

### Item 3.1

#### HIV Testing

##### Why

Why we need to do HIV tests for underwriting

Private voluntary insurance only works if applicants believe that the premium charged equals the expected value of claims, plus expenses. Insurers must thus underwrite risks to group similar risks with similar expected claims ratios. For each risk group the premium charged matches the risk for the group.

This risk classification by means of underwriting is international practice and applies to any disease with a shortened life expectancy or major risk factors, including HIV/AIDS. This means that a person with a normal life expectancy with no major risk factors, will pay a normal calculated premium. On the other hand, a person with a shortened life expectancy or major risk factors will have to pay a premium loading. Smokers, for example, will pay premium loadings based on several scientific studies that have proven that smokers have a shortened life expectancy or major risk factors. It therefore follows that if a person's life expectancy becomes too short, the premiums for risk cover will become unaffordable.

Although the introduction of antiretroviral therapy has improved the life expectancy of people living with HIV, it is still reduced compared to HIV negative people.

HIV positive lives are therefore in a high-risk category with high premiums to match the risk.

Applicants who are HIV positive now qualify for risk cover, subject to underwriting. Please refer to the section "Policies for HIV positive applicants".