NETCARE

Netcare Limited

Notice of annual general meeting

2024

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Letter to shareholders

18 December 2024

Dear shareholder,

Herewith please find the notice of the annual general meeting (AGM Notice) and accompanying information required by shareholders for the AGM to be held on Friday, 7 February 2025.

To request a printed copy of Netcare's 2024 Integrated Report or to provide any feedback on this report, please contact the company secretary, Charles Vikisi, at **charles.vikisi@netcare.co.za** or Netcare Investor Relations at **ir@netcare.co.za**.

If requested, a copy of the integrated report will be mailed to you immediately at no cost.

Thank you for your support.

Charles Vikisi
Company Secretary

On behalf of the Board of Netcare Limited, being duly authorised.

Notice of annual general meeting

for the year ended 30 September 2024

Netcare Limited

Registration number: 1996/008242/06
JSE share code: NTC
ISIN: ZAE000011953
(Netcare or the Company or the Group)

A. Notice of meeting

Notice is hereby given that the 28th annual general meeting (AGM) of the shareholders of the Company will be held virtually on Friday, 7 February 2025, at 10:00 Central African Time (CAT). The purpose of the meeting is to consider and, if deemed fit, to pass, with or without modification, the resolutions contained in this AGM Notice, in the manner required by the Companies Act, No. 71 of 2008, as amended (the Companies Act), and subject to the JSE Limited (JSE) Listings Requirements.

Should any shareholder (or representative or proxy for a shareholder) wish to participate in the AGM, they should apply in writing (including details on how the shareholder, representative or proxy can be contacted) to the transfer secretary via email at **netcare@4axregistry.co.za**. The transfer secretary will arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification for the purposes of section 63(1) of the Companies Act. The transfer secretary will provide the shareholder (or representative or proxy) with details on the process to register and vote online, and the link to the online registration and voting platform.

Acceptable forms of identification include original and valid identity documents, driver's licences and passports.

Shareholders are advised to ensure that they are identified and registered to attend, preferably by no later than Thursday, 6 February 2025 at 12:00, to avoid any delays in accessing the AGM.

This AGM Notice includes the attached Form of Proxy.

B. Record dates, proxies and voting

Record date to receive the AGM Notice:	Friday, 6 December 2024
Last date to trade to be eligible to attend and vote at the AGM:	Tuesday, 28 January 2025
Record date to be eligible to attend and vote at the AGM (voting record date):	Friday, 31 January 2025
Last date for lodging forms of proxy for administrative purposes:	10:00 (CAT) on Wednesday, 5 February 2025

If you are a registered shareholder as at the voting record date:
- you are entitled to attend, participate in and vote at the AGM; alternatively,
- you may appoint a proxy to attend, participate in and vote at the AGM on your behalf. Any appointment of a proxy must (a) be effected by using the attached Form of Proxy and (b) be delivered in accordance with the instructions contained in the attached Form of Proxy, failing which it will not be effective.

A proxy need not be a shareholder of the Company.

If you are a beneficial shareholder and not a registered shareholder as at the voting record date and:
- wish to attend the AGM, you must obtain the necessary letter of authority to represent the registered shareholder of your shares from your Central Securities Depository Participant (CSDP) or broker; alternatively,
- do not wish to attend the AGM but would like your vote to be recorded at the AGM, you should contact the registered shareholder of your shares through your CSDP or broker and furnish them with your voting instructions.

For either of the above options you must not complete the attached Form of Proxy.

All AGM participants are required to follow the online registration and voting process as detailed in **A. Notice of meeting** above.

C. Purpose of the AGM

The purpose of the AGM is to:
- present the annual financial statements of the Company and Group for the year ended 30 September 2024, including the Directors' Report, the Audit Committee's Report and the Independent Auditor's Report;
- consider any matters raised by shareholders; and
- consider and, if deemed fit, pass with or without modification, the ordinary and special resolutions that follow.

1. Ordinary resolutions numbers 1.1 to 1.3: Re-election of directors

"To re-elect directors who retire by rotation in accordance with the provisions of the Company's Memorandum of Incorporation (MOI) and being eligible, offer themselves for re-election.

B Bulo, L Human and I Kirk retire by rotation, and being eligible, offer themselves for re-election:

1.1 B Bulo
1.2 L Human
1.3 I Kirk."

B Bulo is available to serve until 30 September 2025.

The Board of directors of Netcare (the Board), through the Nomination Committee, has assessed the performance and independence of the directors who are standing for election or re-election. Both the Nomination Committee and the Board unanimously recommend their re-election. The Nomination Committee and the Board considered the following key factors in making this decision: in-depth knowledge of the nature of the business, past performance and contribution, support provided to new executives, and experience in the fast-changing global and competitive environment.

Percentage voting

Ordinary resolutions numbers 1.1 to 1.3 will be considered by way of separate votes. For each resolution to be adopted, the support of a majority – 50% (fifty percent) plus 1 (one) – of votes cast by shareholders present or represented by proxy at this AGM is required.

The directors biographies are contained in the AGM Notice on pages 42 to 43.

2. Ordinary resolution number 2: Re-appointment of independent external auditor

"To re-appoint Deloitte & Touche, upon recommendation of the Board and the Audit Committee, as the independent external auditor of the Company, and Spiro Tyranes as the audit partner, for the ensuing financial year ending 30 September 2025 until the conclusion of the next AGM."

The Board and the Audit Committee are satisfied that Deloitte & Touche meet the provisions of the Companies Act and have complied with the JSE Listings Requirements. The Board and the Audit Committee have proposed the re-appointment of Deloitte & Touche and Spiro Tyranes for the ensuing financial year ending 30 September 2025.

Percentage voting

For this ordinary resolution number 2 to be adopted, the support of a majority – 50% (fifty percent) plus 1 (one) – of votes cast by shareholders present or represented by proxy at this AGM is required.

3. Ordinary resolutions numbers 3.1 to 3.3: Appointment of the Audit Committee members

"To elect each of the following independent non-executive directors as members of the Company's Audit Committee:

3.1 B Bulo (chair) (subject to passing of ordinary resolution number 1.1)
3.2 I Kirk (subject to passing of ordinary resolution number 1.3)
3.3 L Stephens."

B Bulo is available to serve until 30 September 2025.

The Board has reviewed the composition of the Audit Committee against the requirements of the Companies Act, and confirmed that the members have the necessary knowledge, skills and experience to enable the committee to perform its duties. The appointments are made against objective criteria that include skills, knowledge, experience and independence, and with due regard to race and gender diversity. The Board has reviewed the expertise, qualifications and relevant experience of the appointed Audit Committee members and recommends that each director be elected.

Percentage voting

Ordinary resolutions numbers 3.1 to 3.3 will be considered by way of separate votes. For each such resolution to be adopted, the support of a majority – 50% (fifty percent) plus 1 (one) – of votes cast by shareholders present or represented by proxy at this AGM is required.

The directors biographies are contained in the AGM Notice on pages 42 to 43.

4. Ordinary resolution number 4: Signature of documents

"Resolved that any two directors of the Company are authorised to sign all such documents and do all such things necessary or incidental to the implementation of the resolutions proposed at the AGM."

5. Non-binding resolution number 1: Approval of the remuneration policy

The resolution is proposed to shareholders to endorse the Company's remuneration policy set out on pages 18 to 28 of the AGM Notice. Shareholders are reminded that, in terms of the fourth King Report on Corporate Governance for South Africa (King IV™), the passing of this non-binding resolution is by way of a non-binding advisory vote. In the event that at least 25% (twenty-five percent) of the voting rights exercised on this advisory vote are against the remuneration policy, the Board undertakes to implement the consultation process set out in the remuneration policy read together with King IV™ and the JSE Listings Requirements. Details of the manner and timing of the engagement will be released in the voting results announcement.

6. Non-binding resolution number 2: Approval of the implementation report

The resolution is proposed to shareholders to endorse the Company's implementation report set out on pages 29 to 35 of the AGM Notice. Shareholders are reminded that, in terms of King IV™, the passing of this non-binding resolution is by way of a non-binding advisory vote. In the event that at least 25% (twenty-five percent) of the voting rights exercised on this advisory vote are against the implementation report, the Board undertakes to implement the consultation process set out in the remuneration policy read together with King IV™ and the JSE Listings Requirements. Details of the manner and timing of the engagement will be released in the voting results announcement.

7. Special resolution number 1: General authority to repurchase shares

"Resolved that the Company and its subsidiaries are authorised, by way of a general authority, to acquire ordinary shares and preference shares (collectively referred to as 'Shares' for the purposes of this resolution) issued by the Company subject to the provisions of the Company's MOI, the Companies Act, the JSE Listings Requirements and provided that:

a) this authority be valid until the Company's next AGM, provided that it does not extend beyond 15 months from the date of this AGM;
b) any such repurchase be effected through the order book operated by the JSE trading system and done without any prior understanding or agreement between the Company and the counterparty;
c) an announcement, giving such details as may be required in terms of the JSE Listings Requirements, be published when the Company or its subsidiaries have cumulatively repurchased 3% of the initial number of Shares in issue of the relevant class of securities, and for each 3% in aggregate of the initial number of that class, which is acquired thereafter;
d) a general repurchase may not, in aggregate in any one financial year, exceed 10% of the Company's issued Shares of the relevant class of securities at the beginning of the financial year, provided that the subsidiaries of the Company may not collectively hold at any one time more than 10% of the Company's issued Shares;
e) no repurchase will be effected during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless the Company has in place a repurchase programme and full details of the programme have been submitted to the JSE in writing prior to commencement of the prohibited period. The Company must instruct only one independent third party, which makes its investment decisions in relation to the Company's securities independently of, and uninfluenced by Netcare, prior to the commencement of the prohibited period to execute the repurchase programme;
f) at any point in time, the Company may only appoint one agent to effect repurchases on its behalf;
g) the price at which the Company's Shares may be repurchased may not be greater than 10% above the weighted average of the market value of the Share for the five business days immediately preceding the date of repurchase; and
h) prior to entering the market to repurchase the Company's Shares, a Board resolution authorising the repurchase is passed, stating that the Board has applied the solvency and liquidity test as set out in section 4 of the Companies Act, and that the Company and its subsidiaries have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group."

The directors further undertake that they will not implement such a repurchase arrangement unless the following can be met:

a) the Company is able, in the ordinary course of business, to pay its debts for a period of 12 months after the date of the AGM Notice;
b) the assets of the Company are in excess of the liabilities of the Company for a period of 12 months after the date of the AGM Notice. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited Group annual financial statements;
c) the share capital and reserves of the Company are adequate for ordinary business purposes for a period of 12 months after the date of the AGM Notice; and
d) the working capital of the Company is adequate for ordinary business purposes for a period of 12 months after the date of the AGM Notice.

The directors will continually review the Company's position, having regard for prevailing circumstances and market conditions, in considering whether to effect the provisions of special resolution number 1.

Percentage voting

For this special resolution number 1 to be adopted, the support of at least 75% (seventy-five percent) of votes cast by shareholders present or represented by proxy at this AGM is required.

Other JSE Listings Requirements applying to special resolution number 1

	Details	Pages
Major shareholders	Extract 2	37
Share capital	Extract 3	39

Directors' responsibility statement

The directors collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that special resolution number 1 contains all information required by law and the JSE Listings Requirements.

Material changes

Other than the facts and developments reported on in the Company's 2024 integrated report, there has been no material change in the financial or trading position of the Company and its subsidiaries since the date of signature of the audited annual financial statements for the year ended 30 September 2024 and the date of this AGM Notice.

8. Special resolution number 2: Approval of non-executive directors' remuneration for the period 1 October 2024 to 30 September 2025

"To grant the Company authority to remunerate its non-executive directors for their services as directors and/or pay any fees related thereto on the following basis provided that the aforementioned authority shall be valid with effect from 1 October 2024 to 30 September 2025. Directors not registered for value added tax (VAT) will be entitled to the remuneration exclusive of VAT and registered VAT vendors will be entitled to the remuneration plus VAT at the prevailing VAT rate."

Rand	2025[1]	2024[2]
Payable per annum:		
Board chair	**1 491 000**	1 491 000
Board members	**685 000**	685 000
Audit Committee chair	**309 000**	281 000
Audit Committee members	**196 000**	188 000
Remuneration Committee chair	**226 000**	216 000
Remuneration Committee members	**132 000**	132 000
Risk Committee chair	**225 000**	215 000
Risk Committee members	**151 000**	151 000
Nomination Committee chair	**196 000**	188 000
Nomination Committee members	**132 000**	132 000
Social and Ethics Committee chair	**196 000**	188 000
Social and Ethics Committee members	**126 000**	126 000
Consistency of Care Committee chair	**258 000**	247 000
Consistency of Care Committee members	**204 000**	195 000
Payable per meeting:		
Ad hoc committee	**46 000**	44 000

1. *Exclusive of VAT and increased to take account of inflation.*
2. *Exclusive of VAT.*

Reason and effect

The reason for special resolution number 2 is to grant the Company the authority to pay remuneration to its non-executive directors for the services they render to the Company as directors in accordance with the provisions of the Companies Act. The effect of special resolution number 2 is that the Company will be able to remunerate its non-executive directors without requiring further shareholder approval until the next AGM.

Percentage voting

For this resolution to be adopted, the support of at least 75% (seventy-five percent) of votes cast by shareholders present or represented by proxy at this AGM is required.

9. Special resolution number 3: Financial assistance to related and inter-related companies in terms of sections 44 and 45 of the Companies Act

"To authorise the directors, in terms of and subject to the provisions of sections 44 and 45 of the Companies Act, to cause the Company to provide any direct or indirect financial assistance – for such amounts and on such terms and conditions as the Board may determine – to or for the benefit of:

a) any company or corporation which is related or inter-related to the Company;
b) any employee, director, prescribed officer or other person or any trust established for their benefit, in terms of any share incentive scheme described in the Company's remuneration report; or
c) noteholders in connection with the subscription of notes issued or to be issued by Clindeb Investments Limited (the Issuer) pursuant to its Domestic Note Programme, and for purposes of the subscription for any other debt instruments issued or to be issued by the Issuer from time to time."

Reason and effect

The reason for and effect of special resolution number 3 is to grant the directors of the Company the authority to cause the Company to provide financial assistance to any company or corporation which is related or inter-related to the Company, or any employee, director, prescribed officer or other person or any trust established for their benefit, in terms of any share incentive scheme described in the Company's remuneration report.

