



**SISONKE HEALTH MEDICAL SCHEME**  
(Registration Number 1568)

**REPORT OF THE BOARD OF TRUSTEES  
FOR THE YEAR ENDED  
31 DECEMBER 2025**

**SISONKE HEALTH MEDICAL SCHEME  
REGISTRATION NUMBER 1568**

**REPORT OF THE BOARD OF TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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The Board of Trustees hereby presents its report for the year ended 31 December 2025.

## **1. DESCRIPTION OF THE MEDICAL SCHEME**

### **1.1. Terms of registration**

Sisonke Health Medical Scheme is a restricted medical scheme for Sibanye Stillwater Limited, its subsidiaries, associated organisations and Gold Fields Limited. The scheme is registered under the Medical Schemes Act of 1998 (the Act) and is a separate legal entity. It operates independently under the registered scheme rules and is governed by a Board of Trustees, of which 50% are elected by its members.

### **1.2 Benefit options with Sisonke Health Medical Scheme**

The scheme offers 3 benefit plans to employees and retired employees of Sibanye Stillwater and Gold Fields and their dependants.

These are:

- Heritage Plan
- Pride Plan
- Diversity Plan
- Lonmin Legacy (from 1 April 2025)

The Heritage Plan provides comprehensive in and out of hospital benefits. In addition to private service providers, members on this option have unlimited access to primary care services from doctors and dentists employed by the scheme at medical centers near the mine operations.

The Pride Plan provides comprehensive in and out of hospital benefits through preferred provider hospitals and specialists, and primary care benefits through the scheme medical centers and providers. An income based contribution table is utilised on the Pride Plan to ensure affordability for lower income members.

The Diversity Plan offers a combination of benefits. It provides access to comprehensive primary care and hospital coverage, adequate benefits and limited flexibility with regards to hospital network and service providers.

The Lonmin Legacy option offers a combination of benefits, which are primarily provided by Marikana Medical Services. Providers at Marikana Medical Services will provide referrals to specialists in cases where it is necessary. The option utilises an income based contribution table to ensure affordability for lower income members.

### **1.3 Reinsurance contracts**

During the year under review, the scheme had capitation agreements in place for the whole year with the following providers:

- Netcare 911 in respect of emergency and ambulance benefits;
- Lancet Laboratories in respect of pathology benefits;
- Pathcare Laboratories in respect of pathology benefits;
- Medilab Laboratories in respect of pathology benefits;
- Preferred Provider Negotiators in respect of optometry benefits for the Pride Plan and Diversity Plan;
- Momentum Health in respect of the out of area GP network for the Pride Plan and Diversity Plan;
- Fisha Affordable Clinics in respect of nurse-based services at the Sibanye Health Care Facilities for the Pride Plan and Diversity Plan, for members in the Rustenburg RPM region; and
- Marikana Medical Services in respect of primary and secondary healthcare services such as clinic visits, general practitioner services, providing acute and chronic medication, emergency and transport services and hospitalisation, amongst others, for the Lonmin Legacy option (from 1 April 2025).

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**1. DESCRIPTION OF THE MEDICAL SCHEME - continued**

**1.3 Reinsurance contracts - continued**

The methodology used to determine the claims covered by these arrangements is set out below.

- Premiums are calculated on the basis of beneficiary quantities and a fixed rate agreed upon with the respective service providers; and
- Claim recoveries relating to risk transfer arrangements are calculated based on information supplied by the contracted providers of actual payments made by the contracted providers in respect of the contracted benefits.

