



Disclosures required under Prudential Standard HPS 110 *Capital Adequacy*

The Company must comply with prudential capital requirements, as determined by Prudential Standard HPS 110 *Capital Adequacy*, to maintain adequate capital against the risks associated with its activities.

As required by HPS 110, the Company has a Board-approved Internal Capital Adequacy Assessment Process (ICAAP) which defines its approach to risk and capital management and sets out the target level of capital, which is in excess of the minimum regulatory prescribed capital requirement, together with the triggers and actions to follow in the case of an adverse stress event.

The Company's capital management objective is to maintain a strong financial risk profile and capacity to pay all eligible customer benefits, invest in health management programs to support our Members, ensure that the business maintains operating efficiency and effectiveness and to meet financial commitments.

The table below sets out the Company's annual disclosure of its APRA regulatory capital position at 30 June 2025. The Company does not have a General Fund and as such, the Health Benefits Fund, as outlined below, is also the Insurer.

Year Ended 30 June 2025	\$
Net Assets	55,878,097
Regulatory Adjustments	641,268
Common Equity Tier 1 Capital	56,519,365
Additional Tier 1 Capital	-
Tier 2 Capital	-
Capital Base	56,519,365
Insurance Risk Charge	12,400,271
Asset Risk Charge	10,005,010
Operational Risk Charge	1,431,344
Aggregation Benefit	(4,984,234)
Prescribed Capital Amount	18,852,391
Capital Adequacy Multiple	3.00