The financial assistance will be provided as part of the day-to-day operations of the Company in the normal course of its business, and in accordance with its MOI and the provisions of the Companies Act. The directors will, in accordance with sections 44(3)(b) and 45(3)(b) of the Companies Act, ensure that financial assistance is only provided if the requirements of these sections are satisfied, inter alia, that immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test set out in section 4 of the Companies Act.

Percentage voting

For this special resolution number 3 to be adopted, the support of at least 75% (seventy-five percent) of votes cast by shareholders present or represented by proxy at this AGM is required.

Such authority to be valid only until the next AGM of the Company.

Notification by the Board of Netcare Hospitals Proprietary Limited (Netcare Hospitals) in terms of section 45(5) of the Companies Act

Notice is hereby given by the Company, for and on behalf of Netcare Hospitals, to the shareholders of the Company and each of the trade unions representing any of the employees of Netcare Hospitals, that the Board of Netcare Hospitals has, on 5 December 2024, adopted a resolution authorising Netcare Hospitals to provide financial assistance to its related and inter-related companies for the financial period commencing on 1 October 2024 and ending on 30 September 2025, whereby the financial assistance may, during such period, in aggregate, exceed 1/10 (one tenth) of 1% (one percent) of Netcare Hospitals' net worth at the date of adoption of such resolution.

Although the Company, as the holding company of Netcare Hospitals, employs no persons, this notification is included in this document for convenience purposes.

10. To transact any other business that may be transacted at an AGM

11. Electronic communication

Should any shareholder (or a representative or proxy) wish to participate in the AGM, they should apply in writing (including details on how the shareholder, representative or proxy can be contacted) to the transfer secretary by email at **netcare@4axregistry.co.za**.

The application is to be received by the transfer secretary by no later than Wednesday, 5 February 2025 at 12:00 (CAT) for the transfer secretary to arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification, and for the transfer secretary to provide the shareholder (or representative or proxy) with details as to how to access the AGM virtually.

The proposed mechanism of electronic participation will be through webinar and the shareholder will be billed separately by their data provider to participate in the AGM.

Shareholders will be able to vote electronically.

12. Voting and proxies

Voting

Each ordinary shareholder entitled to attend and vote at the AGM can appoint a proxy (who need not be a shareholder of the Company) to attend, speak and vote in their virtual stead.

Ordinary resolutions proposed for adoption require the support of a majority – 50% (fifty percent) plus 1 (one) – of votes cast by shareholders present or represented by proxy at the AGM. The special resolutions proposed for adoption at this AGM require the support of at least 75% (seventy-five percent) of votes cast by shareholders present or represented by proxy at the AGM.

In terms of the JSE Listings Requirements, any shares held by share incentive schemes where the shares are controlled by Netcare from a voting perspective, will not be counted in the resolution voting process.

In terms of section 48(2) of the Companies Act, no voting rights attaching to shares held by Group subsidiaries may be exercised in respect of resolutions contained herein.

Identification

In terms of section 63(1) of the Companies Act, before any person may attend or participate in an AGM, reasonable identification must be provided to ensure that the person presiding at the AGM is reasonably satisfied that the rights of the person to participate in and vote at the AGM, either as a shareholder or as a proxy of the shareholder, have been reasonably verified.

Proxies

All shareholders will be entitled to attend and vote at the AGM or any adjournment thereof. Every shareholder of the Company who, being an individual, is present or is present by proxy at the AGM or which, being a company or body corporate, is represented thereat by a representative appointed, shall have one vote only, and on a poll every shareholder of the Company (whether an individual or a company or a body corporate) or represented by a proxy at the AGM shall have one vote for every ordinary share held by such shareholder.

Holders of dematerialised shares, other than with 'own-name' registration intending to attend the AGM, must inform their CSDP or broker of their intention, and must obtain the necessary authorisation from their CSDP or broker to attend. Such authorisation must be submitted to the transfer secretary together with the required proof of identification before the link to the online registration and voting platform will be provided. If a dematerialised holder is unable to attend the AGM in person, they should provide their CSDP or broker with their voting instructions in terms of their agreement with the CSDP or broker in the manner and time stipulated therein.

The necessary Form of Proxy is attached for the convenience of certificated shareholders and dematerialised shareholders with 'own-name' registration who cannot attend the AGM but who wish to be represented thereat. Any shareholder entitled to attend and vote at the AGM may appoint one or more persons to attend, speak and vote in their place. A proxy so appointed need not be a shareholder of the Company. To be valid, duly completed proxy forms must be received by hand at CTSE Registry Services, The District Building, Office B6, 6th Floor, 41 Sir Lowry Street, Woodstock, Cape Town, 7925, or by email at **netcare@4axregistry.co.za** preferably by no later than 10:00 (CAT) on Wednesday, 5 February 2025. A duly appointed proxy will be required to follow the online registration process to attend the AGM.

Shareholders who require more information about the online registration and voting process, can contact the transfer secretary telephonically at +27 11 100 8352 or by email at **netcare@4axregistry.co.za**.

Shareholders wishing to attend the AGM must verify beforehand with the Company's transfer secretary that their ordinary shares are in fact registered in their name. Should this not be the case, and the ordinary shares are registered in any other name or in the name of a nominee company, shareholders attending the AGM are obliged to make the necessary arrangements with the party beforehand, so as to be able to attend and vote in their personal capacity. The Form of Proxy contains detailed instructions in this regard.

Interpretation of this notice

In this notice (including the Form of Proxy attached hereto) the term:

- **'Group annual financial statements'** means the annual financial statements of the Company and Group for the year ended 30 September 2024, including the Directors' Report, the Audit Committee and the Independent Auditor's Report, which were made available to shareholders on the Company's website from 25 November 2024.
- **'Integrated reporting suite'** means the integrated report and its supplementary reports of the Company for the year ended 30 September 2024, which were made available to shareholders on the Company's website from 18 December 2024.
- **'Remuneration report'** means the remuneration report of the Company for the year ended 30 September 2024, which includes the remuneration policy and implementation report on pages 11 to 36 of the AGM Notice.
- **'Beneficial shareholder'** means the holder of a beneficial interest in shares of the Company who is entitled to cast the votes attaching to those shares but is not the registered shareholder of those shares.
- **'JSE Listings Requirements'** means the listings requirements of the JSE, as amended from time to time and as interpreted and applied or not applied by the JSE.
- **'Register'** means the Company's securities register and the Company's register of disclosures of beneficial interests in securities.
- **'Registered shareholder'** or **'shareholder'** in relation to any shares means the holder of those shares whose own name is entered in the Company's register as such and who is entitled to cast the votes attaching to those shares.

Enquiries

Any shareholders having difficulties or queries with regard to the AGM or the above are invited to contact the company secretary, C Vikisi, on +27 11 301 0265 or email **charles.vikisi@netcare.co.za**.

By order of the Board.

C Vikisi
Company Secretary
18 December 2024
Sandton

Transfer secretary:
CTSE Registry Services
The District Building,
Office B6, 6th Floor,
41 Sir Lowry Street,
Woodstock,
Cape Town,
7925
netcare@4axregistry.co.za
Tel no: +27 11 100 8352

Explanatory notes to the notice of the annual general meeting

Resolutions

Ordinary resolutions numbers 1.1 to 1.3: Re-election of directors

The Company's MOI makes provision for the annual retirement from office of a certain proportion of directors, including a director appointed after the conclusion of the Company's preceding AGM. In line with current corporate governance best practice, the appointment of each director standing for re-election will be voted on by a separate resolution.

Ordinary resolution number 2: Re-appointment of independent external auditor

To re-appoint Deloitte & Touche, upon recommendation of the Board and the Audit Committee, as the independent external auditor of the Company, and Spiro Tyranes as audit partner for the ensuing financial year ending 30 September 2025 until the conclusion of the next AGM.

Ordinary resolutions numbers 3.1 to 3.3: Appointment of the Audit Committee members

In terms of section 94(2) of the Companies Act, the Audit Committee is a statutory committee elected by the shareholders at each AGM. The proposed members of the Audit Committee are all suitably qualified, independent and collectively possess the skills which are appropriate to the Company's size and circumstances as well as the healthcare sector.

Ordinary resolution number 4: Signature of documents

The reason for proposing this ordinary resolution is that the Netcare Board requires authorisation to take various actions and sign the documents pertaining to the resolutions proposed at this meeting. It is appropriate for the members to grant this authority.

Non-binding resolution number 1: Approval of the remuneration policy

The reason for proposing this non-binding advisory vote is in accordance with the King IV™ recommendation and the JSE Listings Requirements that companies should table their remuneration policy, as contained in the remuneration report, to shareholders.

Non-binding resolution number 2: Approval of the implementation report

The reason for proposing this non-binding advisory vote is in accordance with the King IV™ recommendation and the JSE Listings Requirements that companies should table their implementation report, as contained in the remuneration report, to shareholders.

Special resolution number 1: General authority to repurchase shares

Special resolution 1 is required to grant the directors a general authority, up to and including the date of the following AGM of the Company, to approve the purchase of the Company's ordinary and preference shares by the Company or its subsidiaries. The directors consider that such general authority should be put in place to facilitate the repurchase of securities should an opportunity present itself, which would be in the best interests of the Company and its shareholders in the ensuing year.

Special resolution number 2: Approval of non-executive directors' remuneration for the period 1 October 2024 to 30 September 2025

Special resolution 2 is required to obtain approval of remuneration payable to non-executive directors for the period 1 October 2024 to 30 September 2025. The approval of the shareholders is sought to ensure the remuneration paid to the non-executive directors of the Company remains adequate for the purposes of attracting persons of sufficient calibre, experience and skill to act as non-executive directors of the Company.

Special resolution number 3: Financial assistance to related and inter-related companies in terms of sections 44 and 45 of the Companies Act

Special resolution 3 is required to grant the directors the authority to authorise the Company to provide direct and indirect financial assistance, as contemplated in sections 44 and 45 of the Companies Act, to any one or more related or inter-related companies or corporations of the Company pursuant to a shareholders' authority being procured, and provided the directors are satisfied that immediately after providing the financial assistance the Company is able to satisfy the solvency and liquidity test and the terms under which the financial assistance is given are fair and reasonable.

Extracts from the integrated reporting suite

Extract 1 Remuneration report

Dear shareholders,

On behalf of the Remuneration Committee (the committee), I am pleased to present the Netcare Group remuneration report for the financial year ended 30 September 2024 (FY 2024). The report outlines the Group's performance against FY 2024 targets, discloses the FY 2025 financial and strategic non-financial targets linked to Netcare's long-term strategy, and provides an account of the Remuneration Committee's key decisions for the year under review.

Netcare's remuneration report:

- Aligns with the principles and recommended practices of King IV™ and applies the three-part structure required by King IV™ Principle 14.
- Meets the JSE Limited Listings Requirements.
- Meets, to the extent applicable, the requirements of the Companies Act.
- Requests support through a non-binding advisory vote for the remuneration policy and implementation report.
- Includes feedback from shareholder engagement on remuneration.
- Sets out our approach to fair and responsible remuneration.

The committee has exercised its primary responsibility to ensure that Netcare retains a strong link between pay and performance – this means making sure that Netcare's remuneration arrangements for its executives and senior management are aligned with the delivery of the Group's short-, medium- and long-term strategies; and that they produce value for stakeholders in a fair, balanced and sustainable manner.

In FY 2024, Netcare delivered a solid financial performance and achieved most of the non-financial strategic goals across the consistency of care, digitisation, environmental sustainability, and people and transformation pillars, despite a volatile and challenging macroeconomic environment characterised by geopolitical turbulence, prolonged inflationary pressures, slow economic growth and high unemployment. Medical scheme membership growth remained stagnant, while the insured population maintained the trend of opting for cheaper and less comprehensive options, resulting in higher growth within restricted network schemes. Despite these challenges and seasonal inconsistencies that resulted in a weaker first half of FY 2024, Netcare managed its cost base exceptionally well with targeted efficiency activities that resulted in excellent operating leverage.

In April 2024, the Group completed the roll out of EMRs[1] across the entire ecosystem, spanning seven clinical delivery platforms: hospitals, primary care, mental health, emergency services, renal care, cancer care and occupational health. With this achievement, Netcare cemented its position as the market leader in digital healthcare innovation on the African continent, and received recognition as the winner of the prestigious Digital Innovation Award at the International Quality Awards held in London, achieving 1st place out of 87 entries from 19 countries. In the 2024 calendar year, the Group received 11 environmental sustainability awards, bringing its total of national, regional and global environmental sustainability awards to 47 since commencing its 'green' strategy in 2013. Health Care Without Harm chose Netcare as the 2024 African Health Care Climate Champion, confirming our position as a market leader in reducing carbon emissions in the healthcare sector. Netcare also received the Graduate's Choice Award as the healthcare employer of choice for SA's top students.

These excellent results were made possible by our resilient, compassionate and highly engaged people to whom we owe huge gratitude. During the year, we continued to place the wellbeing and development of our passionate people at the epicentre of our strategic priorities. We invested R69 million in human capital development to build the talent pipeline and bench strength for our core clinical functions, and to grow the management and leadership pipeline. We also rolled out a plethora of employee wellbeing initiatives, reaching 80% of our workforce. These initiatives encompassed mental health awareness and support, financial wellbeing, breast cancer screening, free flu vaccines, and BMI and cardiovascular checks, among many others. We also advanced the roll out of our compassion-based programme, Care4YOU, with the aim of embedding the culture of mindfulness and self-care. We believe that internalised and practiced self-compassion overflows into all aspects of one's life, and nurtures a harmonious workplace with a positive effect on the quality of care received by our patients. The results of our FY 2024 dipstick employee engagement survey and the Hospital Division's nurse compassion score (calculated from the results of the patient feedback survey), confirm the efficacy of this compassion-based programme. The nurse compassion score increased to 8.26 from 8.18 in FY 2023. Pleasingly, our employees received thousands of gratitude cards for their display of compassion from patients and their families, increasing the cumulative number of cards received to 82 555 since implementation in FY 2021 (FY 2023 cumulative: 53 797).

On behalf of the committee, we extend our gratitude to management and the people of Netcare for their efforts and these results, which culminated in favourable outcomes for all stakeholders, including our shareholders, patients, employees, suppliers and society.

