

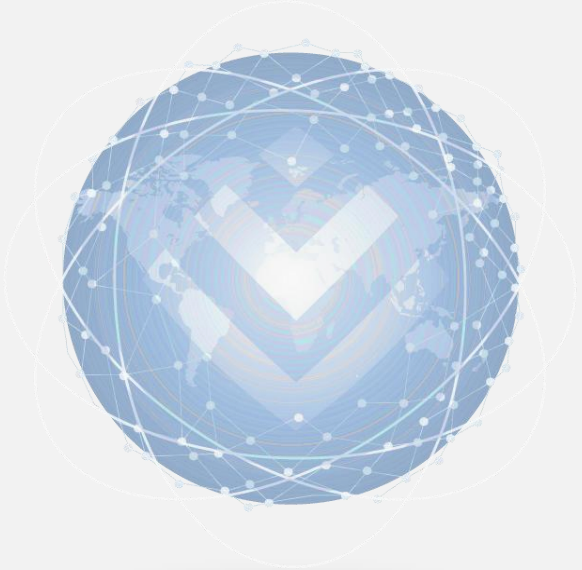


**Discovery**  
**Health**

**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 =**

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

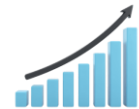
## Health outcomes

**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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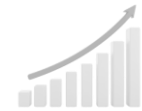
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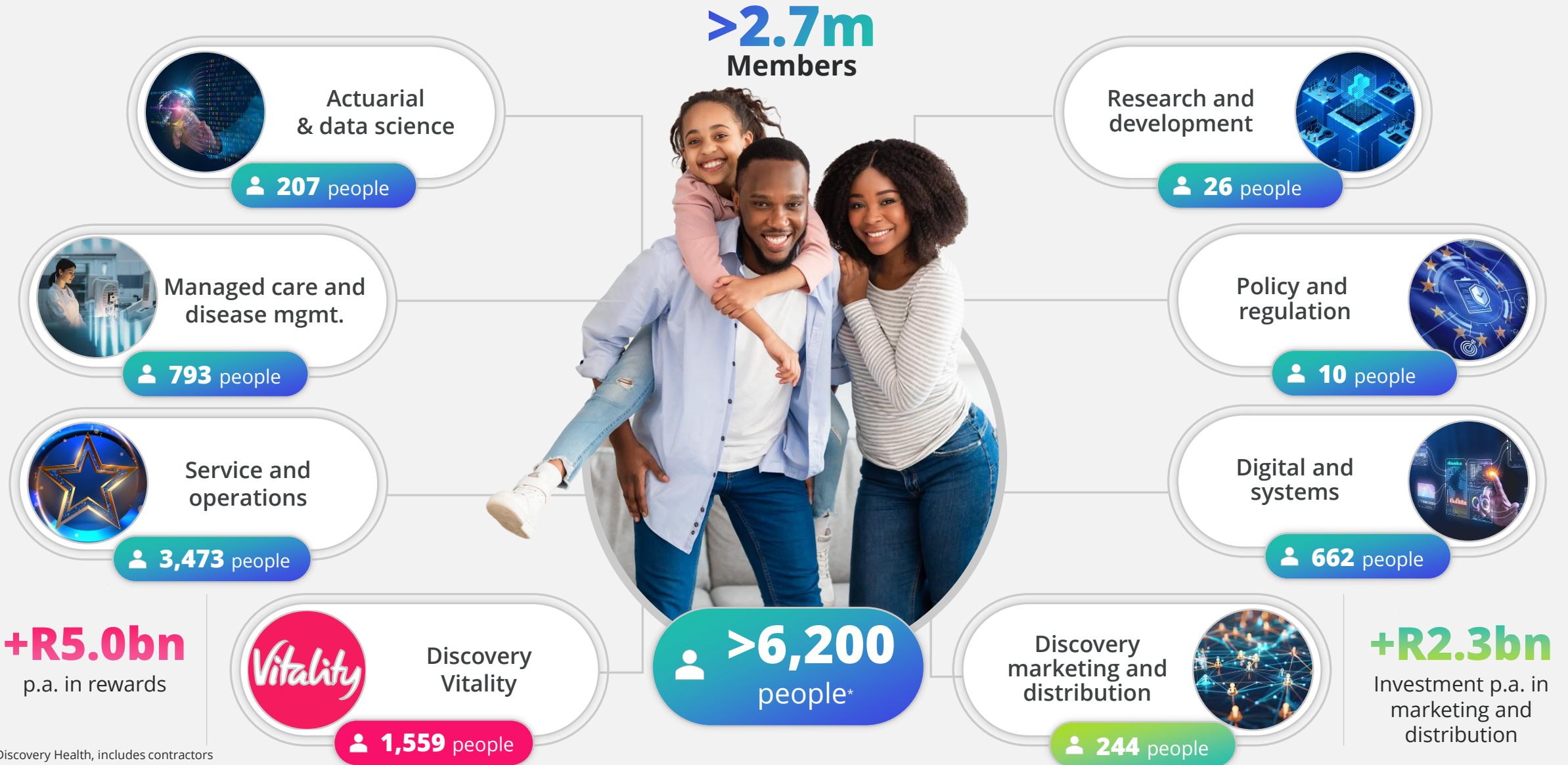
Service