**2. MANAGEMENT**

**2.1 Board of Trustees in office during the year under review:**

H. Raubenheimer	Trustee/Chairperson
L. Johnson	Trustee
P. Raletjena	Trustee
Dr. M. Segaole - resigned 16 July 2025	Trustee
Dr. D. Sibeko	Trustee
A. Maree (nee Smith)	Trustee
X. van Rooyen	Trustee
P. Mokhukhwane - resigned 25 June 2025	Trustee
M. Richter - appointed 23 April 2025	Trustee
F. Choolan - appointed 23 April 2025	Trustee
S. Mthethwa - appointed 23 April 2025	Trustee
P. Matlala - appointed 23 April 2025	Trustee
J. Kassan - appointed 23 April 2025	Trustee
Dr. E. Mudau - appointed 23 April 2025	Trustee

**2.2 Principal Officer:**

Dr. A.V. Memela - resigned 30 November 2025	
Libanon Business Park	Private Bag X5
Hospital Street	Westonaria
Westonaria	1780
1780	

L. Stassen (acting Principal Officer) - appointed 30 November 2025	
Libanon Business Park	Private Bag X5
Hospital Street	Westonaria
Westonaria	1780
1780	

**2.3 Registered office address and postal address during the year:**

7 Lutman Street	P.O. Box 1672
Richmond Hill	Gqeberha
Gqeberha	6000
6001	

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**2. MANAGEMENT - continued**

**2.4 Medical Scheme Administrators during the year:**

Momentum Health (Pty) Ltd (Accreditation number Admin: 13)	
7 Lutman Street	P.O. Box 1672
Richmond Hill	Gqeberha
Gqeberha	6000
6001	

**2.5 Actuaries during the year:**

3One Consulting Actuaries  
Ground Floor Northview Building  
Bryanston Place Office Park  
199 Bryanston Drive  
Bryanston  
2191

**2.6 Auditors:**

PricewaterhouseCoopers Inc.  
Ascot Office Park  
Greenacres  
Gqeberha  
6045

**2.7 Investment managers during the year:**

Old Mutual Wealth	
3rd Floor, Ubomi Building	P.O. Box 650140
Old Mutual Square	BENMORE GARDENS
93 Grayston Drive, Sandton	2010
2196	
Financial Service Provider Number: 26/10/588	

**3. INVESTMENT STRATEGY OF THE MEDICAL SCHEME**

The Trustees continue to invest in line with the requirements of the Act. The key objectives of the scheme's investment policy are to:

- Maximize investment returns whilst preserving capital;
- Maintain sufficient liquidity to fund operating expenses and claims; and
- Invest only in approved financial service providers and approved instruments; and
- Comply with the Act.

The scheme has an investment policy statement which is reviewed annually. The scheme has implemented an appropriate investment strategy for the assets of the scheme that is split into 3 components: short term, medium term and long term.

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**4. MEDICAL INSURANCE RISK MANAGEMENT**

The primary insurance activity of the scheme is to indemnify covered members and their dependants against the risk of loss arising as the result of the occurrence of a health related event. 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 investment activities.

The scheme manages its insurance risk through benefit limits and sub-limits, approval procedures for transactions that involve pricing guidelines, pre-authorisation and case management, service provider profiling, centralised management of risk transfer arrangements and the monitoring of emerging issues.

Certain risks are mitigated by entering into reinsurance contracts. In this regard the scheme specifically decided to transfer all risks relating to emergency and ambulance services, pathology benefits and doctors and nurse consultations for Heritage, Pride and Diversity members; optometry benefits and primary health care for Pride and Diversity members; and nurse consultations for active members in the Platinum area for Pride and Diversity. Primary and secondary healthcare services such as clinic visits, general practitioner services, providing acute and chronic medication, emergency and transport services and hospitalisation, amongst others are covered under one of the scheme's reinsurance contracts for the Lonmin Legacy option.

The scheme uses several methods to assess and monitor insurance risk exposure both for individual types of risk insured and overall risks. These methods include internal risk measurement models, sensitivity analyses, scenario analyses and stress testing. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The principal risk is that the frequency and severity of claims is greater than expected.

Medical insurance events are, by their nature random, and the actual number and size of event during any one year period may vary from those estimated using established statistical methods.

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 of risks to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The scheme has a risk and ethics committee as well as a risk register, which has been approved by the Board of Trustees. The risk register addresses the risks to which the scheme is exposed to, as well as the controls in place to mitigate these risks.