1. EMR: electronic medical record.

Extracts from the integrated reporting suite continued

Overview of Group performance for FY 2024

The Group delivered strong financial and operational performance in FY 2024. Most financial and non-financial strategic performance metrics were met and/or exceeded, noting the following highlights:

- Normalised EBITDA[1] margin: 18.0% (FY 2023:17.4%).
- Adjusted HEPS[2]: 113.7 cents (FY 2023: 105.7 cents).
- ROIC[3]: 11.7% (FY 2023: 10.8%[4]).
- Cash conversion ratio: 96.5% (FY 2023: 100.5%[5]).
- Successfully completed the CareOn roll out in the Hospital Division, marking the completion of all EMR implementations across the Group.
- Surpassed the target for electronic doctor orders, reaching 80.8% adoption and exceeded the target for doctor e-scripting, achieving 85.6% adoption.
- Granted admitting privileges to 152 new specialists in the Hospital Division, surpassing our outperform target of 120 doctors, with a net gain of 112 doctors.
- Achieved further reduction in year-on-year carbon emissions and general waste generation across all facilities but missed our water utilisation target.
- Improved the representation of black people in our middle management echelons, meeting our FY 2024 BSC[6] target for employment equity.
- Met and exceeded targets for preferential procurement spend with ≥51% black-owned suppliers, ≥30% black women-owned suppliers and black designated group suppliers; met the threshold target for QSEs[7]; and spend with EMEs[8] tracked close to threshold.

Overview of executive remuneration for FY 2024

In light of this performance, the Remuneration Committee determined that the formulaic outcome under the Group's SIP[9] BSC was 69.1% compared to the possible maximum of 150.0%. There were no adjustments to the formulaic outcome, which was based on previously approved performance conditions.

The committee carefully considered the overall performance of the Group and each executive, and approved incentives based on the aggregated score prescribed in the SIP. The SIP requires each executive to achieve 60% on their divisional and/or individual BSC to qualify for an incentive. The SIP rules also prescribe that the incentive must not exceed 8% of EBIT, exclusive of catch-up awards.

Catch-up awards were awarded to close the gap that arose due to the deferral and subsequent cancellation of Forfeitable Share Plan 4, caused by the emergence of COVID-19. The SIP incentive for FY 2024, excluding catch-up awards, amounted to 4.2% of EBIT, and including catch-up awards, amounted to 5.0% of EBIT.

The incentive will be settled in cash (20%) and deferred shares (80%) in line with the SIP. At 0.6%, the number of deferred shares awarded fell below the 1% annual award safeguard of total issued shares. The deferred shares will vest over a five-year period for executives, with MSRs[10] applicable (outlined on page 27). This ensures that executives are exposed to share price performance and shareholder objectives, while offering them a competitive value proposition.

Structure of the report

This report comprises three parts:

- **Part 1:** provides an overview of the committee's oversight role, the key decisions taken during FY 2024 on executive remuneration, and our engagement with shareholders.
- **Part 2:** provides an overview of our SIP and rules, and the financial and non-financial strategic performance targets for FY 2025.
- **Part 3:** details how we have implemented our current remuneration policy and performance against FY 2024 targets.

Closing

The Remuneration Committee believes that the remuneration policy achieves a fair balance between rewarding executives for achieving stretching, but motivational, short-term objectives linked to long-term strategy, talent retention and the delivery of shareholder value.

The remuneration policy and implementation report will be tabled for approval at the AGM[11] to be held on 7 February 2025.

Ms Louisa Stephens
Remuneration Committee chair

1. EBITDA: earnings before interest, tax, depreciation and amortisation.
2. HEPS: headline earnings per share.
3. ROIC: return on invested capital.
4. Reported for one financial year and not the combined FY 2022 and FY 2023 ROIC of 9.8% reported in the 2023 integrated report.
5. Reported for one financial year and not the combined FY 2022 and FY 2023 cash conversion of 106.5% reported in the 2023 integrated report.
6. BSC: balanced scorecard.
7. QSEs: qualifying small enterprises.
8. EMEs: exempted micro-enterprises.
9. SIP: Single Incentive Plan.
10. MSR: minimum shareholding requirement.
11. AGM: annual general meeting.

Part 1: Background

Role of the Remuneration Committee

The Remuneration Committee's main role is to ensure that remuneration policy, practice and arrangements for executive directors and executive leadership are aligned to Netcare's short-, medium- and long-term strategies and performance; and that these deliver shareholder value in a fair, consistent and sustainable manner. The committee ensures that a strong link exists between pay and performance in line with the approved Group remuneration policy. Accordingly, it considers, approves and reviews performance against the appropriate annual financial and non-financial strategic targets that are linked to long-term strategy, ensuring that we reward superior performance linked to stakeholder expectations, and at the same time attract, retain and motivate senior executives to deliver superior results and drive Netcare's long-term growth and success.

The committee also reviews the remuneration of the Board chair, the Board of directors and related Board sub-committees, and proposes fee adjustments to shareholders for approval at the AGM. Additionally, it reviews and recommends to the Board for approval any material changes to employee remuneration and benefit structures, ensuring that the Group's remuneration practices are responsible, internally equitable and externally competitive.

The committee ensures that Netcare's remuneration reporting is straightforward, comprehensive and transparent, and it recognises the need for continuous improvement in this regard. As such, we review and approve the remuneration disclosures in the integrated and shareholder reports, and any other disclosures required by King IV™, the Companies Act and the JSE Listings Requirements. The committee also considers the results of the non-binding vote on the remuneration policy and the implementation report, and responds meaningfully to feedback from Netcare's shareholders.

Committee composition

The Remuneration Committee is duly constituted in accordance with the JSE Listings Requirements and King IV™. In the year under review, it comprised the following four independent non-executive directors:

- Ms L Stephens (appointed to the committee effective 1 January 2023 and as the chair of the committee effective 2 February 2024).
- Ms L Human (appointed to the committee effective 1 January 2023).
- Mr I Kirk (appointed to the committee effective 1 January 2024).
- Mr M Bower (retired from the committee on 30 September 2024).

All Netcare Board members are entitled to attend committee meetings as observers.

Netcare's company secretary acts as the secretary of the committee. The CEO[1], CFO[2] and director for human resources and transformation, as well as external advisors, may be invited to attend committee meetings, as and when appropriate. No member of the Executive Committee is allowed to attend meetings that relate to their own remuneration outcome.

1. *CEO: chief executive officer.*
2. *CFO: chief financial officer.*

Extracts from the integrated reporting suite continued

Key decisions of the Remuneration Committee in FY 2024

The Remuneration Committee met twice during the year to provide strategic guidance and approvals as reported below.

2024 salary adjustments	Approved above CPI[1]-linked (higher) salary increases for employees in non-managerial roles. The Executive Committee and senior managers received varying CPI-linked salary increases. This intentional lower salary increase for executives and senior managers reflects our continued commitment to progressively narrow the income gap between the Group's highest and lowest income earners.	*Page 29*
Salary adjustments and special allowances for critical skills	Due to the nursing shortage, continued to offer nursing staff higher salary adjustments than non-nursing employees, including skills allowances. Higher salary increases were given to qualified registered nurses working in high care as well as ICU[2], theatre, recovery, maternity and emergency department nursing staff. The skills allowances for nurses in scarce and critical specialist roles were increased, and meal allowances were increased across the board.	
Professional registration fees for scarce and critical skills	Paid the SANC[3] annual professional registration fees for all practicing nurses in our employment, as well as the HPCSA[4] annual professional fees for certain permanent employees in emergency services and permanent dental assistants.	
Wage negotiations	Endorsed the mandate and the outcome of the wage negotiations for FY 2024/25. For the third consecutive year, we successfully concluded wage negotiations and reached agreement on terms and conditions of employment with all three recognised trade unions without disputes. To promote fairness and enhance pay parity, the same wage increments and terms and conditions of employment concluded with the three recognised trade unions were extended to other employees in non-bargaining units.	
Vertical income inequalities	Conducted a vertical income analysis using the total remuneration of the top 5% of the Group's earners divided by the total remuneration of the bottom 5% of the Group's earners. We conducted this exercise in response to the Companies Amendment Act (effective date yet to be announced), which requires companies to disclose vertical income inequalities, although principle and methodological questions have been raised on this upcoming requirement. The results of our analysis show that the remuneration earned by the top 5% is 9.2 times that of the bottom 5%.	*Page 28*
Executive directors' remuneration	Conducted an interim[5] external benchmarking of the CFO's remuneration to determine whether the higher salary adjustments granted over the past two years have narrowed the previously identified gap in pay. The results confirm that the CFO's salary now compares well to industry benchmarks.	*Page 20*
Non-executive directors' remuneration	Considered the outcome of an independent benchmarking exercise and proposed adjustments to NED[6] remuneration for FY 2025, which will be presented for approval at the next AGM.	*Page 20*
Group and Executive Committee performance	Reviewed and approved the Group BSC performance for FY 2024, and the BSC performance of each Executive Committee member. Based on achievements against targets, the committee approved the award of incentives in line with the rules of the SIP.	*Page 30*
Short-term incentives and long-term incentives	Considered and approved the financial and non-financial strategic BSC targets for FY 2025, taking into account the shareholder feedback received on the FY 2024 remuneration policy and implementation report.	*Page 25*

1. *CPI: consumer price index.*
2. *ICU: intensive care unit.*
3. *SANC: South African Nursing Council.*
4. *HPCSA: Health Professions Council of South Africa.*
5. *Executive director remuneration is benchmarked every two years.*
6. *NED: non-executive director.*

Shareholder engagement

The Remuneration Committee is committed to enhancing Netcare's remuneration practices, and ensuring that our remuneration reporting is comprehensive, transparent and meets shareholder expectations. Accordingly, the committee chair and certain members of the Executive Committee met with shareholders in November 2023 and January 2024 to discuss Netcare's remuneration policy and report. Shareholders provided valuable feedback to which the committee has given due consideration.

Below is a summary of salient feedback and our response.

Shareholder feedback	Netcare's response
Shareholders required assurance that Netcare has the right systems to adequately vet Board member credentials.	The circumstances surrounding the appointment of a former Board member whose qualifications were publicly questioned in 2024 were explained. The director in question resigned from the Netcare Board in 2022. The Remuneration Committee chair assured shareholders that our processes and controls to credential Board members have since been strengthened; shareholders were comfortable with this assurance.
Shareholders questioned whether the shares for the SIP would be bought back in the market, and requested confirmation that no new shares will be issued to prevent permanent dilution.	The scheme's rules prevent the issue of new shares for this purpose. Our remuneration report clearly stipulates that "the shares required to settle deferred share awards are purchased in the market as soon as possible after their award or treasury shares are allocated, but no new shares are used for this purpose" (see page 23).
Shareholders observed that the HEPS growth target for FY 2024 appeared lacking relative to EBITDA margin targets.	While we aim to increase margins in line with the published targets, our tax rate is likely to normalise to a level slightly higher than the SA corporate tax rate. In addition, the higher interest rate environment is expected to continue for some time, impacting our finance costs.
Some shareholders expressed the view that the SIP limits performance measurement to a single year, which could result in the prioritisation of short-term outcomes at the expense of long-term strategy. They also felt that the SIP is inaccurate in its evaluation of a five-year period against a one-year period.	While our BSC targets are set for a one-year timeframe, their significance extends far beyond the immediate horizon. Aligned with the Group's overarching long-term strategy and capital allocation policy, our targets are strategically set to contribute to the sustained enhancement of ROIC and other crucial financial metrics over time. We ensure that every milestone achieved connects to Netcare's vision and supports our commitment to delivering Netcare's strategy and long-term strategic objectives. In addition, the SIP is settled in cash and deferred shares for executive directors, Executive Committee members and prescribed officers. The cash portion is settled in December of each year and the balance in deferred share awards, which vest at 20% per annum over five years for this group of employees. Importantly, these executives are required to hold shares in the Company and retain vested shares awarded to align the interests of executives with those of shareholders. These MSRs have been benchmarked against our peers. Executives must build up to the target MSR, following which a new measurement date is set on a rolling basis, against which the target MSR will be measured.
Shareholders requested clarity on why Sun International and Vukile were added to the benchmarking peer group.	There are limited local healthcare comparator groups within the South African market, more so since the delisting of Mediclinic. Within the benchmarking peer group, we needed comparators that are smaller than Netcare to balance the impact of the larger comparators and ensure that the median size of the comparators is closer to that of Netcare. Having explored a range of companies to add, we settled on Sun International and Vukile, despite them not being part of the healthcare sector, as they share the characteristics of managing a large complex portfolio of property, human capital resources and equipment to provide services to their customers.
Shareholders wanted to know how often Netcare benchmarks Board member fees. While shareholders acknowledged the 0% year-on-year increase, it was felt that the current fees are high relative to the broader market.	In FY 2022, the Remuneration Committee decided to extend the benchmarking period for NED fees to every two years with no benchmarking conducted for FY 2023. As Netcare's NED fees are recognised as being higher than the market median, the committee has not awarded fee increases to NEDs since FY 2019, except for certain committees which benchmarked below the market median. The same approach was taken in FY 2024.

Extracts from the integrated reporting suite continued

Shareholder feedback	Netcare's response
At present, ROIC targets are slightly higher than WACC[1]. Shareholders asked management how they envision the ROIC target progressing over time.	Netcare's ROIC has shown steady recovery since COVID-19's negative impact. It is important to note that strategic costs are not added back when calculating ROIC or other financial metrics included in the BSC. These operational strategic costs of R258 million for FY 2023 (FY 2022: R249 million; FY 2021: R172 million) have weighed on the Group's margins, earnings and ROIC. The estimated impact of these costs on ROIC was 1.0% in both FY 2022 and FY 2023. Additionally, WACC has increased with rising interest rates. However, as reflected in the FY 2024 scorecard, the minimum threshold for ROIC is set equal to WACC and WACC + 0.5% is required to achieve an on-target performance. Our focus is to drive ROIC upwards over time.
Shareholders observed that the payment of professional fees seems to have become a widespread practice across the industry and wanted to understand how Netcare differentiated staff remuneration elements that resulted in such an impressive decline in staff turnover.	In a scarce skills market, both locally and globally, competing on remuneration alone is insufficient to drive the significant reduction in staff turnover that Netcare has achieved. In addition to our competitive remuneration, increased skills allowances for certain specialised roles and professional fee payments, we have been intentional about embedding the organisational culture of care and compassion as the key differentiator to drive employee engagement and retention. Care4YOU, which targets permanent, fixed-term, and third-party workers, embeds the culture of care, psychological safety and compassion; and the gratitude programme has enhanced the sense of visibility and recognition felt by employees. We have also driven a culture of DEI[2] and belonging, maintained our focus on employee wellbeing, introduced greater flexibility in how employees structure their benefits, and enabled employees to access their variable pay before pay day. All of these initiatives have sent a positive message to our employees that we do care.
Shareholders wanted to understand the reason for the different adoption rates for e-scripts and clinical orders. In FY 2023, an adoption rate of 82.4% was achieved for e-scripts and 76.5% for clinical orders.	Prescriptions and clinical orders are distinctly different in a clinical setting. Standard practice is that doctors write out a prescription for medication, and nurses capture theses orders. The CareOn implementation has caused a surprising shift in behaviour, with doctors willing to place orders themselves given the ease of doing so. As a result, this metric has improved and continues to steadily climb, edging closer to the levels achieved for e-script adoption.
Given that an adoption rate of 82.4% was achieved for e-scripts in FY 2023, shareholders wanted to know why a threshold level of 80% was deemed appropriate for FY 2024.	In normal clinical practice, there will always be an expected and acceptable level of telephonic or transcribed prescriptions – estimated to be around 15% to 20% (case type or hospital related). There are various reasons for this, for example, doctors being offsite after hours or surgeons being scrubbed in for theatre and unavailable. Hence, this metric can never reach 100%. However, the measure continues to be a useful proxy for adoption, and any score in excess of 80% represents voluntary and willing adoption beyond standard practice in a paper-based environment. Once again, CareOn has shifted behaviour, with doctors prescribing medicine remotely and even choosing to use an iPad to write a prescription rather than dictate it to a nurse over the telephone. This accounts for the steady climb in this metric to over 80%, and in some facilities goes beyond 90%. While impressive, this metric largely depends on individual behaviours and approaches to clinical practice – with or without CareOn.