Stakeholder  
Relations



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

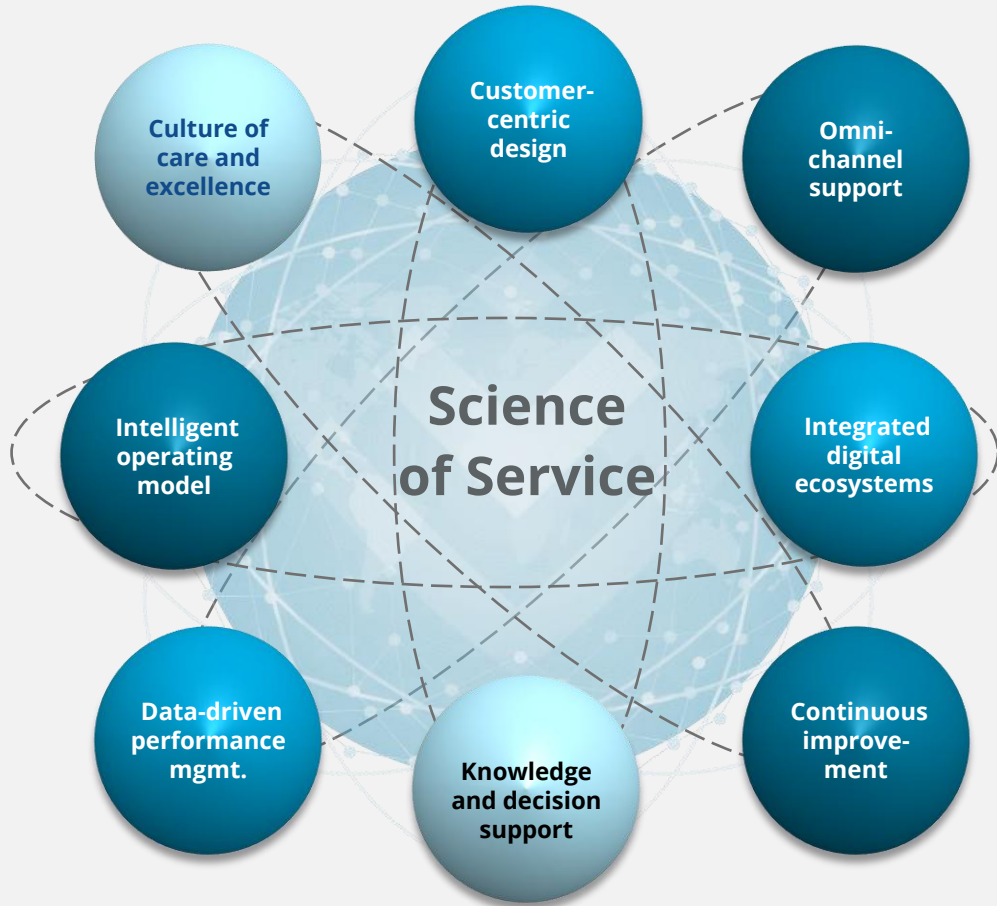


\*Discovery Health, includes contractors  
Source: Discovery Health 2025

# Service | Customer-centric and scientific approach to service



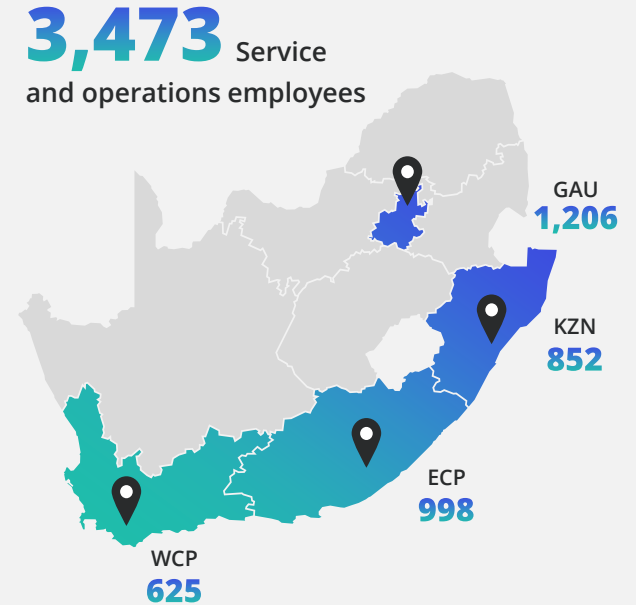
## Science of Service



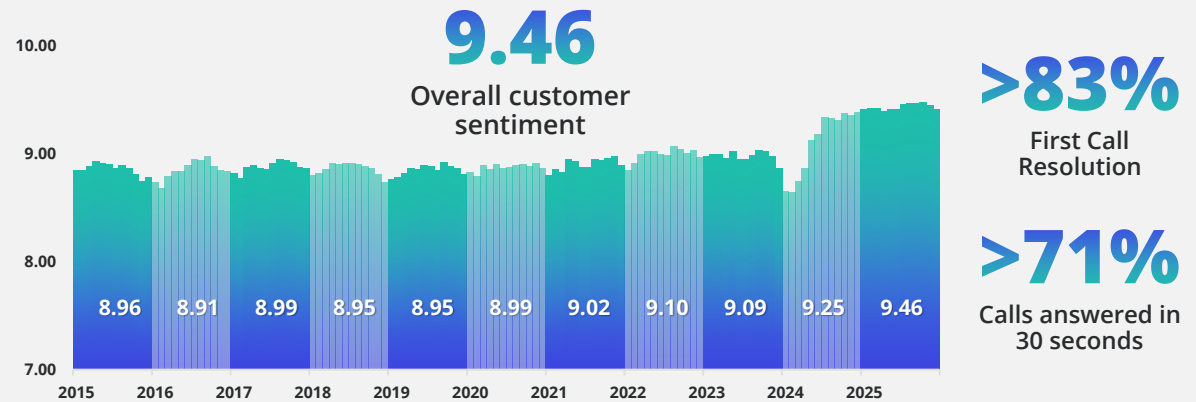
**40+** AI models powering intelligent and member-centric call center and service operations

