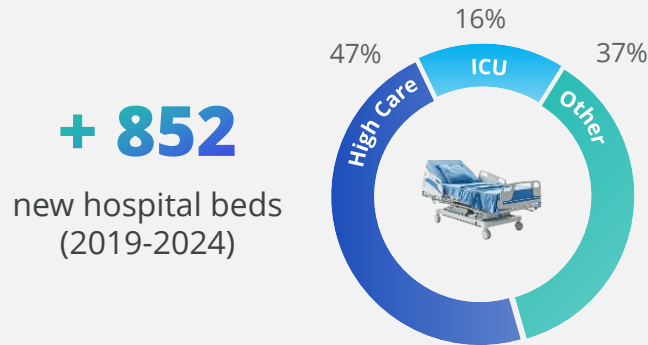
23m
Pharmacy visits p.a.

Managed care programmes

290k
Members enrolled

Expanding access to care

Hospitals



R6bn+ capital investment by private hospital groups p.a.

Health Professionals

(2024-2025)

+27%
Psychologists

+4%
Dentists

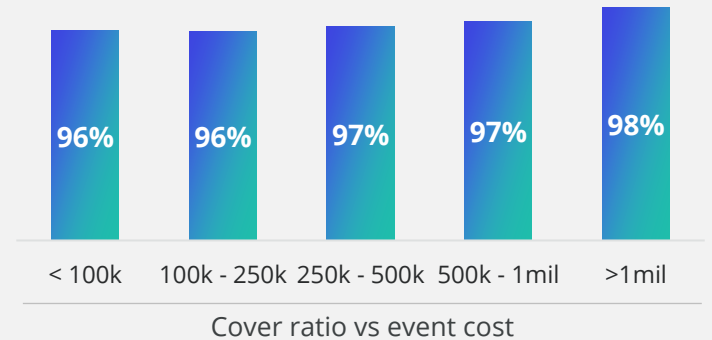
+25%
Day clinics

+14%
Physio-therapists

Market leading cover

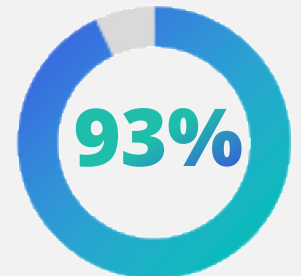
Hospital cover

96.1%
cover ratio vs 90.6% industry



Oncology cover

% cancer-related costs covered



Quality of care | Wide-range of quality assurance initiatives



Monitoring quality of care and patient experience

Discovery Health Hospital Care Rating



52

Hospitals rated

- Patient experience
- Efficiency
- Re-admissions
- Mortality rates
- Hospital acquired infections
- Complications

Provider patient experience surveys

- GP experience survey
- Pharmacy experience survey
- Hospital experience survey
- Renal dialysis center experience survey

Specialised value-based care initiatives

Renal dialysis



81%

dialysis members in centres measured against a quality of care

Arthroplasty



95%

of events under a value-based-care model for knee replacements; 27% reduction in admissions length of stay

Cardio-Care



45%

of events under a VBC model; >25% reduction in invasive angiograms

Cover for care that improve quality of life

>R3 billion

Funded by DHMS in 2025 for life-improving procedures

Joint replacements
Number of events per capita

+36%

Cataract surgery
Number of events per capita

+22%

Rehab
Utilisation*

+25%

Fertility treatment
Claimants

+19%

Innovations to enhance member care

Hospital at Home



Section 21 and high-cost medication



Personal Health Pathways for employers



Efficiency | Managed care interventions result in improved cost efficiency and lower contributions for DHMS members



Contracting and Health Professionals

- Facility tariff negotiation across acute, sub-acute, day facilities
- Contracting for radiology, pathology, renal & emergency services
- Provider networks & payment arrangements



R6.7bn
savings

Clinical policy, medicines and medical devices

- Medicine pricing interventions
- Surgical risk management
- Formularies and baskets of care