1. *WACC: weighted average cost of capital.*
2. *DEI: diversity, equity and inclusion.*

Shareholder feedback	Netcare's response
Shareholders questioned whether the nurse compassion on-target and outperform targets for FY 2024 were sufficiently stretching, given that they remain broadly similar to FY 2023 despite the improvement seen from 8.11 in FY 2022 to 8.18 in FY 2023.	The methodology used to calculate the nurse compassion for FY 2024 has been changed to reflect only acute hospital data given that global patient experience research recognises that acute hospitals routinely have lower patient satisfaction scores than sub-acute and day facilities. To establish our target, we used a methodology that calculates the highest achievable score based on historical data, ensuring the target is statistically sound while also appropriately ambitious. This approach aligns with globally recognised quality improvement and research standards, balancing scientific rigour with operational feasibility. We also considered the improvement we were able to achieve from FY 2022 to FY 2023, and set the FY 2024 target to the same percentage improvement as was achieved over the previous period. The threshold target represents 50% and the outperform target represents 150% of the improvement seen in FY 2023. Finally, patient feedback scores follow a logarithmic curve rather than a linear curve, meaning that a change from 8.1 to 8.2 is harder to achieve by a significant degree of magnitude than a change from 8.0 to 8.1.
Shareholders asked what the targeted DEI and belonging percentage was over time.	Overall, our workforce is closely aligned to the national EAP[1]; however, we remain behind the national EAP at middle management and above. We are committed to transforming these management levels to reflect SA's economically active demographics. Black people (African, Indian and Coloured) collectively comprise around 90% of the national EAP.
Shareholders asked for clarification on Netcare's WACC.	In FY 2024, WACC was 12.3% (FY 2023: 11.9%; FY 2022: 10.7%).
Shareholders wanted to know what the Group expected diesel costs to be for FY 2024.	We had expected diesel costs to be approximately R92 million for FY 2024; however, due to Eskom's sustained electricity generation and supply for the year, the actual costs were lower at R47 million (FY 2023: R124 million).

The Remuneration Committee is satisfied that it has responded comprehensively to shareholder feedback and expectations. Pleasingly, 91.9% of shareholders voted in favour of our remuneration policy (FY 2023: 85.1%) and 91.8% voted in favour of our implementation report (FY 2023: 87.0%).

	2024			2023		
	Votes in favour	**Votes against**	**Abstentions**	Votes in favour	Votes against	Abstentions
Remuneration policy (%)	**91.9**	**8.1**	**0.1**	85.1	14.9	6.0
Implementation report (%)	**91.8**	**8.2**	**0.1**	87.0	13.0	–
NED remuneration (%)	**94.4**	**5.6**	**0.1**	97.2	2.8	–

Non-binding advisory votes

Both the remuneration policy and implementation report for FY 2024 will be presented for separate non-binding advisory votes from shareholders at the AGM to be held on 7 February 2025. The related resolutions are set out in the 2024 AGM Notice.

Should the remuneration policy and/or implementation report be voted against by 25% or more of the voting rights exercised at the 2024 AGM, we will engage with shareholders to fully understand the reasons for dissenting votes and to address legitimate and reasonable objections raised.

Board approval

The Remuneration Committee reviewed and approved the remuneration report on 10 December 2024.

1. *EAP: economically active population.*

Extracts from the integrated reporting suite continued

Part 2: Remuneration policy

Subject to non-binding advisory vote at the AGM to be held on 7 February 2025

FY 2024 marked the third year since the adoption of the SIP. It is also the last year of the catch-up awards, granted in FY 2022, FY 2023 and FY 2024, to close the gap that arose due to the deferral and subsequent cancellation of Forfeitable Share Plan 4, caused by the emergence of COVID-19. The catch-up awards have been used to ensure that, over time, the affected employees receive the intended LTI[1] awards that are market-aligned, provided they meet the required performance conditions.

The SIP ensures that our remuneration is responsive to the difficulties around forecasting targets in a volatile market. It is designed to ensure we offer a competitive value proposition for high-performing executives and senior managers, and that we set stretching, but realistic, annual performance targets that are linked to the delivery of Netcare's long-term strategy. The annual SIP targets are comprehensive and encompass both financial and non-financial strategic objectives. They create alignment between our annual performance, executive incentives, shareholder value creation and stakeholder expectations. The SIP combines STIs[2], given to employees based on their performance, and long-term value provided through earned deferred shares, which supports employee retention and links further employee reward to Netcare's share price, aligning their interests with the long-term success of the Group.

The SIP is externally benchmarked to drive and reward a high-performance culture that supports Netcare's strategy of providing person centred health and care that is digitally enabled and data driven, underpinned by the strategic priorities listed below.

Consistency of care
Consistently delivering excellent clinical services and ensuring that the best and safest person centred care is delivered to our patients.

Disruptive innovation
Implementing medical technologies, digitisation and data solutions for the benefit of our business, patients and doctors.

Transformation
Contributing to the transformation of our society through continued investment in the growth and development of our employees and communities.

Organic growth
Driving strategic engagements with doctors and funders, investing to maintain the quality of our facilities, and developing new products and services to promote inclusivity and access to healthcare.

Integration
Creating strategic and synergistic partnerships between all of the Group's divisions and functions.

Investment
Creating economic value and optimising capacity utilisation.

Environmental sustainability
Maintaining and improving our local and global leadership in environmental sustainability within healthcare services and driving environmental performance excellence.

1. *LTI: long-term incentive.*
2. *STI: short-term incentive.*

The remuneration policy aims to achieve a fair balance between a competitive annual guaranteed package and incentive remuneration. It also includes MSRs and malus and claw-back provisions to mitigate the risk of adverse events that could materially harm Netcare and/or its stakeholders.

Remuneration policy objectives

Attract, retain and grow

Recruit, retain and grow high-quality compassionate employees to achieve Netcare's strategic priorities.

Reward

Ensure that all employees are recognised and rewarded for their performance in a fair, equitable and consistent manner.

Competitive remuneration

Ensure that remuneration and benefits are competitive within the healthcare industry.

Financial wellbeing

Recognise the basic needs of employees and ensure that compensation levels consistently address the cost of living and inflation.

Set goals

Reward employees for achieving predetermined business and personal performance targets, and ensure that remuneration is aligned to documented performance targets.

Sustainability

Ensure that employee costs are within budget as determined by the Executive Committee and approved by the Board, and are therefore sustainable.

Extracts from the integrated reporting suite continued

Remuneration philosophy

Our remuneration philosophy is to ensure that our employees are fairly, reasonably, responsibly and competitively rewarded for their contribution to the Group's strategic, operating and financial performance. It guides our remuneration policy and supports our ability to attract and retain talent at every level of the organisation while complying with the applicable laws and codes of good practice.

Principle		Value creation
Secure crucial skills.	→	Provide world class health and care.
Reward the achievement of strategic and operational priorities and exceptional performance.	→	Successful delivery of the Netcare strategy and an engaged workforce.
Provide talented executives and managers with appropriate reward and retention mechanisms.	→	Alignment between management and stakeholder objectives for the long-term sustainability of the business.

Benchmarking

Our remuneration policy and practices, including structured packages, STIs, LTIs and benefits, are periodically benchmarked against the broader market and industry to ensure that our remuneration trends are internally equitable and externally competitive, and take into account factors affecting the Group's financial position, the industry and the South African economy.

Benchmarking of NED fees

The Remuneration Committee engaged Bowmans to conduct the external benchmarking of NED fees; the outcome confirming that the Board's decision to freeze NED fee increases since FY 2019 has been effective in aligning NED fees more closely to the market median.

For FY 2025, the committee proposes to continue the freeze on fee increases for the Board chair, Board members and members of the Nomination Committee, Risk Committee, Remuneration Committee and Social and Ethics Committee, as these benchmark above the market median. The committee also proposes a CPI-linked adjustment of 4.5% in NED fees for the members of the Audit Committee and Consistency of Care Committee as well as the chairs of the Nomination Committee, Risk Committee, Remuneration Committee, Social and Ethics Committee and Consistency of Care Committee. A fee adjustment above CPI is proposed for the chair of the Audit Committee (see page 36).

Benchmarking of executive directors' remuneration

We externally benchmark executive director remuneration every two years. The last benchmarking, conducted in FY 2023, showed that the CEO's 'on-target' total remuneration at the standard policy level, without catch-up awards, closely aligned to the market median at 99% and, inclusive of catch-up awards, at 135%. The CFO's total 'on-target' remuneration on a normalised basis (excluding catch-up awards) fell below the tolerance band, but aligned closer to the market median at 97% inclusive of catch-up awards. The Remuneration Committee subsequently approved a higher salary adjustment for the CFO in FY 2023 and FY 2024, and conducted another external benchmark this year to assess the extent to which the gap had been narrowed. Bowmans conducted the benchmarking, with results showing that the CFO's remuneration is now well-aligned with the market.

Benchmarking comparator groups

We selected an appropriate comparator group of South African listed companies for benchmarking both the NED and CFO's remuneration. Mediclinic, previously included in the benchmarking as a direct competitor, has since delisted. It has been replaced with Growthpoint, and Redefine replaced Vukile to rebalance the comparator group sizing. Discovery Health is not included due to its growing global complexity and it being in a different business sector, even though it is in the health value chain. The comparator group, shown on the next page, has been carefully selected based on market capitalisation, revenue, total assets and number of employees.

Company	Industry
Adcock Ingram	Pharmaceuticals
Life Healthcare	Private healthcare
Dischem	Retail pharmacy
Clicks	Retail pharmacy
Aspen	Pharmaceuticals
Sun International	Hotel and leisure
Redefine	Property
Growth Point	Property

Executive remuneration structure

The remuneration packages for executive directors, prescribed officers and senior executives for the year ended 30 September 2024 comprised fixed remuneration (AGP[1]) and variable remuneration (STI and LTI) awarded in line with the SIP.

Annual guaranteed package (fixed remuneration)

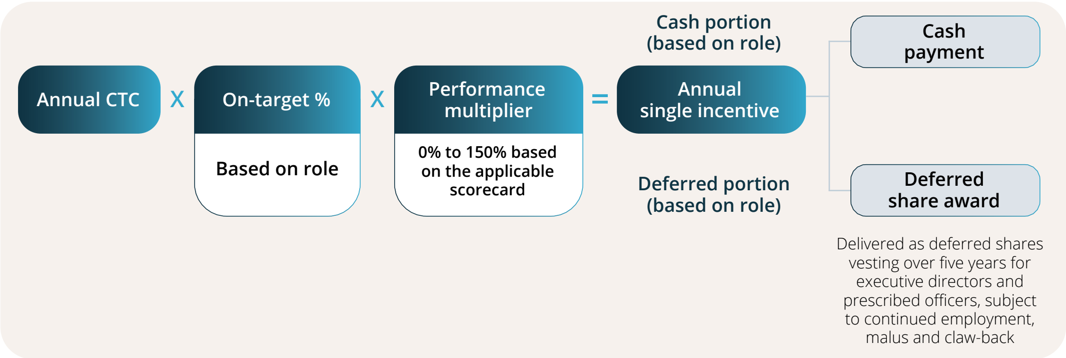
Objective	Reflect individual contribution and market value relative to role and to recognise skill and experience.
Basis for determination	Guaranteed pay includes salary and benefits. It is determined based on the complexity of the role, market value, the ongoing review of personal performance, and contribution to Netcare's overall performance and values. Guaranteed remuneration is reviewed annually, and increases become effective in March. Annual increases consider factors such as prevailing economic conditions, inflation, Group performance and affordability, change in responsibilities, internal and external benchmarks, and average salary increases.
Delivery	Monthly payment after deducting contributions for statutory taxes, retirement funding and the medical scheme. The Group also makes contributions to group life assurance cover, funeral cover and disability insurance.

1. AGP: annual guaranteed package.

Extracts from the integrated reporting suite continued

Single Incentive Plan (variable pay)

Objective	• Reward, in cash and deferred shares, Group performance and individual contribution in the short and long term. • Align with shareholder interests and other important stakeholder objectives. • Provide a competitive value proposition for loyal, high-performing employees and build wealth for them over the longer term. • Achieve simplification and consistency across the organisation to enhance understanding and administration. • Develop flexible and customised performance criteria to drive the required business outcomes and performance on an annually reviewed basis, balanced across financial and non-financial performance.
Eligibility	Executive directors, prescribed officers, senior executives and managers.
Basis of determination	The SIP is calculated by multiplying the individual's annual CTC[1] by an on-target percentage (this being the total incentive for which the individual qualifies when meeting objectives) and the performance multiplier based on BSC achievement for the measured period as illustrated below.



The on-target percentage for the catch-up period (FY 2022, FY 2023 and FY 2024) for the eligible participants is illustrated in the table below.

Executive leadership	On-target	Cash payment	Deferred share award
CEO	200%	20% of the total	Balance in deferred shares (over five years)
CFO and managing director Hospital Division	165%	20% of the total	Balance in deferred shares (over five years)
Executive Committee	125%	20% of the total	Balance in deferred shares (over five years)

From FY 2025 onwards, on-target percentages for all eligible participants will normalise as illustrated in the table below.