## 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.



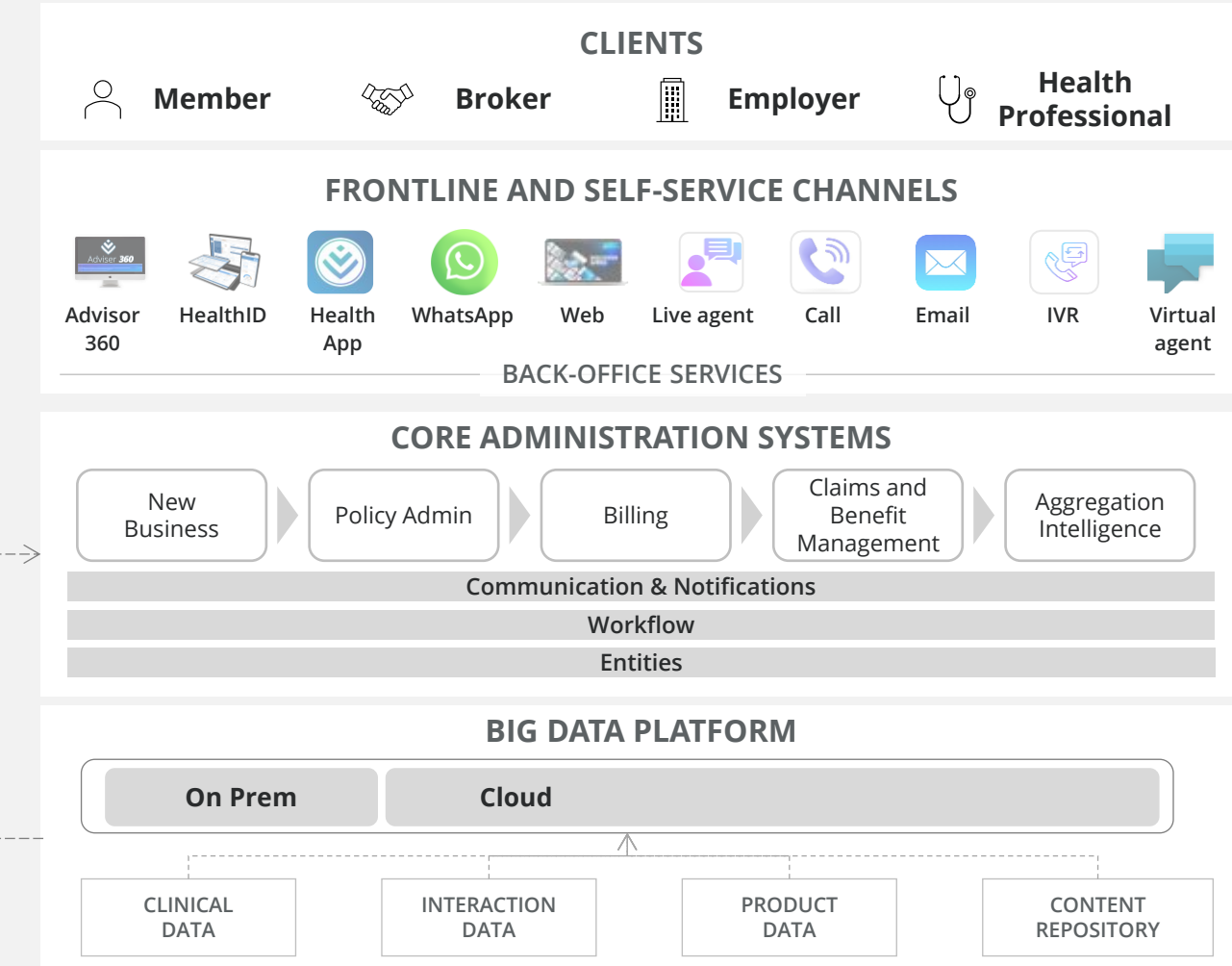
## Service excellence



# Technology | Advanced IT ecosystem operating at scale



## Discovery Health technology environment



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



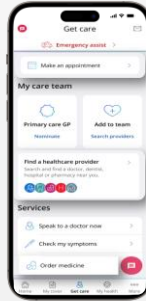


# Seamless access to care and support

Virtual Doctor



Find a Healthcare Provider



Personal Health Pathways



Personal Health Fund



My Cover

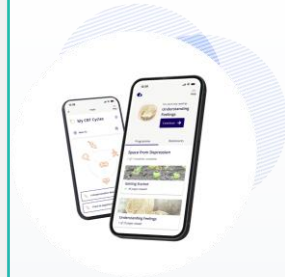


Get Care



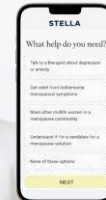
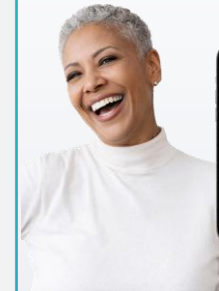
My Health

## Specialised digital health services



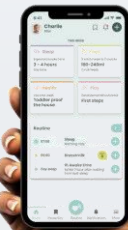
Digital therapeutics for mental health

**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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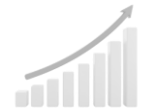
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Actuarial & Data Science



People



Technology, Data & AI



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**



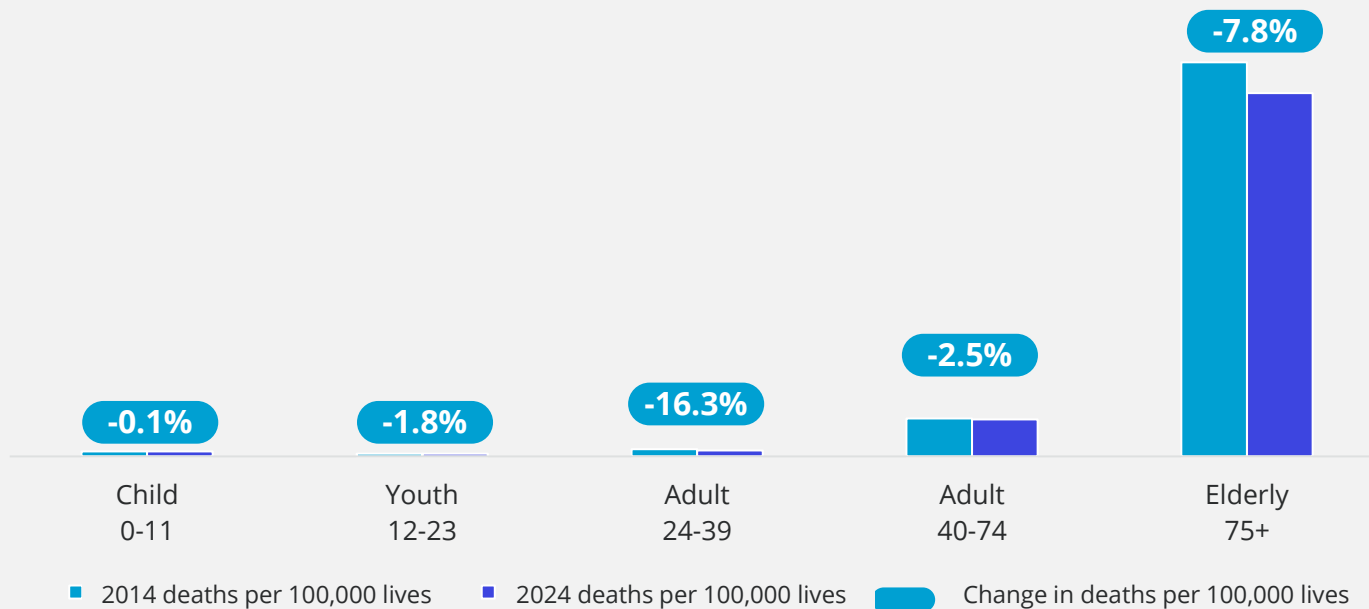
**Prevention Dividend is real and achievable**