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**5. OPERATING AND FINANCIAL RESULTS**

**5.1 Operational statistics**

	Heritage		Pride		Diversity		Lonmin Legacy	Total	
	2025	2024	2025	2024	2025	2024	2025	2025	2024
Average number of members during the accounting period	5 223	5 700	3 514	3 726	773	883	10 408	19 913	10 309
Number of members at the end of the accounting period	5 079	5 486	3 498	3 694	746	846	10 238	19 561	10 026
Average number of beneficiaries during the accounting period	11 421	12 588	4 559	4 867	1 230	1 435	13 654	30 865	18 890
Number of beneficiaries at 31 December	11 061	12 076	4 536	4 827	1 180	1 367	13 402	30 191	18 270
Number of dependants at 31 December	5 982	6 590	1 038	1 133	434	521	3 164	10 630	8 244
Average number of dependants	6 198	6 888	1 045	1 141	457	552	3 246	10 952	8 581
Dependant ratio at 31 December	1.18	1.20	0.30	0.31	0.58	0.62	0.31	0.54	0.82
Insurance revenue per average beneficiary per month ( R )	3 148.88	2 773.16	1 502.66	1 416.42	2 383.57	2 044.40	1 250.38	2 035.31	2 368.23
Insurance service expenses per average beneficiary per month ( R )	3 040.16	2 970.53	1 831.82	1 685.95	2 724.41	2 467.27	1 136.21	1 923.71	2 601.33
Relevant healthcare expenses incurred per average beneficiary per month ( R )	2 831.99	2 778.03	1 636.44	1 522.25	2 503.81	2 278.08	1 081.40	1 867.84	2 416.50
Directly attributable insurance service expenses per average beneficiary per month ( R )	63.34	59.29	74.77	70.95	69.52	64.63	54.81	61.50	62.70
Other expenses per average beneficiary per month ( R )	123.67	84.87	59.69	48.16	94.05	65.26	29.16	71.23	73.92
Insurance service expenses as a percentage of insurance revenue (%)	96.55	107.12	121.91	119.03	114.30	120.68	75.85	94.52	109.84
Relevant healthcare expenses incurred as a percentage of insurance revenue (%)	89.94	100.18	108.90	107.47	105.04	111.43	86.49	91.77	102.04
Directly attributable insurance service expenses as a percentage of insurance revenue (%)	2.01	2.14	4.98	5.01	2.92	3.16	4.38	3.02	2.65
Other expenses as a percentage of insurance revenue (%)	3.93	3.06	3.97	3.40	3.95	3.19	2.33	3.50	3.12
Average age per beneficiary	36.06	35.28	38.33	37.59	40.29	38.90	38.11	37.48	36.16
Pensioner ratio at 31 December (beneficiaries > 65 years)	7.78	6.77	3.09	2.76	13.22	11.77	0.11	3.89	6.09
Average liability to members for future benefits per member at 31 December ( R )	-	-	-	-	-	-	-	27 360	29 597
Return on investments as a percentage of investments (%)	-	-	-	-	-	-	-	9.20%	11.05%

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**5. OPERATING AND FINANCIAL RESULTS - continued**

**5.2 Results of operations**

The results of the scheme are set out in the Financial Statements.

**5.3 Solvency ratio**

	<b>2025 R</b>		<b>2024 R</b>
The solvency ratio is calculated on the following basis:			
Liabilities to members for future benefits	535 192 527		296 741 999
Less: cumulative unrealised net gains	(58 520 226)		(37 202 455)
Liabilities to members for future benefits excluding unrealised gains	476 672 301		259 539 544
Insurance revenue	753 836 558		536 835 582
Less: impairment losses on trade and other receivables	( 142 582)		106 051
Net contributions	753 693 976		536 941 633
Ratio of liabilities to members for future benefits to gross annual contribution income	63.24%		48.34%

The scheme meets the statutory requirement of 25%.