Executive leadership	On-target	Cash payment	Deferred share award
CEO	120%	33% of the total	Balance in deferred shares (over five years)
CFO and managing director Hospital Division	100%	33% of the total	Balance in deferred shares (over five years)
Executive Committee	75%	33% of the total	Balance in deferred shares (over five years)

1. *CTC: cost-to-company.*

Single Incentive Plan (variable pay) continued

Basis of determination continued	**Performance multiplier** • Below threshold: 0% • Threshold: up to 50% • On-target: up to 100% • Outperform: up to 150% Linear interpolation is applied for performance between threshold and on-target, and on-target and outperform. The annual value of the performance multiplier is determined based on Group and functional scorecards. This ensures that the scorecards for different roles drive the performance of the relevant entity/division/function, while retaining a minimum level of exposure to Group outcomes for all participants to avoid 'siloed' behaviour. **CEO:** Group BSC 100% **CFO:** Group BSC 80% and divisional BSC 20% **Executives (F band):** Group BSC 60% and divisional BSC 40% A score of 60% is required on the BSC at Group, divisional and/or personal and business unit levels to qualify for an incentive.
Delivery	The SIP is settled in cash and shares for executive directors and prescribed officers. The cash portion is settled annually in December of each year. The balance, in deferred share awards, vests at 20% per annum over five years for the members of the Executive Committee and prescribed officers. The deferred awards are governed by a set of plan rules in line with the salient features described below and are issued in December of each year. While this formulaic determination provides the quantum of eligibility each year, the Remuneration Committee has discretion to determine the final award.
Salient features of the deferred shares	• The deferred shares are forfeitable shares that are procured as soon as possible after the award date, or treasury shares are allocated, and held in escrow for the benefit of the participants. • The shares qualify for ordinary dividends and voting rights, but special dividends must be used to acquire further shares that are subject to the same terms as the underlying awards. • In the case of fault termination of employment, including resignation, retirement before normal retirement date and dismissal for disciplinary reasons, all unvested awards will be forfeited or cancelled. If the Remuneration Committee decides that the circumstances surrounding the termination warrant the retention of deferred shares in terms of the DSP[1], then the committee may indicate in writing to such participant that they may retain their award, in full or in part, notwithstanding that they are no longer employed by the Group. • In the case of no-fault terminations of employment, including disability, retirement at normal retirement age and termination of employment due to operational reasons, the awards will vest on the original vesting dates, without acceleration. In the case of death, the awards will vest as soon as practically possible. • In the case of change of control, a portion of the awards will vest, on a time pro-rated basis to reflect the portion of the applicable vesting period served, with the balance continuing in force on the original terms or replaced by awards of similar value, if this is not possible. • In the event of a change of capital structure, the Remuneration Committee may make changes to the awards so that they have materially the same value before and after the transaction. • The aggregate costs of the SIP were benchmarked against the costs of continuing the LTI (Forfeitable Share Plan) and STI scheme. The costs for on-target performance under the SIP are broadly similar over a five-year period.

1. DFS: Deferred Share Plan.

Extracts from the integrated reporting suite continued

Single Incentive Plan (variable pay) continued

Other deferred share awards	The SIP permits the granting of awards of deferred shares that are not part of the annual SIP, including: • Sign-on awards included in the employment agreement for new employees, generally to compensate them for awards from a previous employer that are forfeited on resignation; and • Specific retention or counter-offer awards, which are not generally made to executive directors and prescribed officers. Such awards are motivated by the CEO and approved by the Remuneration Committee.
Discretion and safeguards	The annual single incentive is subject to the discretion of the Remuneration Committee, which is applied to reduce the overall quantum of the single incentive, in certain circumstances such as: • The aggregate value of the SIP for the year (including the cash and deferred portion, but excluding the additional transition and/or catch-up awards) is more than 8.0% of EBIT; and • The total number of deferred share awards for the year is more than 1.0% of shares in issue.
Procurement of deferred shares	The shares required to settle deferred share awards are purchased in the market as soon as possible after their award, or treasury shares are utilised and no new shares are used for this purpose.

Group BSC FY 2025

Area	Weighting	Measure	Weighting	Target range: Threshold	Target range: On-target	Target range: Outperform
Financial results	60%	**EBITDA margin:** growth on FY 2024	**15.0%**	18.0%	18.0% + 0.2%	18.0% + 0.5%
		Adjusted HEPS: growth on FY 2024	**15.0%**	113.7 cents + CPI + GDP + 0.5%	113.7 cents + CPI + GDP + 2.0%	113.7 cents + CPI + GDP + 4.0%
		ROIC	**15.0%**	WACC	WACC + 0.5%	WACC + 1.0%
		Cash conversion	**15.0%**	90.0%	97.5%	107.5%
			60.0%			
Consistency of care	10%	**Perception of care measured in 'overall satisfaction score – composite score':** positively impact on overall satisfaction as measured through a composite set of scores	**5.0%**	8.22	8.27	8.42
		Doctor partnership: increase digital booking of theatre cases through our bespoke theatre resource planning tool, resulting in more comprehensive clinical information included in the Summary of Care reports	**5.0%**	25% of all elective surgical cases booked digitally	50% of all elective surgical cases booked digitally	80% of all elective surgical cases booked digitally
			10.0%			
Digitisation and application of clinical data	10%	**CareOn:** sustain and improve CareOn adoption among doctors by measuring the percentage of orders placed by doctors on CareOn	**2.5%**	80.0%	81.5%	84.0%
		Digitally enabled clinical decision support: implement predictive AI[1] algorithms that inform clinical decision-making at the bedside, resulting in improved quality, safety and efficiency of care	**2.5%**	1 prediction model	2 prediction models	3 prediction models
		Data: enrich Netcare's Big Data analytics platform with new data domains to facilitate clinical efficiency	**2.5%**	4 new data domains added to existing 6 (10 in total)	6 new data domains added to existing 6 (12 in total)	10 new data domains added to existing 6 (16 in total)
		Data: establish self-sustaining satellite business units with direct access to Netcare's Big Data analytics platform to identify, plan and monitor data driven improvement opportunities and to support clinical research	**2.5%**	4 new units	6 new units	12 new units
			10.0%			
Environmental sustainability	10%	**Energy efficiency:** additional tCO_2e[2] avoidance from new projects implemented	**2.0%**	4 300	4 700	5 100
		Renewable energy: additional tCO_2e avoidance from new projects implemented	**2.0%**	1 100	1 300	1 500
		Water savings: additional water recycled and reduced consumption	**2.0%**	14 000 kl	17 000 kl	19 000 kl
		General waste: reduction in Hospital Division waste to landfill	**2.0%**	67.5%	75.0%	80.0%
		HCRW[3]: reduction in Hospital Division HCRW to landfill	**2.0%**	16.6%	20.0%	25.0%
			10.0%			
Human capital and transformation	10%	**Talent and succession:** percentage of strategic management and leadership roles with identified talent ready to transition within a period of between 12 to 24 months	**5.0%**	50.0%	70.0%	100.0%
		Labour turnover	**2.5%**	12.0%	11.8%	11.0%
		Improve racial representation at senior management level	**2.5%**	48.0%	50.0%	52.0%
			10.0%			
	100%	Total	**100.0%**			

1. *AI: artificial intelligence.*
2. *tCO_2e: tonnes of carbon dioxide emissions.*
3. *HCRW: healthcare risk waste.*

Extracts from the integrated reporting suite continued

FY 2025 financial targets

The financial metrics for FY 2025 remain unchanged. The related targets reflect further improvement in operational performance against a background of cautious optimism for the recovery of SA's economy. While the business is expected to benefit from digital efficiencies and operational improvements, there are countervailing pressures in terms of a stagnant medically insured pool, with consumers tending to favour more affordable restricted network plans. This is reflected in the targets set for EBITDA margin, which anticipate moderate margin expansion. The adjusted HEPS target reflects a commitment to continued earnings growth. This, combined with a consistent dividend in line with our payout policy of 50%-70%, should generate a total return in line with the typical pension fund benchmark for equity portfolios.

FY 2025 non-financial targets

Our FY 2025 targets for the four key non-financial strategic priorities demonstrate the progressive maturation of our consistency of care, digitisation and data analytics, environmental sustainability, and people and social transformation strategies.

Consistency of care – we have embedded the culture of compassion in our care as measured through the nurse compassion score on the Hospital Division's PFS[1]. In FY 2025, we will advance these efforts and leverage Big Data and innovative analytics to monitor, deliver and improve overall clinical efficiency, clinical outcomes, patient safety and the quality of our care. Hence, we have selected a consistency of care performance measure that focuses on the overall experience and satisfaction of patients based on a composite score. The composite score is an objective measure that reflects the weighted average score of six drivers of overall patient satisfaction. The second performance measure is aimed at providing more accurate and comprehensive clinical information in the Summary of Care reports to patients. This will be measured by the appropriate and increased use of our bespoke digital booking of theatre cases and embedded clinical coding tool.

Digitisation – having completed the roll out of the Hospital Division's EMR system, CareOn, EMR systems are now in place and operating across all of our delivery platforms. Our aim now is to embed CareOn in the business and improve doctor adoption. This will be measured through further improvement in the percentage of orders initiated by doctors on CareOn. Our strategy is pivoting towards maximising predictive AI and data analytics to inform better clinical decision-making at the bedside, as we strive for continual improvement in consistency of care. Our targets are therefore geared towards enriching Netcare's Big Data analytics platform with new data domains to facilitate key improvement projects and clinical efficiency; and providing business units with direct access to the platform to identify, plan and monitor data driven clinical improvement opportunities and research.

Environmental sustainability – we have set aggressive targets to advance our energy, water and waste objectives to ultimately meet our 2030 strategic objectives of reaching zero waste to landfill, zero Scope 2 emissions and an additional 20% water intensity reduction. Due to the progress made between FY 2021 and FY 2023, the close out of the 2023 environmental strategy, and to prevent the lingering impacts of COVID-19 from affecting our targets, we reset our 2030 environmental sustainability strategy baselines to FY 2023, adjusting our targets to reflect the progress made in the interim. For example: our original target was to reduce water intensity by 20% from an averaged 500 litres per bed per day to 400 litres per bed per day, in the interim we reduced water intensity by 15%, and the updated target for water intensity is now a 5% reduction on FY 2023.

For FY 2025, our energy-specific targets relate to reducing our carbon emissions for the year, particularly through our new energy efficiency and renewable energy projects. To drive the diversion of waste from landfill, we have set targets for the Hospital Division to recycle 75% of its general waste and 20% of its HCRW. For water, we will focus on obtaining the necessary water licences needed to recycle and re-use water onsite.

Human capital and transformation of society – our people and the normalisation of our society through meaningful transformation remain central to the delivery of our strategy. Our FY 2025 targets aim to advance our investment in talent growth to build a strong pool of successors across key strategic leadership roles, viewing this as mission critical for organisational growth, stability and sustainability into the future. Our DEI and equity plans have yielded positive results so far in broadening diversity at entry level to middle management level, with a workforce profile that largely resembles our national demographics. In FY 2025, we will focus on transitioning and building greater diversity at senior management level (E band on the Patterson grading system) with a target of 50% of our senior managers being black (African, Coloured and Indian). Labour turnover increased sharply in FY 2024, driven in part by financial pressures and changes to pension fund legislation (Two-Pot Retirement System[2]). In FY 2025, we aim to curb this trend and bring labour turnover back into the 11.5% to 11.8% range.

1. *PFS: patient feedback survey.*
2. *This system enables access to only a small portion of retirement savings (prior to retirement) for emergencies, with the bulk of savings preserved until retirement. The high levels of financial pressure faced by South Africans led employees to resign, access their vested funds, work for Netcare through an agency until their funds are paid, and then reapply for their roles (or similar roles).*

Minimum shareholding requirements

Netcare executives are required to hold shares in the Company and retain vested shares awarded under the SIP to ensure alignment between the interests of executives and shareholders. We have benchmarked our MSRs against peers, and the subsequent changes made and the MSR policy were approved by the Remuneration Committee, with the minimum shareholding targets reflected in the table below.

Executive leadership	Minimum shareholding requirement
CEO	200% of CTC
CFO	150% of CTC
Other Executive Committee members	100% of CTC

The policy requires the MSRs to be reached in year five from the date of approval of the SIP, or within five years from the date that the committee designates executives to be eligible for the SIP. Measurement may be reset to a further five years from the prevailing measurement date at the discretion of the Remuneration Committee.

Executives must build up to the target MSR, following which a new measurement date will be set, on a rolling basis, against which the target minimum shareholding will be measured.

Executives may use personal investment shares or committed shares to satisfy the target minimum shareholding. Once the target minimum shareholding has been achieved, we expect executives to maintain their level of shareholding until termination of employment.

All executives are on-track to meet their MSRs.

Malus and clawback

The malus and clawback clauses of Netcare's remuneration policy, approved in 2019/20, are explained below.

Malus (pre-vesting)

All LTI awards and the deferred shares issued under the SIP to executive directors, prescribed officers and senior executives made after 1 January 2020 are subject to malus provisions. The vesting levels of these awards may be reduced, including to nil, in the following (but not limited to these) instances:

- Deliberately misleading the Group, the market and/or shareholders in relation to the Group's financial performance; and
- Misconduct, incompetence or gross negligence regarding financial reporting or performance of the Group.

Clawback (post-vesting)

Clawback clauses apply to any variable remuneration awarded from 1 January 2020. In the case of the LTI and SIP, the Remuneration Committee may apply clawback at any time during the three-year period from the date on which variable remuneration vests, if there is reasonable evidence of material misconduct in line with the malus provisions above.

Fair and responsible employee remuneration

Netcare is committed to ensuring that our remuneration policy and practices are externally competitive, fair, responsible and free of any unfair discrimination and prejudice. To give effect to this commitment, we use a reputable job grading system to ensure equal pay for work of equal value. We benchmark salaries against other healthcare companies and non-healthcare companies of similar size to ensure our remuneration is competitive.

We also conduct an income differential analysis annually, with the FY 2024 analysis reaffirming that our established practice to ensure that there are no unfair pay differentials based on gender, race or any other social demographics for work of equal value has been maintained. Where differentials exist, we investigate the underlying reasons. Typically, these reasons relate to education levels, work experience and length of service in the role.

Netcare is a gender-empowered organisation, with women comprising 80% of the total workforce and accounting for 78% of total payroll for FY 2024. Women earn between 5% and 25% more than men in roles at junior management level and below, with males earning between 7.5% and 11.7% higher than women at middle and senior management levels.