# 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

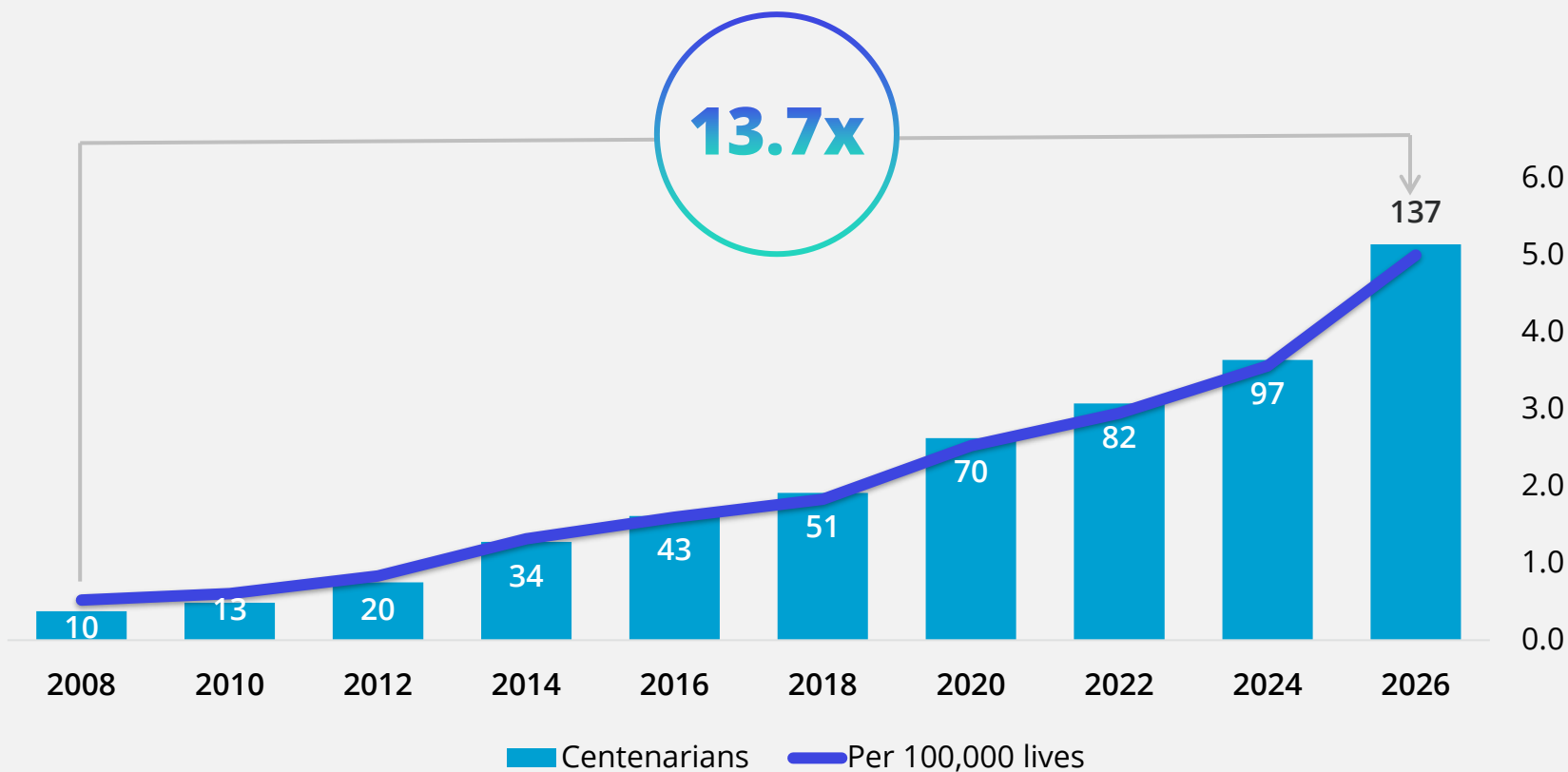


Earlier engagement in healthy behaviour

# 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.



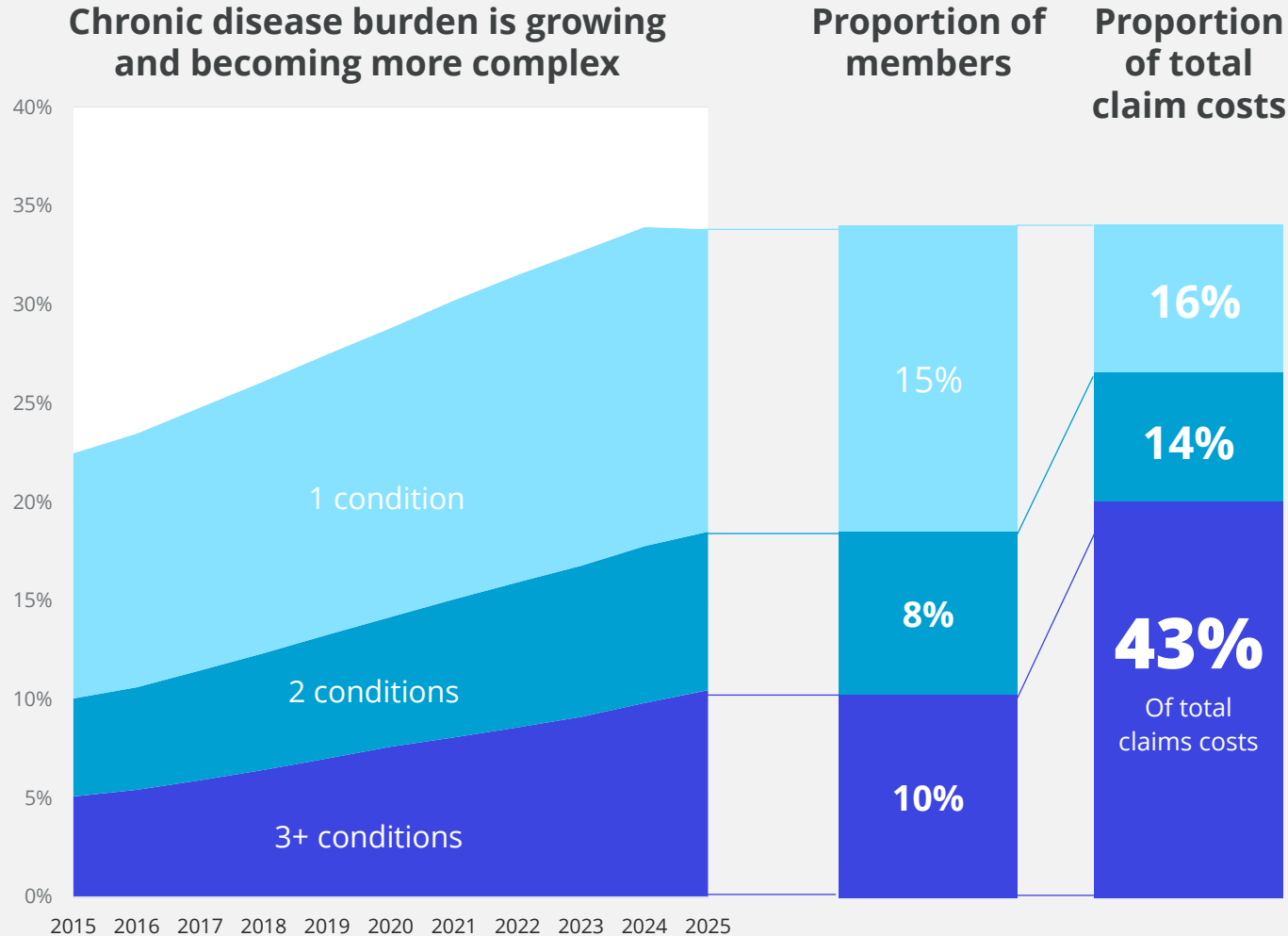
**Hadassah "Dassie" Kobrin (103)**

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

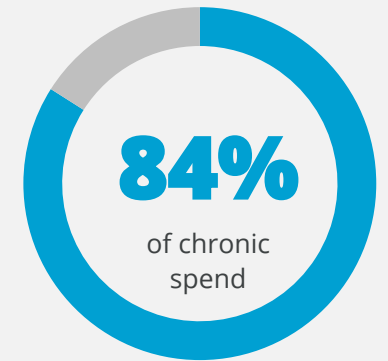


## 18% of members living with two or more chronic conditions



## 4 conditions dominate chronic care

- Cardiovascular disease
- Oncology
- Mental health
- Diabetes



**92%**

Of members with diabetes have another chronic condition