**6. ACTUARIAL SERVICES**

The scheme's actuaries were consulted in the determination of the contribution and benefit levels for the 2025 year and are involved in the monthly monitoring of scheme risk.

**7. INVESTMENTS IN AND LOANS TO PARTICIPATING EMPLOYERS OF MEMBERS OF THE MEDICAL SCHEME AND TO OTHER RELATED PARTIES**

Section 35(8) (a) of the Medical Schemes Act 131 of 1998, as amended, states that a medical scheme shall not invest any of its assets in the business of or grant loans to an employer who participates in the medical scheme or any administrator or any arrangement associated with the medical scheme. The scheme has investments in the Sanlam Inflation Beater, SIM Absolute Return Medical Portfolio, Allan Gray Life Domestic Stable Medical Scheme Portfolio, Prescient Specialist Income Provider (pooled funds) and Aluwani Capital Partners Flexible Income funds which may invest in the shares of Gold Fields Limited and Sibanye Stillwater Limited from time to time at the discretion of the Fund Manager.

The investments in Gold Fields Limited and Sibanye Stillwater Limited were not significant and exemption was granted by the Council for Medical Schemes.

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**8. MEETING ATTENDANCE AND DISBURSEMENTS**

The following schedule sets out the attendance at meetings and expenses incurred for travel, conferences and other incidental costs. Trustees are not remunerated.

NAME	BOARD MEETINGS		EXPENSES
	A	B	R
H. Raubenheimer *	11	11	38 748
L. Johnson *	11	11	26 057
P. Raletjena *	11	11	41 853
Dr. M. Segale * - resigned 16 July 2025	5	5	70 150
Dr. D. Sibeko *	11	8	80 811
A. Maree (nee Smith) *	11	11	29 088
X. van Rooyen *	11	9	26 057
P. Mokhukhwane * - resigned 25 June 2025	3	2	38 770
M. Richter * - appointed 23 April 2025	10	8	37 309
F. Choolan * - appointed 23 April 2025	10	9	37 003
S. Mthethwa * - appointed 23 April 2025	10	8	51 654
P. Matlala * - appointed 23 April 2025	10	6	41 757
J. Kassan * - appointed 23 April 2025	10	8	46 388
E. Mudau * - appointed 23 April 2025	10	8	38 949

\* - Trustee

A - total possible number of meetings which could have attended

B - actual number of meetings attended

**9. AUDIT AND INVESTMENT COMMITTEE**

The Audit and Investment Committee is established in accordance with the provisions of the Act. The Committee is mandated by the Board of Trustees by means of written terms of reference as to its membership, authority and duties. The Committee consists of nine members, of which three are members of the Board of Trustees. The Audit and Investment Committee Chairperson is independent of the scheme. The Committee met on five occasions during the course of the year.

14 April 2025;

17 June 2025;

11 July 2025;

10 September 2025; and

13 November 2025.

The Principal Officer of the scheme and the administrator attend all audit and investment committee meetings and have unrestricted access to the chairperson of the committee.

In accordance with the provisions of the Act, the primary responsibility of the Committee is to assist the Board of Trustees in carrying out its duties relating to the scheme's accounting policies, internal control systems and financial reporting practices. The external auditors formally report to the Committee on critical findings arising from audit activities.

The Audit and Investment Committee is pleased to report that:

- It has carried out its duties in terms of the Medical Schemes Act;
- The external auditors have confirmed their independence;
- The assurances provided by management, external auditors and the internal auditors have satisfied the Committee that the controls are adequate and effective;
- It has had oversight of the financial reporting process; and
- It has reviewed the Annual Financial Statements and the audit report thereon and recommended the acceptance thereof by the Board of Trustees.