R3.7bn
savings

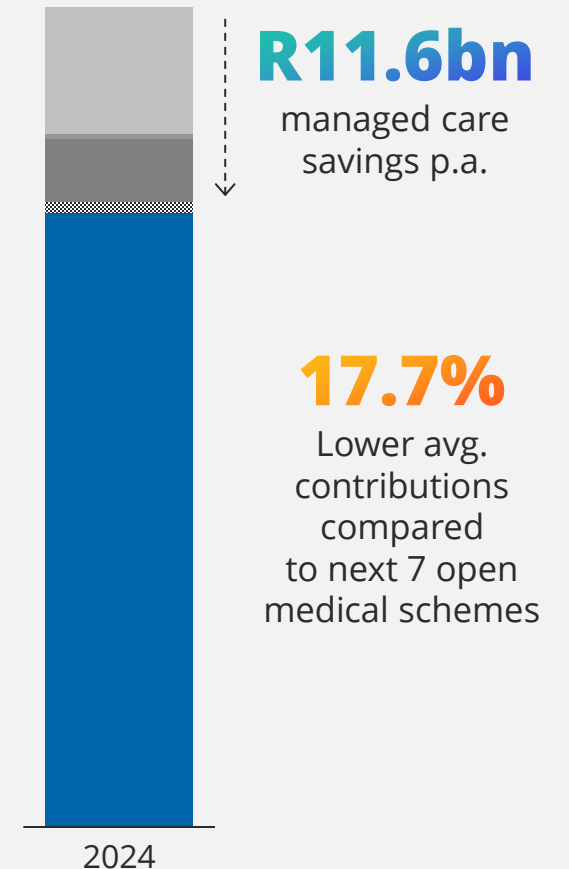
Care coordination and event efficiency

- Chronic disease prevention and management programs
- Hospital admissions and cost risk management



R0.6bn
savings

DHMS healthcare expenditure p.a.



Fraud, waste, abuse and errors

- Personalised Provider Risk Rating Scores
- Whistle blowers
- Fraud syndicate detection models
- Billing analytics



R0.6bn
savings

R4bn
Halo effect

7x
Halo effect

Contributing to strengthening SA's health system



Thought Leadership

Regulatory thought leadership

(FWAE, Universal Health Coverage, LCBO and PMB review)

Primary care reform and value-based care

Driving care models that prioritise patient outcomes

Health worker training

Future-fit digital practice programme with Henley Business School with **470** alumni

Digital health and AI

Driving adoption, best practice and responsible use of clinical AI. **Five** webinars with over **13.7k** attendees



Health Professionals Engagement

Health System Leadership

Collaborative think-tank charting the way forward for the industry

Quarterly

sessions

Doctor Listening Sessions

Sessions gather doctor feedback on co-create practice solutions

Monthly

sessions

Health Professionals Conferences

Active participation in doctor conferences

52

sessions in 2025

Doctor and Specialist Societies

Engagement to strengthen collaboration, and shape clinical best practice

34

sessions in 2025



**Discovery
Foundation**



R340M

invested to train and support **458** specialists + **159** institutional awards in priority areas

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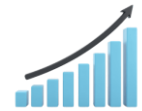
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Data Science



People



Technology,
Data & AI



Service



Stakeholder
Relations



Discovery Health investment in **product, marketing and distribution** supports the Scheme's market-leading position



Product Innovation

150k hours p.a. invested into product innovation, with the **broadest plan range** in the market



Brand and marketing

Discovery ranked as one of the **Top 10** most valuable brand in SA*



Sales and distribution

Largest adviser footprint in SA
>7,500 intermediated advisers/agents



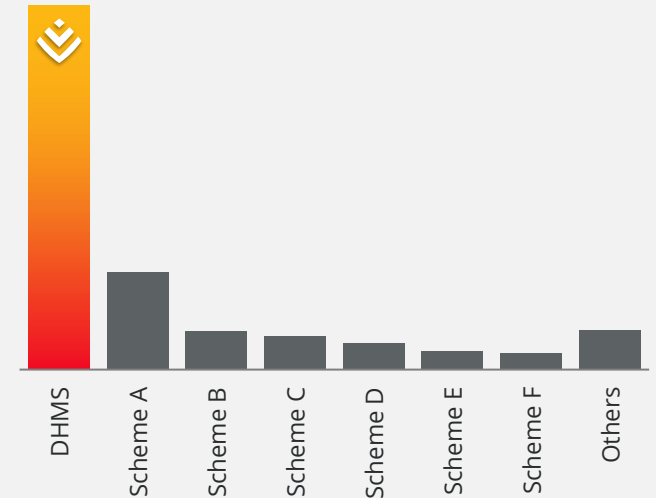
Shared Value

37% lower withdrawal rate for DHMS member with Vitality

6 OUT OF 10

Open scheme members choose DHMS

58%



Market share of top open schemes

>R2.3 bn per annum marketing & distribution investment

*Kantar BrandZ, Most Valuable Brands in South Africa 2024

Product innovation | Innovation ensures continued market-leading value for DHMS members