**48%**

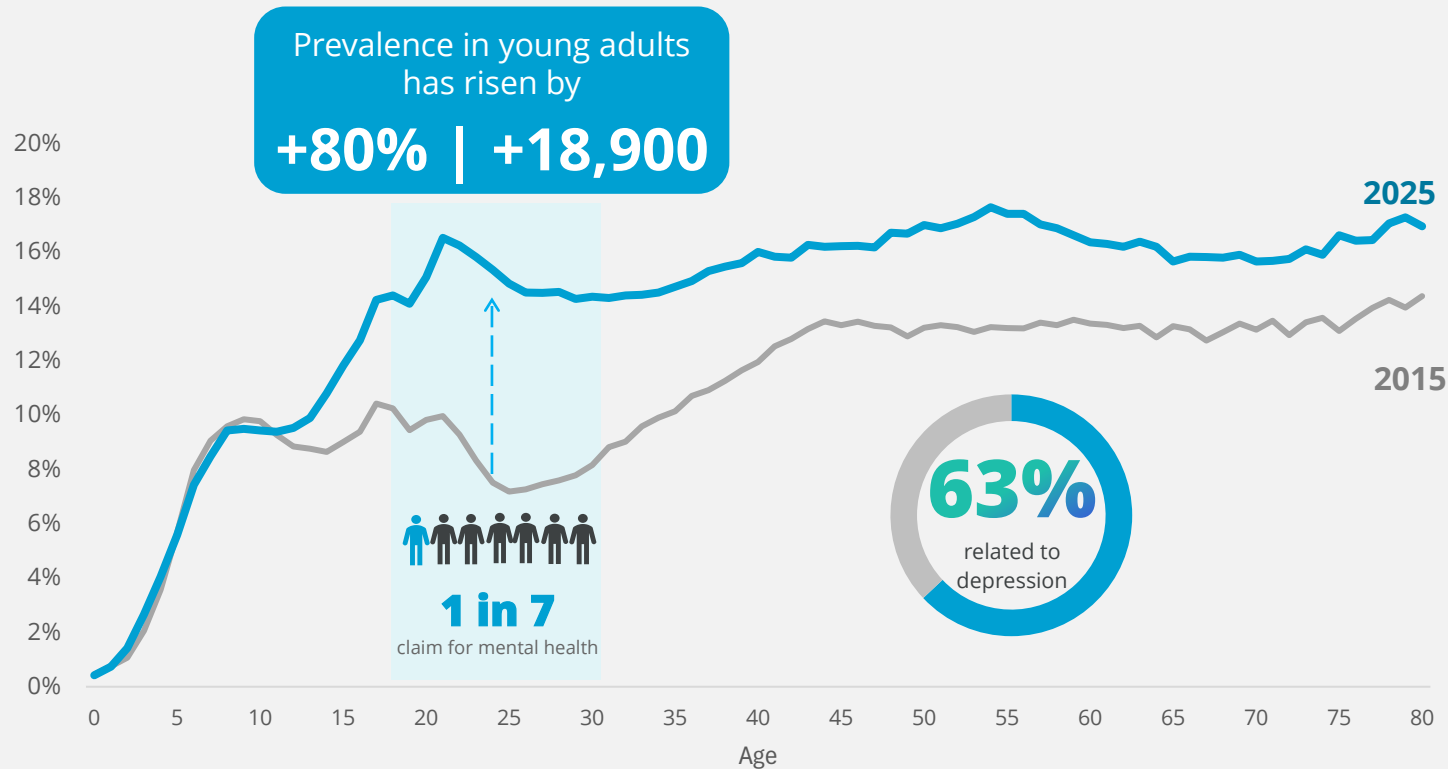
Of members with cardiovascular disease have another chronic condition

# Mental health conditions are more visible, recognised and supported



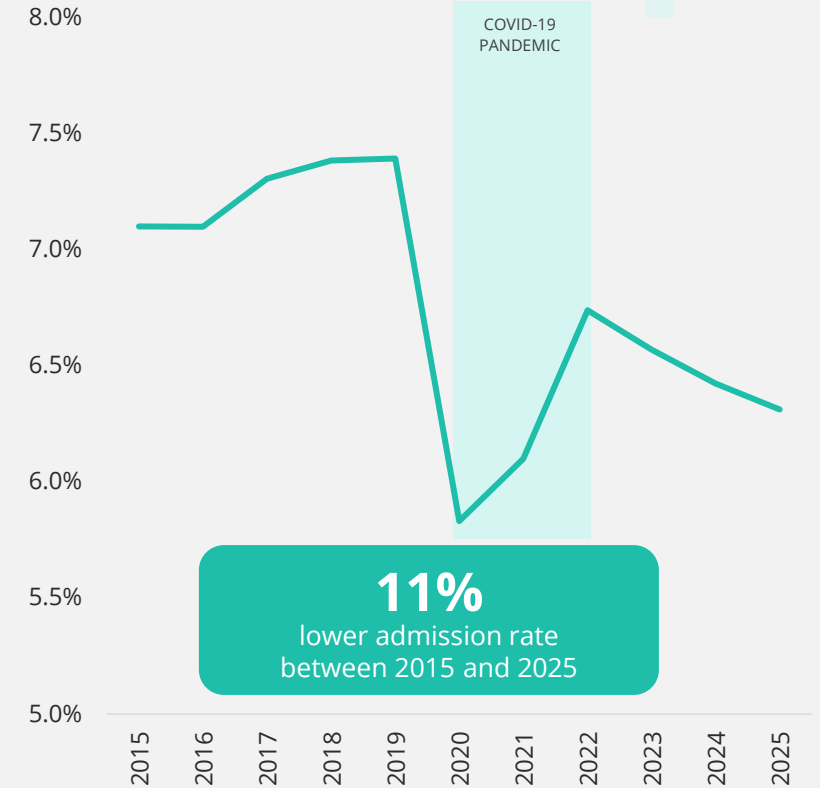
## Mental health conditions are increasing, especially among young adults

Mental health prevalence by age



## Rising prevalence with falling severity

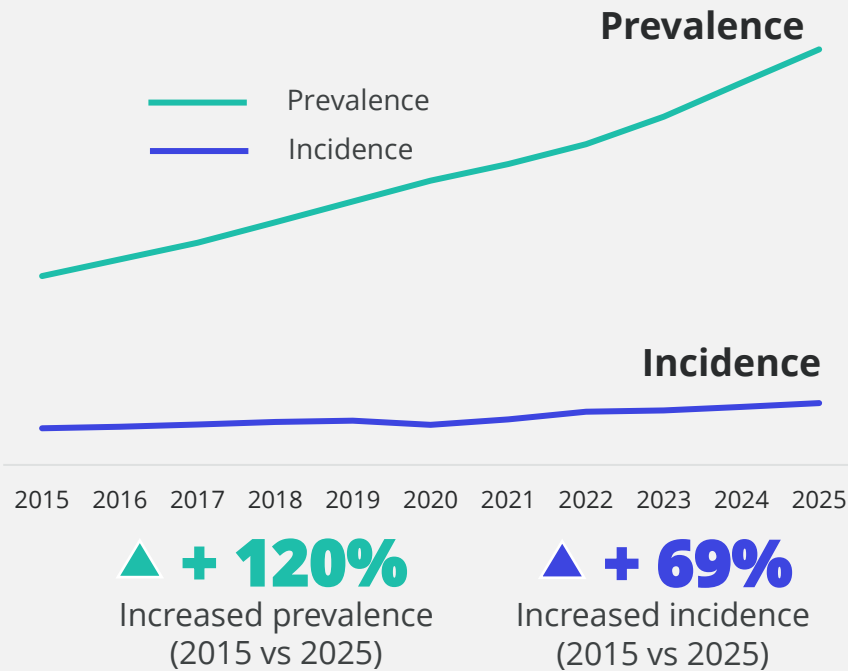
Admission rate for mental health conditions



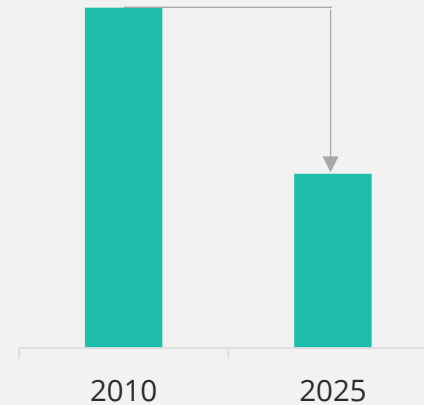
# Cancer is increasingly becoming a **long-term condition**