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9. AUDIT AND INVESTMENT COMMITTEE - continued

The Committee during the year under review and meeting attendance was as follows:

NAME	AUDIT AND INVESTMENT COMMITTEE MEETINGS	
	A	B
M. Hanise (Chairperson)	5	5
I. de Vleeschauwer	5	5
S. Mokoena	2	2
A. Maree (nee Smith) (Trustee)	5	4
M. van der Walt	5	5
X. van Rooyen (Trustee)	5	2
A. van der Walt - appointed 14 April 2025	5	4
M. Richter (Trustee) - appointed 14 April 2025	5	5
D. Amoretti - appointed 14 April 2025	5	5

A - total possible number of meetings which could have attended

B - actual number of meetings attended

10. SCHEME COMMITTEES

The scheme has the following committees:

Risk, Ethics and ICT Committee:

The Risk, Ethics and ICT Committee comprises 3 (three) members, appointed by the Board bi-annually for a period of 2 (two) years. This committee evaluates risks relating to the scheme and the controls in place to address these risks. The risk and ethics committee is allowed to consult with an independent specialist or consultant to assist in the performance in the function when necessary.

The Committee during the year under review and meeting attendance was as follows:

NAME	RISK AND ETHICS COMMITTEE MEETINGS	
	A	B
L. Johnson	3	1
X. van Rooyen (Chairperson)	3	2
H. Raubenheimer	3	3
P. Mokhukhwane - resigned 25 June 2025	2	-
F. Choolan - appointed 11 June 2025	2	2

A - total possible number of meetings which could have attended

B - actual number of meetings attended

The ICT committee is a sub-committee of the Risk, Ethics and ICT Committee and evaluates risks specifically related to information and communication technology. It met once during the year. Thereafter issues raised were dealt with by the Risk, Ethics and ICT Committee.

The sub-committee during the year under review and meeting attendance was as follows:

NAME	ICT COMMITTEE MEETINGS	
	A	B
S. Mokoena (Chairperson)	1	1
M. Govender	1	1

A - total possible number of meetings which could have attended

B - actual number of meetings attended

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**10. SCHEME COMMITTEES - continued**

Clinical Committee:

The purpose of the Committee is to assist the Board with clinical related matters and decisions, such as protocols and managed health care interventions, as well as ex gratia decisions.

The Committee during the year under review and meeting attendance was as follows:

NAME	CLINICAL COMMITTEE MEETINGS	
	A	B
Dr. D. Sibeko (Chairperson)	7	1
Dr. M. Segaoale - resigned 16 July 2025	4	2
Dr. E. Mudau - appointed 17 April 2025	7	2
J. Kassan - appointed 17 April 2025	7	1
Dr. A.V. Memela - resigned 30 November 2025	7	4
Dr. L. Mahlare - appointed 17 April 2025	7	2
M. Kgatswetswe - appointed 17 April 2025	7	1

A - total possible number of meetings which could have attended

B - actual number of meetings attended

Human Capital Committee

The Human Capital Committee has been established to ensure that fair, market-related remuneration is paid and performance-based incentives are created for the Medical Centres' employees.

The Committee during the year under review and meeting attendance was as follows:

NAME	HUMAN CAPITAL COMMITTEE MEETINGS	
	A	B
P. Raletjena (Chairperson)	5	5
A. Maree (nee Smith)	5	5
Dr. D. Sibeko	5	1
L. Johnson	5	1
J. Kassan - appointed 3 July 2025	3	2

A - total possible number of meetings which could have attended

B - actual number of meetings attended

Disputes Committee:

The Disputes Committee comprises 3 (three) independent members of whom at least one must have a legal background, appointed by the Board as and when a dispute arises. The Committee meets as and when a dispute arises. The Committee determines the procedure to be followed at meetings.

The Committee during the year under review was as follows:

NAME	DISPUTES COMMITTEE MEETINGS	
	A	B
S. Labuschagne (Chairperson)	-	-
N. Nxumalo	-	-
M. Siegert	-	-

No meetings were held during the year under review.

A - total possible number of meetings which could have attended

B - actual number of meetings attended

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**10. SCHEME COMMITTEES - continued**

Executive Committee

The purpose of the Executive Committee is primarily to oversee the operational management of the scheme. It also supports the Principal Officer in the day-to-day management of the scheme.

The Committee during the year under review and meeting attendance was as follows:

NAME	EXECUTIVE COMMITTEE MEETINGS	
	A	B
Dr. A.V. Memela (chairperson)	7	7
S. Albert	5	5
M. Manamela	7	7
F. Humpri	7	6

A - total possible number of meetings which could have attended

B - actual number of meetings attended

Nominations Committee:

The purpose of the Nominations Committee is to ensure that the Board is well structured in terms of its size and composition, that trustees are competent and meet the requirements of a trustee.

The Committee during the year under review was as follows:

NAME	NOMINATIONS COMMITTEE MEETINGS	
	A	B
L. Johnson (Chairperson)	-	-
H. Raubenheimer	-	-

No meetings were held during the year under review.

A - total possible number of meetings which could have attended

B - actual number of meetings attended

Growth and Sustainability Committee:

The purpose of the Growth and Sustainability Committee is to better position the scheme on a path towards sustainable growth.

NAME	GROWTH AND SUSTAINABILITY COMMITTEE MEETINGS	
	A	B
Dr. M. Segale (Chairperson) - resigned 16 July 2025	2	2
P. Raletjena	3	3
Dr. D. Sibeko (Chairperson) - appointed 16 July 2025	3	1
P. Mokhukhwane - resigned 25 June 2025	2	1
S. Mthethwa - appointed 15 May 2025	2	1

A - total possible number of meetings which could have attended

B - actual number of meetings attended

These committees met as frequently as was required.

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**10. SCHEME COMMITTEES - continued**

Tender Evaluation Committee

The purpose of the Tender Evaluation Committee is to oversee the tender process where the scheme's administration and managed care contracts are out for tender. The Committee evaluates the candidates based on pre-determined criteria and makes a recommendation to the Board of Trustees on who the successful candidate should be.

The Committee during the year under review and meeting attendance was as follows:

NAME	TENDER EVALUATION COMMITTEE MEETINGS	
	A	B
P. Raletjena	5	5
X. van Rooyen (Chairperson)	5	4
A. Maree (nee Smith)	5	5
H. Raubenheimer	5	5
P. Matlala - appointed 4 November 2025	5	4
M. Richter - appointed 4 November 2025	5	5

**11. EVENTS AFTER THE REPORTING PERIOD**

From 1 May 2026, the scheme is being administered by Medscheme Holdings (Pty) Ltd.

There were no significant events after the reporting period that require disclosure, other than those already addressed.

**12. RELATED PARTY TRANSACTIONS**

Refer to related parties disclosure in note 25 to the Annual Financial Statements.

**13. NON-COMPLIANCE MATTERS**

- 13.1 Section 59(2): Certain claims were paid in excess of 30 days after receipt by the administrator as a result of queries to be investigated/audited in relation thereto. Non-compliance could impact on the relationship with members and providers. Procedures and policies are in place to manage late payment of claims, including a weekly report of claims held for investigation which is checked and signed by management to ensure that the 30 day limit is not exceeded. This practice ensures accurate claims processing and is in the interest of the risk management of the scheme.
- 13.2 Section 26(7): Certain contributions were not received within three days of becoming due. Non-compliance could affect the cash flow of the scheme and lead to member benefits being suspended. Due to the short duration of the contributions being outstanding, this is not significant. The scheme has a credit control policy in place.
- 13.3 Section 35(8) (a) of the Medical Schemes Act 131 of 1998, as amended, states that a medical scheme shall not invest any of its assets in the business of or grant loans to an employer who participates in the medical scheme or any administrator or any arrangement associated with the medical scheme. The Scheme has an investment in a pooled fund which may invest in the shares of Gold Fields Limited and Sibanye Stillwater Limited from time to time, at the discretion of the Fund Manager. The scheme has been granted exemption from this section by the Council for Medical Schemes.

