

MEETING MINUTES

FOR THE
**RMA ANNUAL GENERAL MEETING HELD ON
FRIDAY, 28th JUNE 2024 AT 09:00, VIA THE
MERCURE HOTEL; % AUAS AVIATION ROAD, WINDHOEK AND THE
ONLINE ZOOM CONFERENCING APPLICATION.**

ATTENDANCES:

TRUSTEES

- | | |
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| 1. Mr. TJOMBE, Gabriel | <i>Elected Trustee</i> |
| 2. Mr. AMUENJE, Benny | <i>Elected Trustee</i> |
| 3. Mr. ADAMS, Kevin | <i>Elected Trustee</i> |
| 4. Mr. ANGUKU, Erastus | <i>Elected Trustee</i> |
| 5. Ms. HOABES, Claudia | <i>Elected Trustee</i> |
| 6. Mr. KAMATUKA, Gerson | <i>Elected Trustee</i> |
| 7. Mr. MASULE, Raphael | <i>Elected Trustee</i> |

PRINCIPAL OFFICER'S OFFICE:

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| 8. Ms. MCLEOD, Esther | <i>Principal Officer</i> |
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MINUTE SECRETARY

- | | |
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| 9. Ms. ROUX, Sonja | <i>Prosperity Health</i> |
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1. WELCOME AND OPENING

Following the welcome from Ms. Chimana, the Director of Ceremonies, she gave the floor to Ms. Garises, an RMA Trustee, to facilitate the official opening of the Annual General Meeting. Ms. Garises acknowledged all attendees, particularly the Fund's esteemed Members, as well as the regulatory bodies NAMFISA and NAMAFA. She also recognized the external auditor, PWC, who would be presenting the Fund's annual financial statements. Additionally, Ms. Garises expressed gratitude to the operational committee for their efforts in organizing the event. She highlighted that this meeting is an opportunity for the Fund to provide feedback to its Members on the financial performance for the year 2023 and encouraged Members to engage with the Trustees during the open session scheduled after the meeting. Ms. Garises officially declared the meeting open.

2. CONSTITUTION OF THE MEETING

Ms. Chimana informed the meeting that, in accordance with the Fund Rules, the Annual General Meeting notices were communicated 21 days prior to the event. Additionally, as per the invitations sent to the Members, they were invited to submit any motions to the office of the Principal Officer. The Fund Rules stipulate that the Annual General Meeting requires a quorum of 200 members, either attending in person or by proxy.

At this juncture, Ms. Chimana welcomed the Principal Officer, Ms. Esther Mcleod, to the podium.

The Principal Officer officially announced that 112 members were registered for in-person attendance, and 1,393 members submitted proxies. This confirmed that a quorum was present, and the meeting was officially constituted. The Principal Officer reiterated that no motions were received by the Office of the Principal Officer.

3. CONSIDERATION AND APPROVAL OF THE MINUTES

The following agenda item was the approval of the previous meeting minutes. The Principal Officer confirmed that the minutes from the previous AGM were distributed ahead of the event and were made available on the RMA website. The Principal Officer then requested approval for the previously shared minutes.

The meeting minutes of the previous AGM, conducted on the 23rd of June 2023, were approved by Mr. du Plessis and seconded by Ms. Mchindo. No additional amendments or corrections were requested, and the minutes were duly approved.

4. ANNUAL REPORT – CHAIRMAN

Ms. Chimana proceeded to welcome Mr. Harold Kaune, a RMA Trustee, who were called to the podium on behalf of the Fund Chairman, Mr. Gabriel Tjombe.

Mr. Kaune proceeded to present the Fund Chairman's statement as highlighted below:

The Chairman's statement highlighted the resilience and progress of the Fund throughout 2023, despite the challenging industry environment and rising healthcare costs. The Fund focused on financial stability, which has been a cornerstone of its strategy. During the year, the Fund experienced unprecedented high claims trends, although 4% lower than the industry average. This situation weakened the reserve levels as part of the reserves were utilized to prioritize member health, demonstrating the effectiveness of strategic initiatives.