## Better outcomes are reshaping the cancer burden



**-48%**



Improvement in mortality rate for members with cancer

## 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

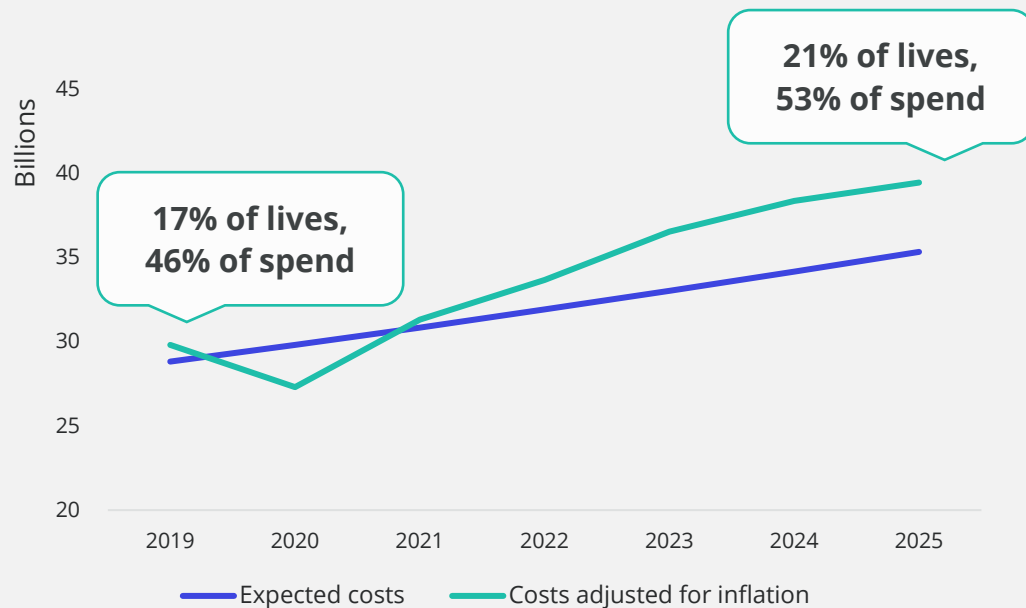
**+ 7 years**

Years in poor health

# Significant potential gains in preventing progression of cardiovascular disease

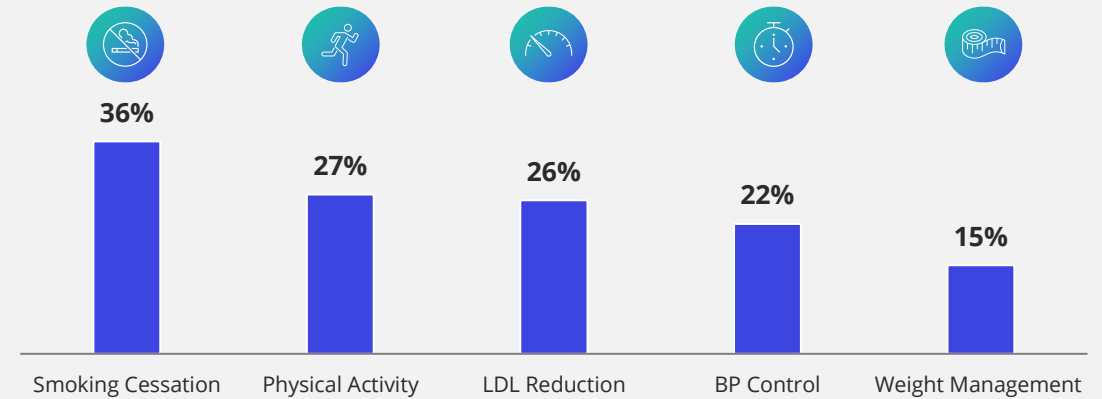


## 1 in 5 members live with cardiovascular disease



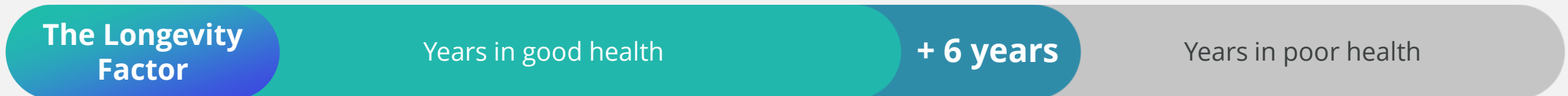
## Earlier action can improve the trajectory

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

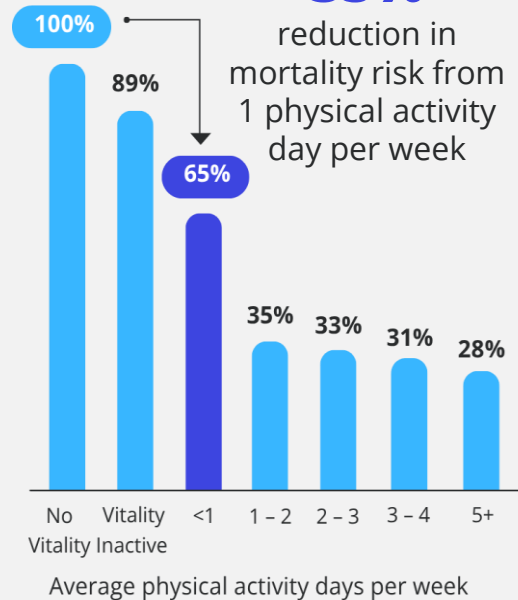


**7.6m**

Exercise actions completed

**35%**

reduction in mortality risk from 1 physical activity day per week



## SLEEP



**>6.2K**

Members activating sleep per day

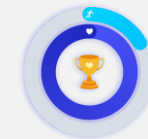


**1 in 3** adults consistently fail to achieve sufficient sleep

**22%**

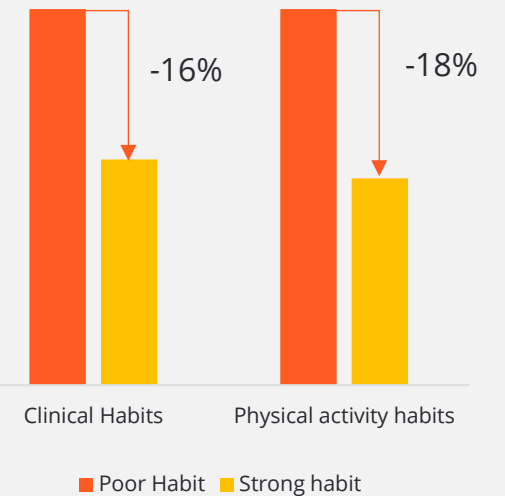
higher mortality for individuals getting less than 7 hours of regular sleep