2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Smart Plan 	Essential Smart 	Dr Connect 	KeyCare Start 	DHMS Contribution freeze 0% contribution increase from January to June	Hospital @ Home 	WELLTH Fund 	New Discovery Health App 	Personal Health Fund 	Smart Saver Series
Family History tool 	DiabetesCare 	Healthy Company 	Oncology Extender Benefit 	Discovery Coaches 	Vaccination sites 	Disease Prevention Programme 	Personal Health Pathways 	PERSONAL HEALTHfund 	Sleep in PHP
Executive wellness 	Arthroplasty Centres of Excellence 	Maternity Benefit 	Find a Provider 2.0 	COVID innovations 	ART 	Enhanced plan range 	Digital healthcare benefits 	Active Smart 	Contribution Deferral
Active Rewards with Apple Watch 	Move to Give 	Discovery Emergency Assist 	Day surgery network 	Shariah-compliant options 	Health Pay 	KeyCare Start Regional 	iCBT 	Female health management 	Effective annual increase 5.4%
Advanced Illness Benefit 		Active Rewards 2.0 	Discovery Emergency Assist 	Mental health 	Digital patient communities 	Active Rewards 3.0 	Enhanced mental wellbeing benefit 	Parent sense 	PHF Boost
Vitality Baby 			Tyto care 	Classic Smart Comprehensive 		Discovery Trauma Cover 	KeyCare Start Regional Expansion 		

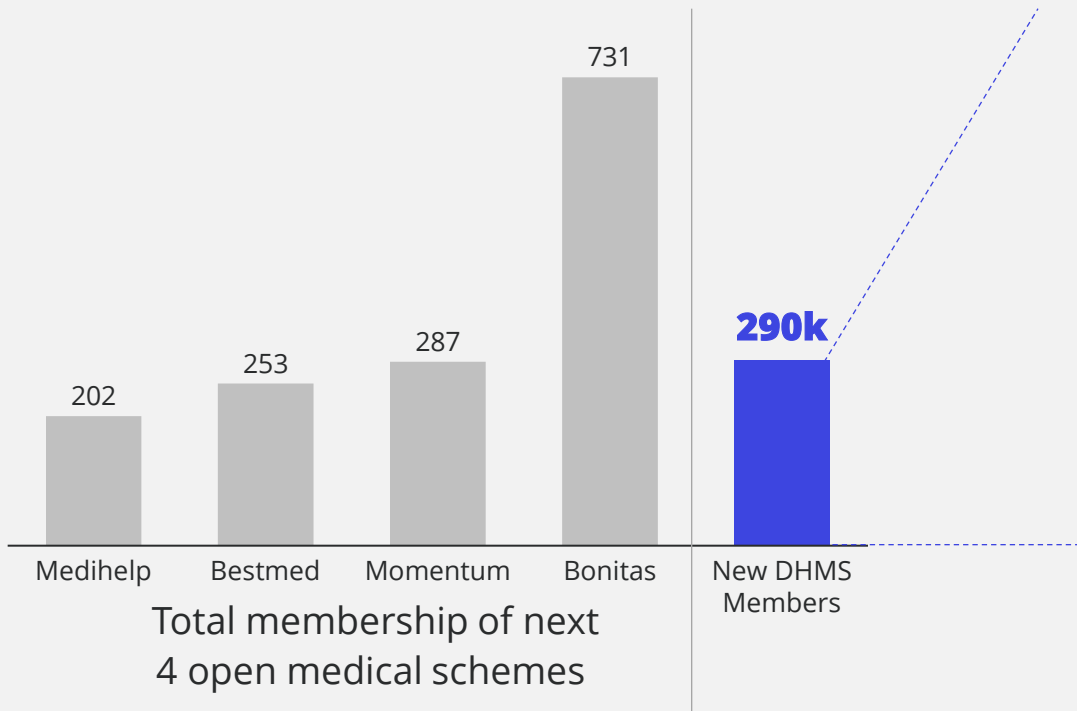
150,000 Hours of R&D p.a.

Sales & Distribution | Largest advisor footprint in SA ensures ongoing DHMS growth and resilience



DHMS annual new lives greater than total lives on 3rd largest open scheme

Largest advisor footprint in SA: >7500 intermediated advisers/agents



Tied financial advisors	1,300
Discovery Connect	500
Corporate / employer advisors	600
Independent financial advisors	5,500



Adviser 360 platform enabling integrated individual and collective financial planning and insights



~R80m

investment in training p.a.

R1.8bn Annual investment in distribution p.a.

Brand & Marketing | >R500 million annual investment in brand and marketing to drive growth and increase brand equity



Brand

Top 10



Discovery ranked as one of the most valuable brand in SA*

Strategic sponsorships

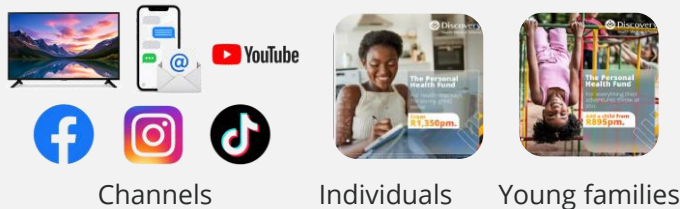


Recognised for market-leading products and innovation



Marketing

Strategic focus on priority segments and channels



>1m

personalised comms

127%

Increase in lead volumes vs target

Employer sites



>2000

Employer groups engaged

>5600

Interactions across 9 provinces

Personal Health Pathways for Employers



>3500

Employer wellness days

Retail presence



5 Discovery Stores

680k Health checks completed

- Drive PHP activations
- Member engagement and servicing

R500m Annual marketing investment p.a.

*Kantar BrandZ, Most Valuable Brands in South Africa 2024

Shared Value | The Value of Vitality to DHMS



Vitality drives healthier member behaviour



380k Vitality-related health checks p.a.



91m Workouts logged p.a.



175k Sleep rewards activated



99m Healthy food items purchased

Favourable demographics and higher retention



Attract members

3.8 years

DHMS + Vitality new joiners 3.8 yrs younger on average than DHMS only new joiners in 2025

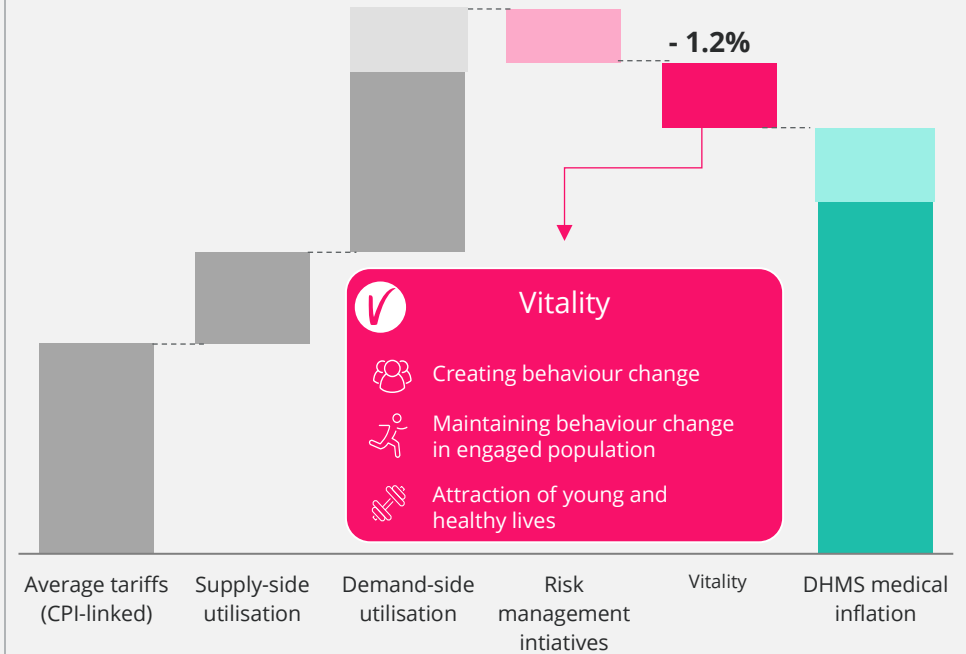


Retain members

37%

lower withdrawal rate for DHMS with Vitality, compared to DHMS only

Vitality saves DHMS >R1.2bn p.a. enabling 1.2% lower contributions



R5.0bn Rewards p.a.

Discovery Health **value** to Discovery Health Medical Scheme



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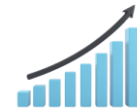
Health outcomes

5.6% reduction in mortality rates since 2015
 48% reduction in oncology mortality
R11.6 billion in managed care savings in 2024
 17.7% lower average contributions



Scheme growth

150,000 hrs R&D p.a., >130 products innovations launched since 2010
 >7,500 financial advisors, >R2.3 billion marketing and distribution investment p.a.



Differentiated core capabilities

>200 data analysts and actuaries across Discovery Health

Actuarial & Data Science

>6,200 employees serving members of DHMS

People

>R1.4bn annual investment in systems
 99.9% claims accuracy

Technology, Data & AI

>9.46 overall sentiment
 83% First Call Resolution

Service

>100 health professional engagements in 2025

Stakeholder Relations





Discovery
Health

Discovery Health Medical Scheme Annual General Meeting

Dr Ron Whelan, CEO, Discovery Health
June 2026