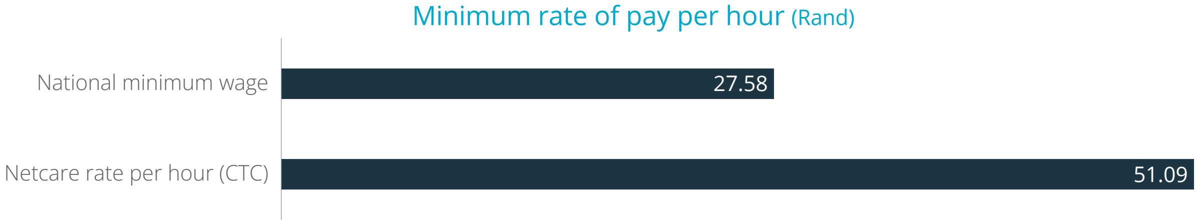
In considering King IV™ Principle 14 on remuneration governance, the global challenge of income gaps between the highest and the lowest earners, and the social inequalities in SA as one of the most unequal societies in the world, the measures on page 28 have been implemented to progressively narrow the gap.

Extracts from the integrated reporting suite continued

Narrowing the income gap

During the year, we conducted a vertical income analysis using the total remuneration of the top 5% of the Group's earners divided by the total remuneration of the bottom 5% of the Group's earners. The results show that the remuneration earned by the top 5% is 9.2 times that of the bottom 5%.

Effective from 1 March 2024, SA's new minimum wage increased from R25.24 to R27.58 for each ordinary hour worked. Netcare's minimum wage of R51.09 per ordinary hour exceeds this level, being almost double the updated legislated national minimum wage.



Netcare's established practice is to offer higher annual salary adjustments for employees at the lower end of the pay scale with corresponding lower salary increments for executive directors, prescribed officers and senior executives.

Permanent employees at non-managerial levels are remunerated based on their structured package plus benefits, which include employer contributions to retirement fund, medical scheme membership, group life cover, funeral cover and disability benefits. They also receive a guaranteed 13th cheque for each completed 12-month period worked, paid to employees in service on 31 December of each year. Employees at non-managerial levels also have the flexibility to access variable pay ahead of pay day.

In October 2019, all employees below executive level were each allocated 3 000 Netcare shares as part of our B-BBEE[1] Employee Share Ownership Scheme.

We offer enhanced maternity and parental leave benefits compared to those prescribed in the Basic Conditions of Employment Act. Our four-month paid maternity leave benefit is at 33% of structured package, and allows the option of a fifth month without pay (the Act legislates four months unpaid maternity leave). We also offer ten days of paid parental leave compared to the legislated ten days unpaid parental leave.

Uniform allocations are made every 18 months at no cost to employees, and we provide subsidised meals to employees while on duty.

1. B-BBEE: broad-based black economic empowerment.

Part 3: Implementation report

Subject to non-binding advisory vote at the AGM to be held on 7 February 2025

This section of our remuneration report explains how the remuneration policy was implemented in FY 2024. It includes disclosure on the CPI-linked increases in guaranteed packages, the performance outcome against the FY 2024 BSC, and the total single incentive approved for executive directors and prescribed officers. Also disclosed is the total figure remuneration and a schedule of the forfeitable shares held by executive directors and prescribed officers[1] and the remuneration of NEDs[2].

Annual increases

The Remuneration Committee considered the outcome of the Executive Committee member and prescribed officer benchmarking against Old Mutual's RemChannel, excluding executive directors (the CEO and CFO). The benchmark showed that the AGPs of the Executive Committee members are well-aligned with the market median. After considering the prevailing market conditions, affordability and shareholder expectations, the Remuneration Committee approved lower average salary adjustments for executives, senior managers and prescribed officers, and higher average adjustments for employees, depending on scarcity of skills (agreed within the bargaining units).

BSC performance for FY 2024

The Group delivered a resilient financial performance, despite a challenging market. SA continues to face macroeconomic challenges with weak GDP growth, which in turn, places constraints on growth within the private healthcare sector. Medical scheme membership remains stagnant and funders continue to drive hospital network plans. Against this backdrop, Netcare has managed its cost base well with targeted efficiency activities that resulted in operating leverage.

Overview of financial performance

EBITDA margin improved by 60 basis points from 17.4% in FY 2023 to 18.0%, above the threshold of 17.9% but below the on-target EBITDA margin of 18.4%. Adjusted HEPS increased by 8.0 cents to 113.7 cents (7.6% up) compared to FY 2023; however, the threshold of 117.3 cents was not met. ROIC of 11.7% increased by 90 basis points compared to the prior year (FY 2023: 10.8%), but did not meet the threshold of 12.3%. The cash conversion ratio of 96.5% is above the threshold of 90% but below on-target of 100%.

Overview of non-financial performance

The Group made good progress on strategic non-financial priorities that operationalise Netcare's long-term strategy. These priorities are carefully selected for their ability to position Netcare to take advantage of and benefit from the long-term dynamics that drive healthcare demand. Detailed information on our progress in these areas can be found in the Group's 2024 integrated and ESG reports.

Consistency of care – continual improvement in the quality of our patient care and clinical outcomes is a Group imperative. Progress made during the year included the deepening of the compassion culture measured by patient ratings of the nurse compassion score on the Hospital Division PFS, the roll out of Summary of Care reports across seven delivery platforms, and the increased number of specialists granted admitting privileges. The nurse compassion score increased to 8.26 against an on-target of 8.25, and the roll out and availability of Summary of Care reports on the Netcare App was successfully completed in June 2024; this provides our patients with the digital discharge information pertaining to their recent care at Netcare, empowering them to use this information to engage with their next of kin and with other healthcare providers, most importantly their referring GP. Admitting privileges were granted to 152 new specialists in the Hospital Division, surpassing our outperform target of 120.

Digitisation – FY 2024 was a year of significant achievement, with the successful completion of the Hospital Division's CareOn implementation, marking the completion of all EMR implementations across Netcare. As CareOn transitioned from project mode to business-as-usual mode, we surpassed our doctor adoption targets with clinical orders surpassing the on-target at 80.8%, and e-scripting surpassing the outperform target delivering 85.6%.

1. In line with the applicable King IV™ requirements.
2. As required by King IV™ and the Companies Act.

Extracts from the integrated reporting suite continued

Environmental sustainability – we set five ambitious goals in FY 2024 to reduce our year-on-year carbon emissions, water utilisation and waste generation across the Group in support of our 2030 environmental sustainability strategy, and good progress has been made. For energy efficiency, we avoided 2 300 tCO_2e, reaching our outperform target; and we recycled 15.0% of our HCRW, exceeding our outperform target of 13.6%. Threshold targets were achieved for renewable energy (1 847 tCO_2e; threshold target: 1 700 tCO_2e) and general waste (66.5%; threshold target: 65.5%). Despite significant effort to optimise water use across the Hospital Division, our water savings targets could not be achieved, but we are confident that the water savings initiatives and awareness campaigns implemented in FY2024 will deliver benefits for our FY 2025 performance. The FY 2025 environmental targets aim to address existing gaps and continuously transition the Group toward a more sustainable future.

Human capital and transformation of society – our plethora of wellness interventions reached 80% of the workforce, and our DEI and belonging efforts facilitated increased representation of black managers at middle management to 59.6%, meeting the on-target goal. Our investments in supply chain diversification resulted in our preferential procurement spend exceeding dtic[1] thresholds on preferential procurement spend with ≥51% black-owned suppliers (57.1% of measurable spend against dtic target: 50.0%) and ≥30% black women-owned suppliers (40.2% of measurable spend against dtic target: 12.0%). QSE spend improved to 10.7% of measurable spend (dtic target: 15%), marginally missing our internal target of 11.0% (actual performance fell between the threshold target and on-target for remuneration purposes). EME spend grew to 8.3% of measurable spend (dtic target: 15%), marginally missing our internal target of 9.0% (which equates to the threshold target).

Group performance outcome

The Group achieved an overall performance score of 69.1% against the maximum 150.0% possible for outperformance. This qualified for payment of the SIP (inclusive of catch-up awards[2] and the cost of the second and third year of deferred shares from FY 2022 and FY 2023 performance) equivalent to 7.4% of EBIT. Exclusive of the catch-up awards and inclusive of the cost of the second and third year of deferred shares from FY 2022 and FY 2023 performance, the SIP incentive amounted to 5.7% of EBIT.

The performance scores relating to the financial results are extracted from the audited annual financial statements on which Deloitte & Touche has issued an unmodified audit opinion. Verify CO_2 independently verified our carbon emissions declarations and Empowerdex verified our B-BBEE scores.

The outcomes reported above are reflected in the FY 2024 BSC on page 31.

1. *dtic: Department of Trade, Industry and Competition.*
2. *Awarded to close the gap that arose due to the deferral and subsequent cancellation of Forfeitable Share Plan 4, caused by the emergence of COVID-19.*

Group BSC FY 2024

	Measure	Weighting	Target range: Threshold	Target range: On-target	Target range: Outperform	Actual	Score achieved
Financial results 60%	**EBITDA margin**	**15.0%**	17.9%	18.4%	18.9%	**18.0%**	**9.0%**
	Adjusted HEPS	**15.0%**	117.3	119.4	121.6	**113.7**	**0.0%**
	ROIC	**15.0%**	12.3%	12.8%	13.8%	**11.7%**	**0.0%**
	Cash conversion	**15.0%**	90.0%	100.0%	110.0%	**96.5%**	**12.5%**
Consistency of care 10%	**Patient experience:** continued improvement in the nurse compassion score of the PFS for the Hospital Division	**5.0%**	8.21	8.25	8.36	**8.26**	**5.2%**
	Summary of Care reports: implementation across all applicable divisions	**2.5%**	Pilot phase completed across all divisions by end April 2024	Full roll out across all divisions by end May 2024	Available on Netcare App by end June 2024 for all divisions	Available on Netcare App by end June 2024 for all divisions	**3.8%**
	Specialists: gross number of new specialists granted admitting privileges in the Hospital Division	**2.5%**	97	102	120	**152**	**3.8%**
Digitisation 10%	**CareOn EMRs:** additional number of beds in the Hospital Division linked to CareOn by April 2024	**2.5%**	678	849	943	**943**	**3.8%**
	CareOn adoption by doctors: adoption of e-scripts	**2.5%**	80.0%	82.5%	84.0%	**85.6%**	**3.8%**
	CareOn adoption by doctors: adoption of clinical orders	**5.0%**	77.0%	79.5%	81.5%	**80.8%**	**6.6%**
Environmental sustainability 10%	**Energy efficiency:** additional year-on-year tCO_2e avoidance as a result of energy efficiency projects implemented	**3.0%**	1 800	2 000	2 300	**2 300**	**4.5%**
	Renewable energy: additional year-on-year tCO_2e avoided as a result of renewable energy generation projects	**3.0%**	1 700	1 900	2 275	**1 847**	**2.6%**
	Water savings: reduction in overall water consumption per bed in use in the Hospital Division	**2.0%**	2.0%	2.3%	3.0%	**0.0%**	**0.0%**
	General waste: reduction in waste to landfill as % of Hospital Division general waste	**1.0%**	65.5%	68.5%	80.0%	**66.5%**	**0.7%**
	HCRW: reduction in HCRW to landfill as % of Hospital Division HCRW	**1.0%**	12.1%	12.8%	13.6%	**15.0%**	**1.5%**
Human capital and transformation 10%	**Preferential procurement:** support small and medium enterprises through improved procurement spend on EMEs and QSEs with overall improvement rating as a % of points available for procurement on B-BBEE scorecard	**2.5%**	91.0%	92.0%	93.0%	**91.0%**	**1.3%**
	Employee wellbeing: % of employees assessed and/or participating in mental, physical, financial and emotional wellbeing programmes measured against the total workforce	**5.0%**	60.0%	70.0%	80.0%	**80.0%**	**7.5%**
	DEI and belonging: increased inclusion of black managers at middle management as a % of all middle managers	**2.5%**	58.5%	59.5%	60.5%	**59.6%**	**2.5%**
		100.0%					**69.1%**

Extracts from the integrated reporting suite continued

Remuneration of executive directors and prescribed officers for FY 2024

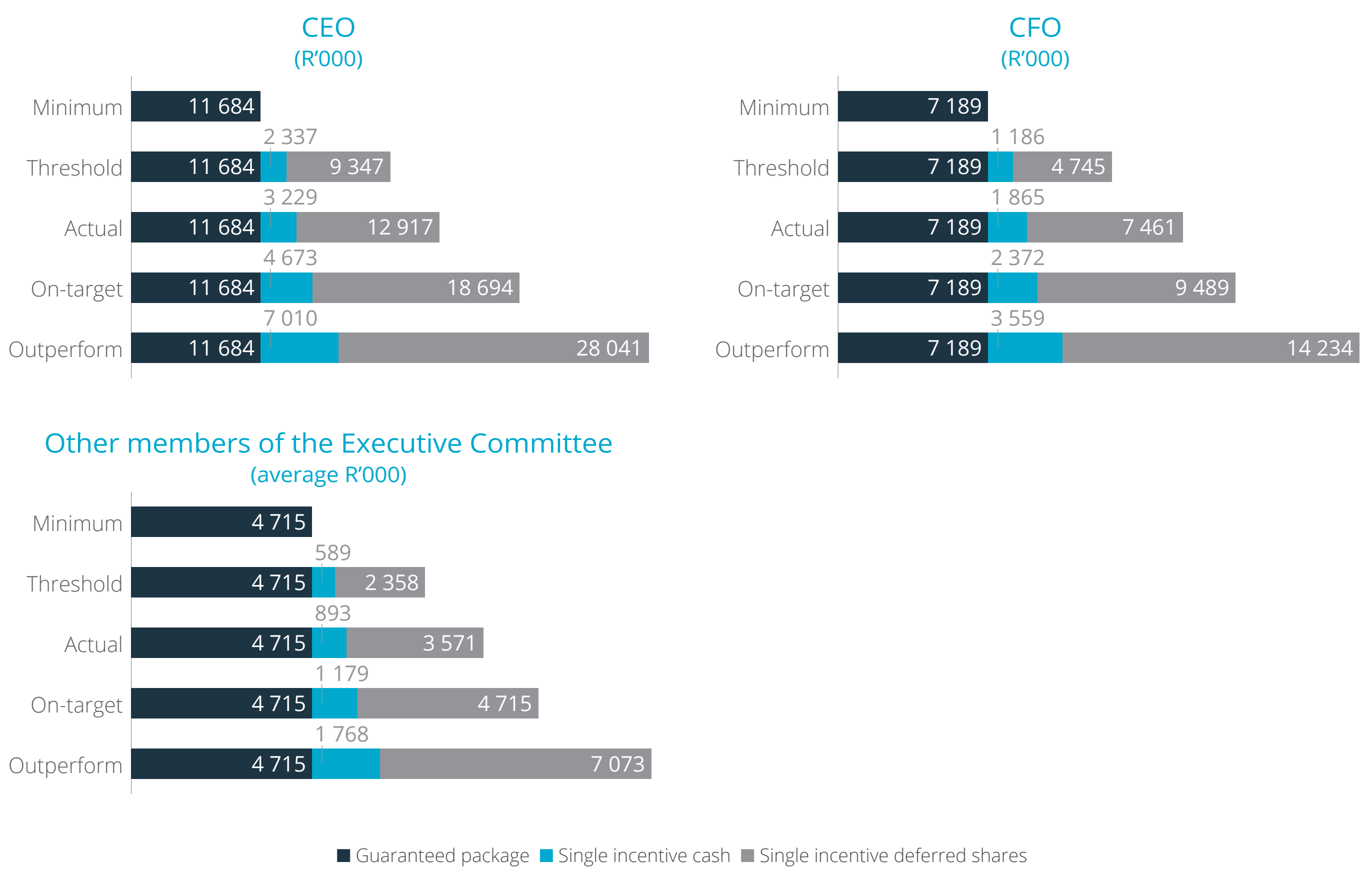
Based on this performance, as well as potential eligibility and weighted BSC results for each director, the Board, on the recommendation of the Remuneration Committee, acknowledged the efforts of management and approved the payment of the SIP based on the formula below.