## HABIT FORMATION



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

Good habits materially reduce mortality risk



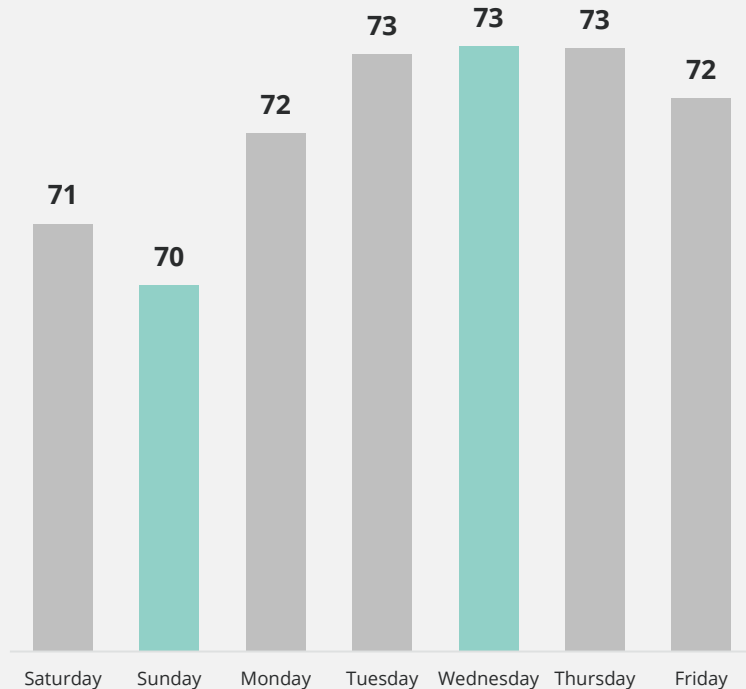


# Early evidence of positive shifts in **sleep habits**



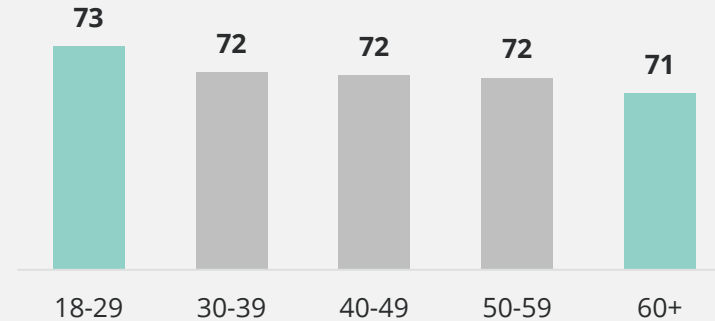
## Best sleep scores are on Wednesday and worst are on Sunday

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



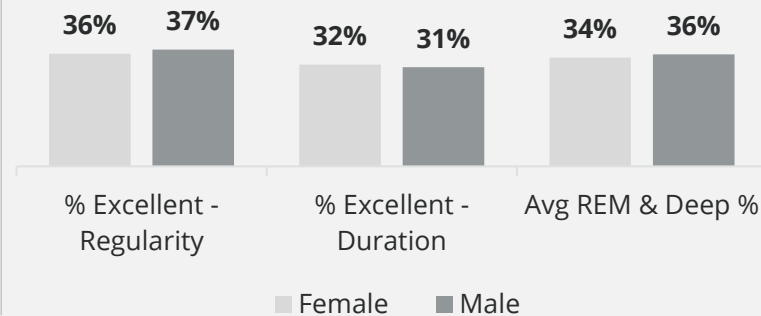
## Sleep score is the highest at younger age bands

Avg Sleep Score by Age Band



## Little differentiation for males and females

Inputs into Sleep Score for Best and Worst Age Bands

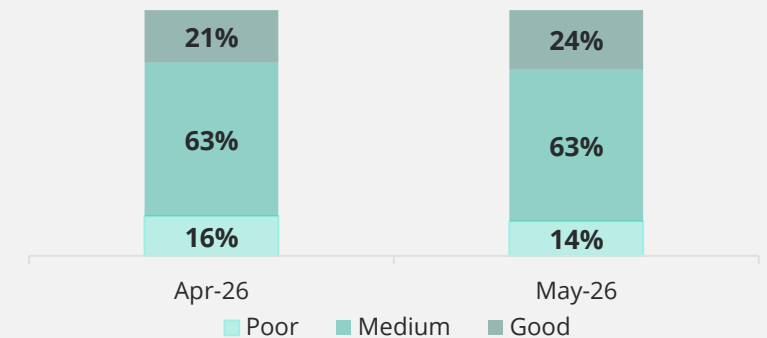


## Early signs of improving sleep habits



**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.

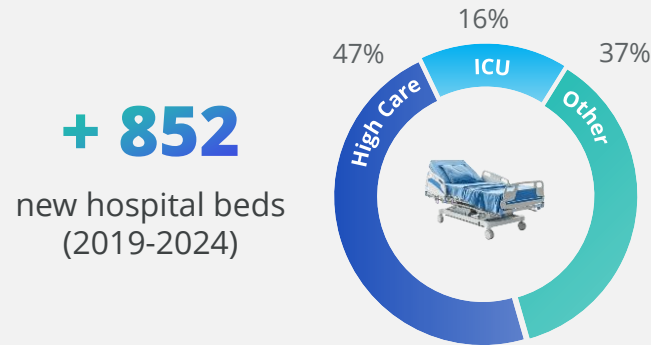
**Specialist visits** **>2.3m**  
Specialist visits p.a.

**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

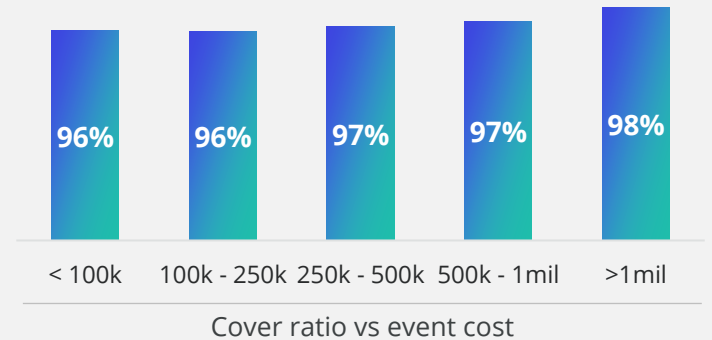
**+25%**  
Day clinics

**+14%**  
Physio-therapists

## Market leading cover

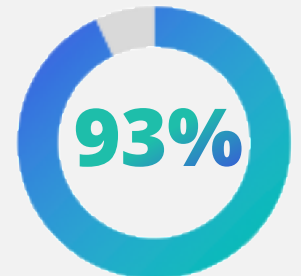
### Hospital cover

**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

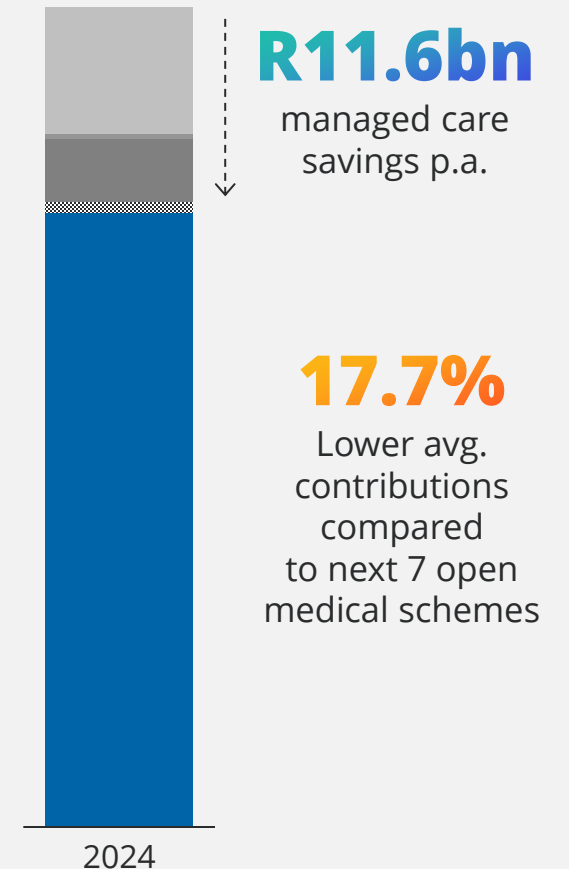
**R3.7bn**  
savings

## 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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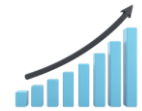
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## Differentiated core capabilities