The Fund faced financial challenges, including a net deficit. However, net investment income showed robust growth due to prudent investment strategies, maintaining a diversified portfolio that balanced risk and return, thus safeguarding the Fund's stability. With a solvency ratio of 2.7 times, the Fund continued to provide comprehensive healthcare benefits without compromise, reflecting prudent management and operational efficiency.

Looking ahead, Mr. Kaune acknowledged the challenges facing Namibia's Medical Aid Fund industry. The Fund remains engaged with regulatory bodies to ensure compliance and governance. The commitment to members remains steadfast, placing them at the heart of all decisions to exceed their healthcare needs.

Mr. Kaune emphasized the Fund's commitment to financial sustainability, innovation, and transformation. The Fund aims to maintain its status as a financially stable and prudent entity, providing high-quality healthcare benefits and services. Transparency was highlighted as a key responsibility, with an overview of the Fund's 2024 product submission provided, despite it not yet being approved by the Regulator.

The Board of Trustees prioritizes the interests of every contributing member, ensuring the Fund's financial sustainability to assist in defraying medical expenses while providing competitive value-for-money benefits. The Fund is managed by a highly qualified team, and recent contribution increases were based on rigorous actuarial analysis for medium to long-term financial health. An appeal has been submitted to the Regulator's Appeal Board following the initial rejection, with decisions made in the members' best interests. Members will be kept informed of any developments.

Mr. Kaune concluded by expressing gratitude to all members for their trust and support. The achievements of the past year were shared accomplishments, and together with the Board of Trustees and dedicated staff, the Fund pledges to build on past successes and remain a leader in the healthcare industry.

Members were thanked for their continued confidence and commitment to the shared vision of the Renaissance Health Medical Aid Fund.

The Director of Ceremonies, Ms. Chimana, thanked Mr. Kaune for the affirmation provided. Ms. Chimana then proceeded to the next agenda item, which was the Principal Officer's statement, and gave the floor to Ms. Mcleod.

ANNUAL REPORT – PRINCIPAL OFFICER

Ms. Mcleod proceeded to present her overview of the year under review and the following were highlighted:

Ms. Mcleod presented the Principal Officer's statement, offering an overview of the Fund's Integrated Report, which reflected significant developments, challenges, and strategic initiatives aimed at enhancing the commitment to providing quality healthcare services.

On a positive note, the Fund's membership base grew robustly, reaching over 17,700 principal members by the fourth quarter of the reporting year. This growth was seen not just as a number but as a clear indication of the trust and confidence members place in the Fund, driving the team to continue their work with greater dedication and excellence.

Conversely, the Namibian medical aid industry faced considerable pressures during the year. Regulatory insights suggested the need for constant attention to safeguard the industry's financial well-being. Utilization rates and cost drivers, particularly in hospitals, medicine, and specialist services, remained high, necessitating innovative solutions to alleviate financial burdens and enhance sustainability.

In response to these complexities, the Fund focused on several key initiatives:

- Enhanced claims adjudication processes to mitigate unnecessary expenses and align with clinical best practices.
- Embraced technological advancements to improve waste and abuse management capabilities, enhancing operational efficiencies.
- Fostered collaborations with service providers and other stakeholders to develop new pricing models emphasizing affordability and sustainability.

The Fund remains dedicated to being member-centric, making significant enhancements to the mobile application to provide seamless access to benefits and claims information. Members were encouraged to utilize this tool to manage their healthcare needs effectively.

Looking to the future, the focus remains on financial sustainability, member satisfaction, and continuous innovation in healthcare services. The support of members, the commitment of staff, and the cooperation of stakeholders were acknowledged as the pillars driving the Fund's success.

Ms. Mcleod expressed special gratitude to the delegates of the Regulators for attending the AGM and extended deep appreciation to all members for their unwavering support and confidence in the Fund.

She acknowledged the resilience and dedication with which the Fund navigates the intricate healthcare landscape, expressing confidence in emerging victorious together.

Finally, she offered her sincerest thanks to the Board of Trustees for their wisdom and invaluable counsel during a challenging year. She also thanked the Secretariat and her team for their efforts throughout the year, encouraging them to keep the momentum.