Annual CTC × **On-target %** × **Performance multiplier 0% – 150%** = **Annual single incentive**

The table below outlines the approved total SIP for executive directors and prescribed officers.

Name	Annual CTC (R)	On-target	Perfor-mance multiplier	Annual single incentive (R)	% cash	Cash (R)	% shares	Shares (R)	Vesting period
R Friedland	11 683 670	200%	69.1%	16 146 832	20.00%	3 229 366	80.00%	12 917 466	5 years
K Gibson	7 188 985	165%	78.6%	9 325 767	20.00%	1 865 153	80.00%	7 460 614	5 years
T Akaloo	4 247 887	125%	73.6%	3 906 994	20.00%	781 399	80.00%	3 125 595	5 years
M Da Costa	5 245 574	125%	88.2%	5 781 934	20.00%	1 156 387	80.00%	4 625 547	5 years
C Grindell	4 598 647	125%	74.5%	4 280 191	20.00%	856 038	80.00%	3 424 153	5 years
W van der Merwe	4 769 126	125%	65.5%	3 902 338	20.00%	780 468	80.00%	3 121 870	5 years

The graphs below disclose the FY 2024 pay mix for the executive directors and prescribed officers.



The tables below outline the executive directors' and prescribed officers' remuneration in terms of total single figure remuneration[1].

FY 2024

	Annual guaranteed package			Single incentive			Total	Incentive paid in 2024	
	Salary and benefits	Retirement fund savings and contributions	**Guaranteed package**	Cash portion	Deferred share portion	**Total single incentive**	**Total single-figure remuneration**	Incentive paid in cash	Incentive paid in deferred shares
Executive directors									
R Friedland	11 457 218	595 641	**12 052 859**	3 229 366	12 917 466	**16 146 832**	**28 199 691**	3 229 366	12 917 466
K Gibson	6 825 983	378 546	**7 204 529**	1 865 153	7 460 614	**9 325 767**	**16 530 296**	1 865 153	7 460 614
	18 283 201	974 187	**19 257 388**	5 094 519	20 378 080	**25 472 599**	**44 729 987**	5 094 519	20 378 080
Prescribed officers									
T Akaloo	4 021 263	235 811	**4 257 074**	781 399	3 125 595	**3 906 994**	**8 164 068**	781 399	3 125 595
M Da Costa	4 972 130	273 444	**5 245 574**	1 156 387	4 625 547	**5 781 934**	**11 027 508**	1 156 387	4 625 547
J Du Plessis[2]	2 652 123	143 103	**2 795 226**	–	–	**–**	**2 795 226**	–	–
C Grindell	4 361 735	253 627	**4 615 362**	856 038	3 424 153	**4 280 191**	**8 895 553**	856 038	3 424 153
W van der Merwe	4 524 888	253 649	**4 778 537**	780 468	3 121 870	**3 902 338**	**8 680 875**	780 468	3 121 870
	20 532 139	1 159 634	**21 691 773**	3 574 292	14 297 165	**17 871 457**	**39 563 230**	3 574 292	14 297 165

FY 2023

	Annual guaranteed package			Single incentive			Total	Incentive paid in 2023	
	Salary and benefits	Retirement fund savings and contributions	**Guaranteed package**	Cash portion	Deferred share portion	**Total single incentive**	**Total single-figure remuneration**	Incentive paid in cash	Incentive paid in deferred shares
Executive directors									
R Friedland	10 907 442	577 116	**11 484 558**	5 229 834	20 919 335	**26 149 169**	**37 633 727**	5 229 834	20 919 335
K Gibson	6 052 367	343 407	**6 395 775**	2 562 378	10 249 511	**12 811 889**	**19 207 664**	2 562 378	10 249 511
	16 959 810	920 523	**17 880 333**	7 792 212	31 168 846	**38 961 058**	**56 841 391**	7 792 212	31 168 846
Prescribed officers									
J Du Plessis	5 156 920	279 022	**5 435 942**	2 263 263	9 053 053	**11 316 316**	**16 752 258**	2 263 263	9 053 053
C Grindell	4 155 114	245 206	**4 400 320**	1 323 753	5 295 012	**6 618 765**	**11 019 085**	1 323 753	5 295 012
M Da Costa	4 735 686	260 097	**4 995 783**	1 467 511	5 870 045	**7 337 557**	**12 333 340**	1 467 511	5 870 045
T Akaloo	3 830 143	227 874	**4 058 017**	1 056 916	4 227 662	**5 284 578**	**9 342 595**	1 056 916	4 227 662
W van der Merwe	4 310 090	245 452	**4 555 542**	1 370 102	5 480 407	**6 850 509**	**11 406 051**	1 370 102	5 480 407
	22 187 953	1 257 651	**23 445 604**	7 481 545	29 926 179	**37 407 724**	**60 853 328**	7 481 545	29 926 179

1. As required by King IV™ and in line with the guideline note issued by the Institute of Directors South Africa and the South African Reward Association.
2. J Du Plessis resigned with effect 30 June 2024.

Extracts from the integrated reporting suite continued

Single Incentive Plan

The table below discloses the deferred shares held by executive directors and prescribed officers at 30 September 2024.

Number of deferred shares	1 October 2023	Granted	**Shares forfeited during the year**	**Vested**	**30 September 2024**
Executive directors					
R Friedland	1 584 514	1 566 991	**–**	**(316 902)**	**2 834 603**
K Gibson	686 889	767 754	**–**	**(137 377)**	**1 317 266**
Prescribed officers					
T Akaloo	308 424	316 679	**–**	**(61 684)**	**563 419**
J Du Plessis	607 448	678 131	**(1 164 090)**	**(121 489)**	**–**
C Grindell	341 529	396 630	**–**	**(68 305)**	**669 854**
M Da Costa	440 839	439 704	**–**	**(88 167)**	**792 376**
W van der Merwe	391 433	410 517	**–**	**(78 286)**	**723 664**
	4 361 076	4 576 406	**(1 164 090)**	**(872 210)**	**6 901 182**

Health Partners for Life

The HPFL[1] Trust was established in 2005 through the transfer of 160 million Netcare shares valued at R1 billion. It comprises four trusts including our employee share ownership scheme, and trusts that support clinical skills development and community-based health and wellness initiatives.

The table below discloses the HPFL share options held by directors and prescribed officers at 30 September 2024.

Number of options	Grant date	1 October 2023	Exercised	**30 September 2024**
Executive directors				
K Gibson	2 Oct 2006	1 041	–	1 041
Weighted average exercise price		12.34		12.34
Prescribed officers				
C Grindell	25 Oct 2005	1 200	–	1 200
Weighted average exercise price		6.42		6.42
		2 241	–	2 241

No HPFL share options were granted in FY 2024 (FY 2023: nil) as this scheme has since been concluded.

2 241 Health Partners for Life share options had vested at 30 September 2024 (FY 2023: 2 241).

1. *HPFL: Health Partners for Life.*

Non-executive director remuneration

NEDs are paid a fixed fee for their services as directors and for services provided as members of Board committees. These fees vary depending on their committee roles. Fees are set at levels that will attract and retain the calibre of directors necessary to contribute to a highly effective Board. Non-executive directors do not qualify for participation in any of Netcare's share or incentive schemes.

Board and governance committee meeting attendance

The table below shows the number of Board meetings and committee meetings held as per the Group's MOI[1]. In addition, various additional or ad hoc meetings were held during FY 2024 to support and provide counsel to the executive team.

Director	Board		Audit		Risk		Nomination		Remuneration		Consistency of Care		Social and Ethics	
M Bower[2]	C	3/4	M	3/3	M	2/2	C	1/2	M/C	2/2			M	3/3
B Bulo	M	4/4	M/C	3/3	M/C	2/2					M	2/2		
R Friedland	M	4/4	B		M	2/2	B		B		M	2/2	M	3/3
K Gibson	M	4/4	B		M	2/2								
L Human	M	4/4			M	2/2	M	2/2	M	2/2	C	2/2		
I Kirk[3]	M	4/4			M/C	1/1[4]			M	1/1				
A Maditse[5]	M	4/4					M	2/2				2/2	M	3/3
R Phillips	M	4/4					M	2/2			M	2/2	C	3/3
L Stephens	M	4/4	M	3/3					M/C[6]	2/2				

C – chair
M – member
B – attendance by invitation

Members
3. *I Kirk appointed to the Audit Committee effective 30 September 2024.*

Chairs
2. *M Bower retired as chair of the Board effective 30 September 2024.*
4. *I Kirk appointed as chair of the Risk Committee effective 1 January 2024.*
5. *A Maditse appointed as lead independent director effective 29 July 2024 and chair of Nomination Committee effective 1 October 2024.*
6. *L Stephens appointed as chair of the Remuneration Committee effective 2 February 2024.*

Fees paid to non-executive directors

(based on Board, committee and ad hoc committee attendance)

R'000	Board	Audit	Risk	Nomination	Remuneration	Consistency of Care	Social and Ethics	Finance and Investment	**2024 total**	2023 total
M Bower	1 491	188	151	404	153		126	352	**2 865**	2 290
B Bulo	685	281	167			195		352	**1 680**	1 501
L Human	685		151	348	132	247			**1 563**	1 304
I Kirk	685		161		99				**945**	513
A Maditse	685			99		195	126		**1 105**	270
R Phillips	685			348		195	188		**1 416**	1 131
L Stephens	685	188			195				**1 068**	742
Total	5 601	657	630	1 199	579	832	440	704	**10 642**	9 857

1. *MOI: Memorandum of Incorporation.*

Extracts from the integrated reporting suite continued

Proposed non-executive directors' fees

The Remuneration Committee has proposed a variable increase in non-executive directors' fees (exclusive of VAT) for FY 2025. The increases remain subject to shareholder approval at the AGM to be held on 7 February 2025. The fees that have been adjusted have been referenced accordingly and the balance of fees remain at current levels.

Based on the findings of the Bowmans benchmarking, the following fee adjustments are tabled for approval by shareholders at the AGM.

R'000	Proposed 2025	% increase	Actual 2024
Board			
Chair	**1 491**	0%	1 491
Member	**685**	0%	685
Audit Committee			
Chair	**309**	10.0%	281
Member	**196**	4.5%	188
Nomination Committee			
Chair	**196**	4.5%	188
Member	**132**	0%	132
Risk Committee			
Chair	**225**	4.5%	215
Member	**151**	0%	151
Remuneration Committee			
Chair	**226**	4.5%	216
Member	**132**	0%	132
Social and Ethics Committee			
Chair	**196**	4.5%	188
Member	**126**	0%	126
Consistency of Care Committee			
Chair	**258**	4.5%	247
Member	**204**	4.5%	195
Payable per meeting			
Ad hoc committees (including the Finance and Investment Committee)	**46**	4.5%	44

Note: values exclude VAT.

Extract 2 Analysis of shareholders

	Number of shareholders	Percentage of shareholders	**Number of shares in issue[1]**	Percentage of issued share capital
Shareholder Spread				
1 – 1 000	15 743	57.79	**2 419 606**	0.20
1 001 – 50 000	10 526	38.64	**77 104 638**	6.18
50 001 – 100 000	282	1.04	**20 223 513**	1.62
100 001 – 10 000 000	667	2.45	**579 783 413**	46.45
10 000 001 and above	22	0.08	**568 545 691**	45.55
Total	27 240	100.00	**1 248 076 861**	100.00
Distribution of shareholders per category				
Individuals	24 123	88.55	**74 521 552**	5.98
Private Companies	522	1.92	**26 496 554**	2.12
Nominees and Trusts	1 464	5.37	**25 995 211**	2.08
Banks and Brokerage Firms	59	0.22	**61 171 859**	4.90
Sovereign Wealth Funds	8	0.03	**54 350 701**	4.35
Insurance Companies	78	0.29	**52 698 105**	4.22
Pension Funds and Medical Aid Schemes	517	1.90	**448 360 342**	35.93
Collective Investment Schemes and Mutual Funds	469	1.72	**504 482 537**	40.42
Total	27 240	100.00	**1 248 076 861**	100.00
Public and non-public shareholdings				
Public	27 238	99.99	**1 247 209 217**	99.93
Non-public	2	0.01	**867 644**	0.07
Total	27 240	100.00	**1 248 076 861**	100.00

1. Number of shares in issue net of treasury shares

Extracts from the integrated reporting suite continued

	Number of shares in issue[1]	Percentage of issued share capital
Beneficial shareholders holding 5% or more		
Public Investment Corporation on behalf of Government Employee Pension Fund	**281 816 589**	22.58
Total	**281 816 589**	22.58
Investment Manager Top 10		
Public Investment Corporation (SOC) Limited	**214 399 822**	17.18
Fairtree Asset Management (Pty) Ltd	**94 233 080**	7.55
Templeton Asset Management Ltd.	**82 152 535**	6.58
Ninety One SA Pty Ltd.	**63 208 427**	5.06
Foord Asset Management (Pty) Limited	**53 368 021**	4.28
The Vanguard Group, Inc.	**50 710 339**	4.06
Mergence Investment Managers (Pty) Ltd	**34 729 940**	2.78
Aylett & Company (Pty) Ltd	**33 476 613**	2.68
Wellington Management Company, LLP	**31 453 277**	2.52
BlackRock Institutional Trust Company, N.A.	**23 561 464**	1.89
Total	**681 293 518**	54.58
Beneficial Owner Top 10		
Public Investment Corporation (SOC) Limited	**297 586 737**	23.84
Norges Bank Investment Management (NBIM)	**32 677 410**	2.62
Fairtree Equity Prescient Fund	**27 061 212**	2.17
Templeton Emerging Markets Investment Trust Plc	**26 796 587**	2.15
Eskom Pension and Provident Fund	**26 738 021**	2.14
Foord Balanced Fund	**23 655 665**	1.90
Hartford International Value Fund	**18 445 601**	1.48
Vanguard Total International Stock Index Fund	**18 378 574**	1.47
Ninety One Value Fund	**16 985 739**	1.36
Standard Bank Group Retirement Fund	**16 324 442**	1.31
Total	**504 649 988**	40.44
Geographic Ownership		
South Africa	**924 170 777**	74.05
International	**323 906 084**	25.95
Total	**1 248 076 861**	100.00