Actuarial & 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**



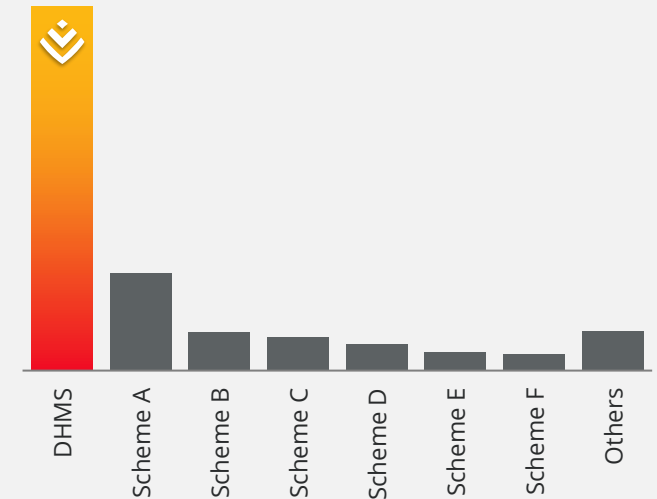
## Shared Value

**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

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



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

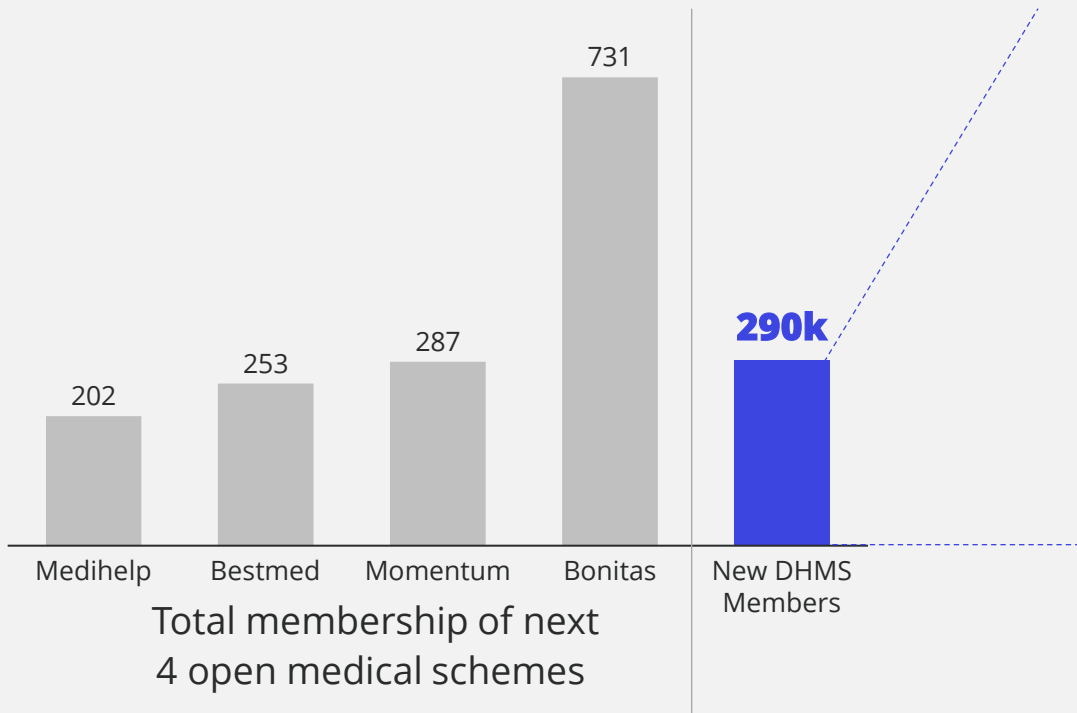
**150,000** Hours of R&D p.a.

# 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 advisers	1,300
Discovery Connect	500
Corporate / employer advisers	600
Independent financial advisers	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

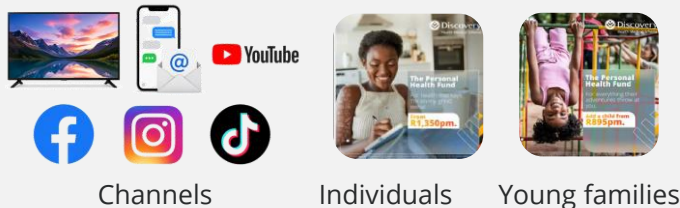


Recognised for market-leading products and innovation



## 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

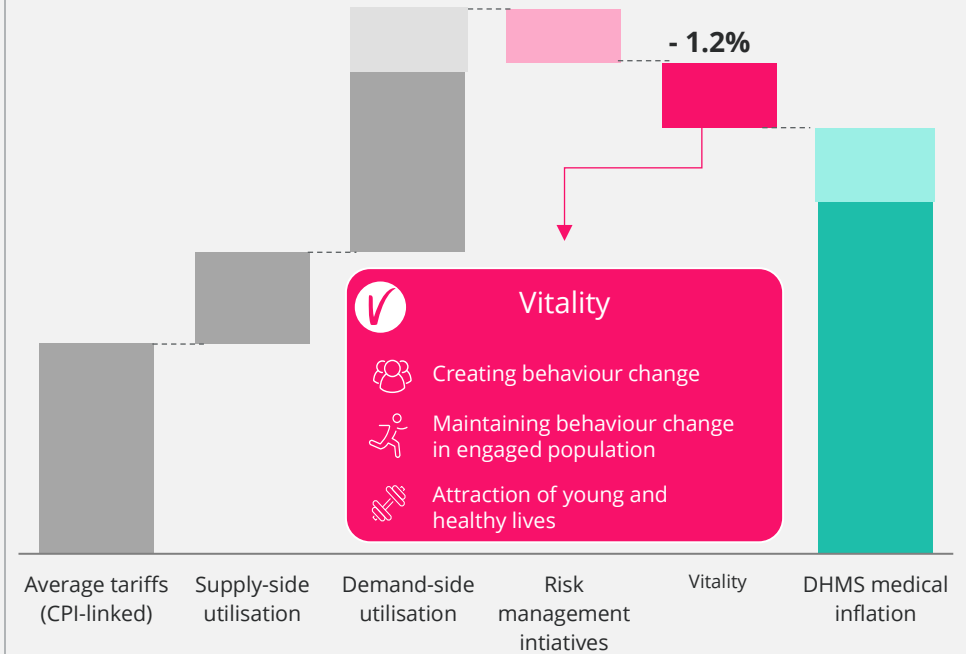


Retain members

**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



## Scheme value =

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

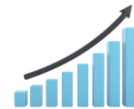
### Health outcomes

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