Ms. Mcleod concluded her statement with a heartfelt thanks to everyone.

The Director of Ceremonies, Ms. Chimana, thanked the Principal Officer for her statement and proceeded to the next agenda item.

5. CONSIDERATION OF THE ANNUAL FINANCIAL STATEMENTS

Ms. Chimana informed the meeting that the draft Annual Financial Statements had been presented to and approved by both the Fund Finance Committee and the Board of Trustees. These statements were subsequently uploaded to the RMA website. As per statutory requirements, the Fund's Annual Financial Statements need to be approved by the Fund's Members before submission to the Regulator, NAMFISA. Ms. Chimana then introduced Mr. Samuel Ndahangwapo, the external auditor for RMA, and welcomed him to the podium to present the Annual Financial Statements.

Mr. Ndahangwapo, thanked Ms. Chimana for the opportunity to present the audit for the Renaissance Annual Financial Statements.

As an independent auditor to the Fund, Mr. Ndahangwapo informed the meeting that the Board of Trustees is responsible for the preparation, integrity, and fair presentation of the financial statements of the Renaissance Health Medical Aid Fund. He confirmed that the financial statements represent the financial position of the Fund as of 31 December 2023, including its financial performance and cash flows for the year, in accordance with International Financial Reporting Standards and the Medical Aid Fund Act 23 of 1995. Mr. Ndahangwapo reported that the audit for the year ended 31 December 2023 resulted in an unqualified opinion, indicating that the financial position of the Fund is fairly represented based on the work done on the submissions received.

Following a brief overview of the preparation of the Annual Financial Statements (AFS), Mr. Ndahangwapo informed the meeting that a new standard, IFRS-17, was applicable for the first time this year. IFRS-17, the International Financial Reporting Standard 17, is a global accounting standard that affects how mutual funds, including medical aid funds, report their financial information. The RMA Board of Trustees used this standard as guidance, and notes were added to the statements explaining the reporting.

Mr. Ndahangwapo explained the most significant changes to the reporting structure, which included slight modifications in determining income, expenditure, assets, and liabilities. Additionally, the terminology associated with reporting numbers has changed, as well as the classification and allocation of reported items.

With this background, Mr. Ndahangwapo shared the following details with the meeting:

- Insurance revenue (previously reported as contributions received) was N\$868,827,718.00 (eight hundred sixty-eight million, eight hundred twenty-seven thousand, seven hundred eighteen Namibian dollars).
- Insurance expenses (previously reported as claims expenses) were N\$809,661,306.00 (eight hundred nine million, six hundred sixty-one thousand, three hundred six Namibian dollars).
- The claims ratio, representing the amount of income utilized to pay claims, was reported at 95%.

- The insurance contract non-current liability (previously reported as accumulated reserves) was N\$194,353,969.00 (one hundred ninety-four million, three hundred fifty-three thousand, nine hundred sixty-nine Namibian dollars).
- The total fund assets were reported at N\$303,716,215.00 (three hundred three million, seven hundred sixteen thousand, two hundred fifteen Namibian dollars).
- The Fund's solvency level was reported at 2.8 times for the reporting period, indicating a slight decrease from the previous period. The recommended reserve level is 25%.

Subsequent to the presentation, Ms. Chimana thanked Mr. Ndahangwapo for presenting the Fund's 2023 Annual Financial Statements. She then opened the floor for questions and sought approval for the 2023 Annual Financial Statements.

Mr. Thataone approved the annual financial statements, and the approval was seconded by Ms. Zimmer.

6. BOARD OF TRUSTEE REMUNERATION STRUCTURE

Moving to the following agenda item, Ms. Chimana gave the floor to the Principal Officer to present the Trustee Remuneration Structure. The Principal Officer informed the meeting that Trustees are remunerated for their skills, knowledge, and expertise provided to the Fund and its members in their professional and representative capacities, in accordance with the RMA Remuneration Policy.

The Trustees decided not to request an increase in seating fees given the Fund's financial position. The current fee structure has been in place for the past four years, except for the long-hours meeting fee approved in 2021.