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**13. NON-COMPLIANCE MATTERS - continued**

13.4 Section 33(2): Each benefit option should be financially sound and self-supporting. In 2025, the Pride and Diversity Plans incurred net insurance deficits. During the budgeting process, deficits were factored in for the Pride and Diversity Plans. Both plans' membership profiles had deteriorated during 2025 compared to prior years, with higher pensioner and chronic ratios. In 2025, the Diversity Plan had experienced 23 high cost cases with a total cost of R 8.3 million, while the Pride Plan experienced 56 cases with a total cost of R 19.3 million. Of these cases, 7 cases were in excess of R 1 million. The non-compliance could negatively impact the scheme's solvency ratio. Member claims are managed by the administrator's clinical risk management team to manage costs. The Board of Trustees are monitoring the options very closely.

The Trustees do not consider that these non-compliance matters have had a significant impact on the operations of the scheme or on the Financial Statements.

**14. AMALGAMATION OF LONMIN MEDICAL SCHEME AND SISONKE HEALTH MEDICAL SCHEME**

The amalgamation between the Sisonke Health Medical Scheme and Lonmin Medical Scheme (LMS) was approved by the Council for Medical Schemes on 11 March 2025, with the effective date being 1 April 2025. The assets, liabilities, rights and obligations of LMS were transferred to the scheme. The amalgamation did not have a negative impact on the scheme's solvency ratio as total reserves of R 172.8 million were transferred from LMS to Sisonke Health Medical Scheme on 1 April 2025.

LMS was a not-for-profit restricted medical scheme registered in terms of the Act. Membership of the scheme was open to all current and retired employees of Lonmin.

In terms of the Act, medical schemes do not have equity therefore the scheme did not acquire any voting equity interest.

The scheme obtained control of LMS by means of the exposition requirements as set out in Section 63 of the Act.

On the date of the amalgamation 10 557 main members and 3 311 dependants joined the scheme.

No goodwill is recognised as a result of this transaction.

The amounts recognised as of the acquisition date for each class of assets acquired and liabilities assumed are set out below:

	<b>1 April 2025</b>	<b>2024</b>
	<b>R</b>	<b>R</b>
<b>ASSETS</b>		
<b>Current assets</b>	173 596 750	-
Cash and cash equivalents	167 557 658	-
Financial assets at amortised cost	1 241 074	-
Insurance contract asset	4 798 018	-
<b>Total assets</b>	<u>173 596 750</u>	<u>-</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>	172 804 687	-
Liability to members for future benefits	172 804 687	-
<b>Current liabilities</b>	792 063	-
Trade and other payables	792 063	-
<b>Total liabilities</b>	<u>173 596 750</u>	<u>-</u>

**SISONKE HEALTH MEDICAL SCHEME  
REGISTRATION NUMBER 1568**

**REPORT OF THE BOARD OF TRUSTEES - continued  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**15. REPORTABLE IRREGULARITY**

During the audit of the financial statements for the year ended 31 December 2025, the external auditor reported a Reportable Irregularity in terms of the Auditing Profession Act. A first report was issued to the Independent Regulatory Board for Auditors (“IRBA”) on 18 February 2026 by the external auditor.

The Reportable Irregularity concerned an attempted circumvention of the Supply Chain Management Policy and Approval Framework by a member of management, potentially exposing the scheme to financial and reputational risk.

Following identification of this attempted circumvention, the Board of Trustees referred the matter for investigation and review.

In accordance with the applicable legislation referred to above, a second report dated 19 March 2026 was issued by the auditor on 20 March 2026 to IRBA, confirming that the identified Reportable Irregularity is no longer taking place.

Remedial actions were taken by the Scheme to ensure non-reoccurrence. Further, the affected member of management is no longer employed by the Scheme.

The financial statements have been prepared on the basis that the Reportable Irregularity does not materially affect the reported financial position or performance of the Scheme.

\_\_\_\_\_  
H. Raubenheimer  
Chairperson

Date: \_\_\_\_\_



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