1. *Number of shares in issue net of treasury shares*

Extract 3 Ordinary share capital

Extracted from audited consolidated and separate annual financial statements

Ordinary share capital

Number of shares (million)	2024	2023
Authorised		
Ordinary shares of no par value	**2 500**	2 500
Issued		
Shares in issue at beginning of year	**1 439**	1 439
Shares cancelled during the year	**(21)**	—
Shares in issue at end of year	**1 418**	1 439
Treasury shares		
Treasury shares at beginning of year	**(134)**	(101)
Vesting of Single Incentive Plan shares	**4**	1
Purchase of treasury shares	**(60)**	(37)
Share cancellation	**21**	—
Sale of treasury shares	**—**	3
Treasury shares at end of year	**(169)**	(134)
Total issued ordinary shares (net of treasury shares)	**1 249**	1 305
Treasury shares are held as follows:		
HPFL B-BBEE Trusts	**114**	96
Single Incentive Plan	**23**	14
Other	**32**	24
	169	134

Rm	2024	2023
Issued ordinary share capital		
Balance at beginning of year	**4 297**	4 297
Shares cancelled during the year	**(64)**	—
Balance at end of year	**4 233**	4 297

Extracts from the integrated reporting suite continued

Extract 4 Directors' responsibility and approval

Extracted from audited consolidated and separate annual financial statements

The directors of Netcare Limited are responsible for the preparation and integrity of the annual financial statements of the Company and the Group, which have been prepared under the supervision of the Chief Financial Officer, Mr KN Gibson, CA(SA). These annual financial statements are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the requirements of the South African Companies Act, No 71 of 2008, as amended (the Companies Act), and the Johannesburg Stock Exchange (JSE) Listings Requirements in line with the accounting policies of the Group, which are supported by judgements and estimates. The Group's external auditors, Deloitte & Touche, are engaged to express an independent opinion on these financial statements which has been presented on pages 11 to 13.

To enable the directors to fulfil this responsibility, the Group maintains internal accounting and administrative control systems designed to provide reasonable assurance that assets are safeguarded and that transactions are executed and recorded in accordance with the Group's policies and procedures to prevent and detect material misstatement and loss.

The directors are of the opinion that such accounting and administrative control systems have been maintained during the year, and based on information and explanations from management believe that the system of internal control is adequate for ensuring the:
- Reliability and integrity of financial and operating information;
- Adequate safeguarding, verification and accountability of assets against unauthorised use or disposition; and
- Compliance of established systems with policies, procedures, laws and regulations.

Nothing has come to the attention of the Netcare Board that causes it to believe that the Group's system of internal controls and risk management are not effective and that the internal financial controls do not form a sound basis for the preparation of reliable financial statements. The directors have considered control deficiencies identified by the internal and external auditors and have concluded that these have not resulted in a material misstatement of these financial statements. The directors have considered the proposed and completed remedial actions in respect of the identified control deficiencies.

The annual financial statements are prepared on a going concern basis and in accordance with IFRS Accounting Standards. These financial statements are audited by the external auditors in conformity with International Standards on Auditing.

The annual financial statements were approved by the Board of directors on 21 November 2024 and are signed on its behalf by:

A Maditse	**RH Friedland**	**KN Gibson**
Lead Independent Director	Chief Executive Officer	Chief Financial Officer

Sandton
21 November 2024

Extract 5 Directors' and prescribed officers' interests in Netcare ordinary shares

Extracted from audited consolidated and separate annual financial statements

Interests of directors and prescribed officers

The beneficial and non-beneficial interests of directors and prescribed officers in the ordinary shares of the Company were:

Number of shares	1 October 2023	Options exercised	Disposed	30 September 2024	Directly[1]
Executive directors					
RH Friedland	294 957	**316 902**	**—**	**611 859**	**611 859**
KN Gibson	499 190	**137 377**	**(63 880)**	**572 687**	**572 687**
Prescribed officers					
T Akaloo	—	**61 684**	**—**	**61 684**	**61 684**
MS Da Costa	91 615	**88 167**	**(91 615)**	**88 167**	**88 167**
J Du Plessis[2]	—	**121 489**	**(121 489)**	**—**	**—**
CE Grindell	8 920	**68 305**	**(31 761)**	**45 464**	**45 464**
WN van der Merwe	19 153	**78 286**	**(36 402)**	**61 037**	**61 037**
Total	913 835	**872 210**	**(345 147)**	**1 440 898**	**1 440 898**

1. *The direct shares held are beneficial.*
2. *J Du Plessis resigned with effect from 30 June 2024.*

The register of interests of directors in the shares of the Company is available to shareholders on request.

No executive director or prescribed officer holds any interest in the Company's preference shares.

At the date of this report, these interests in ordinary and preference shares remain unchanged from the financial year end.

Board of directors

Non-executive directors

- Audit Committee
- Nomination Committee
- Risk Committee
- Remuneration Committee
- Social and Ethics Committee
- Consistency of Care Committee

**A (Alex)
Maditse | 62**

Lead independent non-executive director
BProc, LLB, HDip Company Law, LLM Company and Labour Law (Pennsylvania, USA), LLM International Commercial Law (Harvard, USA)

Nationality: South African

Skills: Governance, general business management, global commerce, investment banking (mergers and acquisitions), legal, compensation.

Appointed: 7 June 2023

Tenure: 18 months

Board attendance: 4/4

Appointed as lead independent director effective 29 July 2024.

**B (Bukelwa)
Bulo | 47**

Independent non-executive director
BBusSci Hons, PGDA, CA(SA)

Nationality: South African

Skills: Governance, general business management, investment banking, financial services.

Appointed: 23 November 2015

Tenure: 9 years

Board attendance: 4/4

Retiring by rotation at the next AGM and is available for re-election to serve until 30 September 2025.

**L (Lezanne)
Human | 55**

Independent non-executive director
BSc Hons Operations Research (Cum Laude), MSc Applied Mathematics (Cum Laude), MBA (Cum Laude)

Nationality: South African

Skills: Governance, digital/large scale technology implementation, general business management, global commerce, financial services.

Appointed: 13 May 2019

Tenure: 5 years

Board attendance: 4/4

Retiring by rotation at the next AGM and is available for re-election.

**I (Ian)
Kirk | 66**

Independent non-executive director
CA(SA)

Nationality: South African

Skills: Governance, general business management, global commerce, financial services, strategy consulting, compensation.

Appointed: 1 January 2023

Tenure: 2 years

Board attendance: 4/4

Retiring by rotation at the next AGM and is available for re-election.

**Dr R (Roze)
Phillips | 54**

Independent non-executive director
MBChB, MBA, Dip Future Studies (USB)

Nationality: South African

Skills: Governance, digital/large scale technology implementation, general business management, strategy consulting, human capital (transformation).

Appointed: 1 January 2022

Tenure: 3 years

Board attendance: 4/4

**L (Louisa)
Stephens | 48**

Independent non-executive director
CA(SA) and chartered director

Nationality: South African

Skills: Governance, general business management, global commerce, investment banking, financial services.

Appointed: 1 January 2023

Tenure: 2 years

Board attendance: 4/4

Note: M (Mark) Bower retired as independent Board chair and from all committees on 30 September 2024.

Executive directors

Dr R (Richard) Friedland | 62

Chief executive officer

BvSc, MBBCh (Cum Laude), Dip Fin Man, MBA

Nationality: South African

Skills: Governance, healthcare, digital/large scale technology implementation, general business management, global commerce, financial services, human resources, compensation, environmental and sustainability management.

Appointed: 15 May 1997

Tenure: 27 years

Board attendance: 4/4

K (Keith) Gibson | 54

Chief financial officer

BAcc, CA(SA)

Nationality: South African

Skills: Governance, healthcare, general business management, global commerce, investment banking, financial services, human resources, compensation.

Appointed: 10 November 2011

Tenure: 13 years

Board attendance: 4/4

Shareholders' diary

Annual general meeting	7 February 2025	

Reports

Interim results announcement	May	
Final results announcement	November	

Dividends

Ordinary dividends	Declared	Paid
Interim	May	July
Final	November	January

Preference dividend		
Interim	April	May
Final	October	November

Proxy form

for the year ended 30 September 2024

Netcare Limited

Registration number: 1996/008242/06
JSE share code: NTC
ISIN: ZAE000011953
(Netcare or the Company or the Group)

Form of Proxy – for use at the 28th annual general meeting (AGM) of the Company to be held virtually at 10:00 (CAT) on Friday, 7 February 2025.

This Form of Proxy is only for use by:

1. registered shareholders who have not yet dematerialised their shares in the Company; and
2. registered shareholders who have dematerialised their shares in the Company and are registered in their own names in the Company's sub-register*.

This form is to be read in conjunction with the rights extended to shareholders in terms of section 58 of the Companies Act.

I/We (full name)	
of (address)	
email address	contact number
holding	ordinary shares in the Company,
do hereby appoint	or failing him/her,

or failing them, the chair of the meeting as my/our proxy to vote for me/us and on my/our behalf at the 28th AGM of the Company to be held on Friday, 7 February 2025 at 10:00 (CAT) and at any adjournment or postponement thereof as follows:

Insert X in the appropriate block

	Resolution	For	Against	Abstain
1.	Ordinary resolutions number 1.1 to 1.3: Re-election of directors			
	Ordinary resolution 1.1: B Bulo			
	Ordinary resolution 1.2: L Human			
	Ordinary resolution 1.3: I Kirk			
2.	Ordinary resolution number 2: Re-appointment of independent external auditor			
3.	Ordinary resolutions number 3.1 to 3.3: Appointment of Audit Committee members			
	Ordinary resolution 3.1: B Bulo (chair)			
	Ordinary resolution 3.2: I Kirk			
	Ordinary resolution 3.3: L Stephens			
4.	Ordinary resolution number 4: Signature of documents			
5.	Non-binding resolution number 1: Approval of the remuneration policy			
6.	Non-binding resolution number 2: Approval of the implementation report			
7.	Special resolution number 1: General authority to repurchase shares			
8.	Special resolution number 2: Approval of non-executive directors' remuneration for the period 1 October 2024 to 30 September 2025			
9.	Special resolution number 3: Financial assistance to related and inter-related companies in terms of sections 44 and 45 of the Companies Act			

Every person present and entitled to vote at the AGM as a shareholder or as a representative of a body corporate shall, on a show of hands, have one vote only, irrespective of the number of shares such person holds or represents, but in the event of a poll, every share shall have one vote. Indicate instructions to proxy by way of a cross in the space provided above. Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at	this	day of	2024/2025
Signature		assisted by (if applicable)	

* *Shareholders registered in their own names are shareholders who have appointed CTSE Registry Services Central Securities Depository Participant (ABSA Investor Services) with the express instruction that their uncertificated shares are to be registered in the electronic sub-register of shareholders in their own names.*

Please read the notes and instructions overleaf.

Proxy form continued

1. A shareholder may insert the name(s) of one or more proxies (none of whom needs to be a shareholder of the Company) in the space provided, with or without deleting the words 'chair of the meeting'. The person whose name stands first on the proxy form and has not been deleted and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are indicated, the proxy shall be exercised by the chair of the AGM.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box/boxes provided. Failure to comply with the above will be deemed to authorise the proxy to vote as he/she thinks fit or, where the proxy is the chair, such failure shall be deemed to authorise the chair to vote in favour of the resolutions in respect of all the shareholders' votes exercisable thereat.
3. The completion and lodging of this proxy form shall in no way preclude the shareholder from attending, speaking and voting in person at the AGM to the exclusion of any proxy appointed in terms hereof.
4. Should this proxy form not be completed and/or received in accordance with these notes, the chair may accept or reject it, provided that in respect of this acceptance, the chair is satisfied as to the manner in which the shareholder wishes to vote.
5. Documentary evidence establishing the authority of the person signing the proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the Company's transfer secretary or waived by the chair of the AGM.
6. Where this proxy form is signed under power of attorney, such power of attorney must accompany this form unless it has previously been registered with the Company.
7. Where shares are held jointly, all joint holders are required to sign.
8. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity have been produced or have been registered by the Company's transfer secretary.
9. Any alteration or correction made to this proxy form must be signed in full and not initialled by the signatories.
10. This proxy form must be lodged at the registered office of the Company or the transfer secretary, CTSE Registry Services, The District Building, Office B6, 6th Floor, 41 Sir Lowry Street, Woodstock, Cape Town, 7925 or by email: **netcare@4Axregistry.co.za** preferably not later than 10:00 (CAT) on Wednesday, 05 February 2025.

Notes

Notes

Disclaimer

Certain statements in this document constitute ‘forward-looking statements’. Forward-looking statements may be identified by words such as ‘believe’, ‘anticipate’, ‘expect’, ‘plan’, ‘estimate’, ‘intend’, ‘project’, ‘target’, ‘predict’ and ‘hope’. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future, involve known and unknown risks, uncertainties and other facts or factors which may cause the actual results, performance or achievements of the Group, or the healthcare sector to be materially different from any results, performance or achievement expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future performance and are based on assumptions regarding the Group’s present and future business strategies and the environments in which it operates now and in the future. No assurance can be given that forward-looking statements will prove to be correct and undue reliance should not be placed on such statements.

Any forward-looking information contained in this notice has not been audited and reported on by the Company’s external auditor.

Forward-looking statements apply only as of the date on which they are made, and Netcare does not undertake other than in terms of the Listings Requirements of the JSE Limited, to update or revise any statement, whether as a result of new information, future events or otherwise.

The normalised information has been prepared for illustrative purposes only, which is the responsibility of the directors. It has not been reviewed or reported on by the auditor because of its nature, and may not fairly represent Netcare’s financial position, changes in equity, results of operations or cash flows.

NETCARE