However, some Trustees are not based in Windhoek and need to travel for meetings. Therefore, approval was sought for the per kilometer (km) rate. Research indicated that the proposed rate was below the industry average. Approval was sought to increase the rate from N\$4.25 to N\$4.60 per kilometer.

Approval was granted by Mr. du Plessis and seconded by Ms. Sangwali.

The Principal Officer thanked the members, and the meeting proceeded to the following agenda item.

7. INTRODUCTION OF THE NEW TRUSTEES

Ms. Chimana informed the meeting that, in accordance with Fund Rule 21.3, the affairs of the Fund shall be managed by a Board of Trustees elected by the Members present at the Annual General Meeting. The previous term of the elected trustees from 2021 has concluded at the current AGM, and members have exercised their right to vote for the new Trustees. Furthermore, in terms of the Fund Rules, the previous Trustees are eligible for re-election.

The call for nominations was announced in April 2024, resulting in eleven eligible nominations, all of which were verified by the independent auditor. The appointed Trustees elected at the meeting will serve a three-year term. PKF, a duly registered accounting and audit firm, was appointed to oversee the entire process.

At this juncture, Ms. Chimana called upon the PKF representatives to announce the newly elected trustees.

Mr. Uwe Wolff, a representative from PKF, provided an overview of the election process, including the verification and auditing procedures conducted. These processes began the day before to ensure all necessary protocols were followed.

Mr. Wolff confirmed that the submitted proxies were verified as valid according to the Fund Rule, which stipulates that paid-up principal members may submit a proxy. PKF representatives observed the election process to ensure compliance and that Members were properly briefed on the procedure. The votes were collected from the ballot boxes by the PKF representatives and counted. One ballot form was reported as invalid. In total, 111 votes were received via ballot, and 7,188 votes, including proxies, were reported as the total votes.

Mr. Wolff proceeded to present the elected Trustees in no specific order as follows:

1. Mr. Kevin Adams;
2. Mr. Benny Amuenje;
3. Mr. Erastus Anguku;
4. Ms. Claudia //Hoabes;
5. Mr. Gerson Kamatuka;
6. Mr. Raphael Masule;
7. Mr. Gabriel Tjombe.

Ms. Chimana thanked Mr. Wolff for the thorough and diligent manner in which the audit was conducted. She congratulated the new Board of Trustees and thanked the Members for their votes.

8. VOTE OF THANKS

Ms. Chimana informed the meeting that they had reached the end of the AGM program. She invited Mr. Masule, a trustee, to the stage to present the vote of thanks.

Mr. Masule extended his gratitude to all attendees, including the Director of Ceremonies, distinguished Members of the Fund, Regulators NAMFISA and NAMAFA, external auditors, and guests. He acknowledged the support and guidance of the regulatory bodies, NAMFISA and NAMAFA.

Mr. Masule emphasized the Fund's commitment to ensuring the success of the AGM despite the intricate nature of the industry and challenging economic conditions. He expressed heartfelt gratitude to all staff members for their invaluable contributions, highlighting the importance of professionalism in the Fund's operations for the entire industry. He commended the Fund Trustees, Principal Officer, and Administrator for their expertise, dedication, strong leadership, and ability to guide the Fund towards achieving its strategic objectives.

Mr. Masule expressed deep appreciation to all members for their continued trust in RMA for their healthcare needs. He reiterated his thanks to everyone who participated in the AGM and wished all attendees well.

9. CLOSURE

Ms. Chimana thanked Mr. Masule for the vote of thanks. She informed the meeting that part one of the AGM had concluded and announced the lucky draw. Each Principal Member in attendance received a token, and five tokens were drawn by the Principal Officer and Trustees. Five hampers were awarded to the winning Members.

Ms. Chimana invited Members to collect their lunch boxes and announced that the open session would commence at 10:30. With no further matters for discussion, the meeting was concluded at 10:00.

Duly signed:

Chairman: Mr. G Tjombe

Vice-Chairman: Mr. B Amuenje

Minute Secretary: Ms. S Roux

Date: