

2023

VIRTUAL ANNUAL
GENERAL MEETING



AGENDA

- 01 Chairperson's report to Members
- 02 Board of Trustees' report
- 03 Independent Auditor's report
- 04 2022 Audited Financial Statements
- 05 Resolution 1: Appointment of Auditor for 2023
- 06 Resolutions 2.1 and 2.2: Trustee Remuneration Policy
- 07 Questions
- 08 Closing

CHAIRPERSON'S REPORT TO MEMBERS

2023



Bonitas

Medical Aid for South Africa

BOARD OF TRUSTEES



Mr OJ Komane
Chairperson
Elected Trustee



Mr R Cowlin
Vice-chairperson
Appointed Trustee



ADV RT Monene
Elected Trustee



Dr PW Hill
Elected Trustee



Mr MG Netshisaulu
Elected Trustee



Mr PJ Ribbens
Elected Trustee



Mr JD Ngwane
Elected Trustee



Ms V Rikhotso
Elected Trustee



Mr J Bagg
Appointed Trustee



Mr JR Venter
Elected Trustee

DUTIES OF THE BOARD OF TRUSTEES

Section 57(6) of the Medical Schemes Act requires the Board of Trustees to:

- Take all ***reasonable steps*** to ensure that the ***interests of beneficiaries*** in terms of the rules of the medical scheme and the provisions of the Medical Schemes Act ***are protected at all times***
- Act with ***due care, diligence, skill*** and ***good faith***
- Take all reasonable steps to ***avoid conflicts of interest***, and ***act with impartiality*** in respect of all beneficiaries

GOVERNANCE STRUCTURE AND FRAMEWORK

BONITAS MEMBERS

Elect ↓
↑ Accountable to

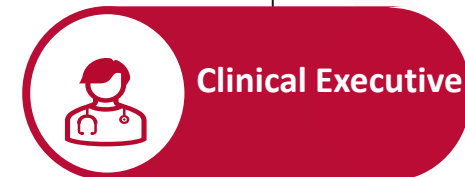


Report to

Mandates

Appoints

Report to



- Audit and Risk
- Remuneration
- Investment
- Working and Strategy
- Managed Healthcare

Manage
Outsourced service providers (e.g. administrator, Managed Care provider etc.)

KEY TOPICS OF BOARD DELIBERATION FOR 2022



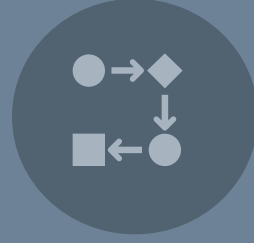
Product and benefit design

The Board ensured that the benefits and product design process delivered attractive options for current and potential members.



Affordable contribution increases

We ensured affordable average contribution increases given the economic and social pressures that emerged during the year.



Better option performance

We were able to transform loss-making options into surplus-making options.



Improved managed care

The managed healthcare programmes featured significant improvements to secure maximum satisfaction for Bonitas members.



Managing sustainability

The responsible use of reserves remains critical to Bonitas' long-term sustainability.



Driving stakeholder engagement

Continued stakeholder engagement and feedback keep the Board in tune with new risks and opportunities.

KEY BOARD PRIORITIES FOR 2023



Continuous review process for benefits and product design will remain a priority.



The Board will monitor the implementation of the managed healthcare strategy to ensure improved quality of healthcare programmes.



We plan to further optimise GP, specialist and hospital networks.



Transformation remains a key focus area for the BOT as part of its fiduciary duties in promoting its corporate stewardship.



We support the concept of Universal Health Coverage

- ✓ To improve access to quality healthcare
- ✓ To enhance quality of life of all South Africans
- ✓ Contribute to addressing the social-economic imbalances, injustices and inequities of the past

But NHI is not UHC



Public/Private collaboration is critical for the success of NHI

- ✓ There is definitely a role for private medical schemes

Constitutional principles must be upheld



Funding

(cannot transfer reserves of medical schemes)



Legislative conflict

(conflict with Constitution)



Infrastructure and pressure on State Resources



Corporate governance of NHI Fund



Administration of member data and info



Provider management and loss of skills



Allocation of clinical services

(how will need be prioritised)



KEY INDICATORS

Total estimated realisation through managed care initiatives

R447 million

(2021 : R407 million)

↑ 10%

Value for money score

R1.78

(2021 : R1,49)

↑ 19.5%



R55.5 million

Gross recoveries from fraud, waste and abuse

(2021 : R26.6 million)

14 585

new members were due to the amalgamation with NMAS, which concluded on 1 January 2022. This amalgamation serves to maintain and enhance Bonitas's reputation in the industry as an attractive and capable amalgamation partner.



2022 CLAIMS PAYOUT



R6.8Bn

Hospital Costs



12 171

Maternity/Pregnancy related admissions



7 498

Deliveries



1 700

Newborn admissions



7 965

Mental health admissions

25% ▲

Increase in the admission rate for mental health from 2021 to 2022



6 869

Cataract procedures



4 359

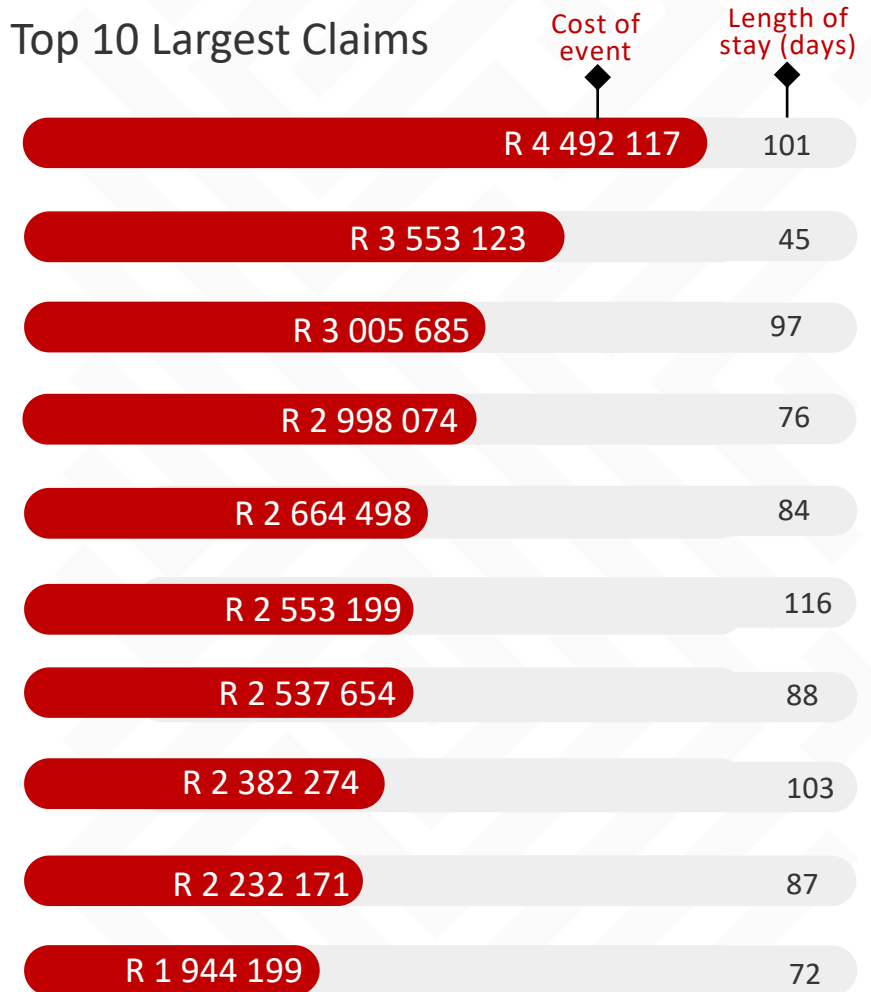
Intestinal infectious diseases admissions



4 251

Pneumonia admissions

Top 10 Largest Claims



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BONITAS THROUGH THE YEARS

Historically ...

The second largest open medical aid in South Africa

Medical aid for the lower income target market



Today...

Affordable and easy to understand options for all income groups

The everyday hero brand

Medical aid that puts its members first

Medical aid that's in tune and sensitive to members' needs



Medical Aid for South Africa



A BRAND THAT PROTECTS

FOCUS AREAS

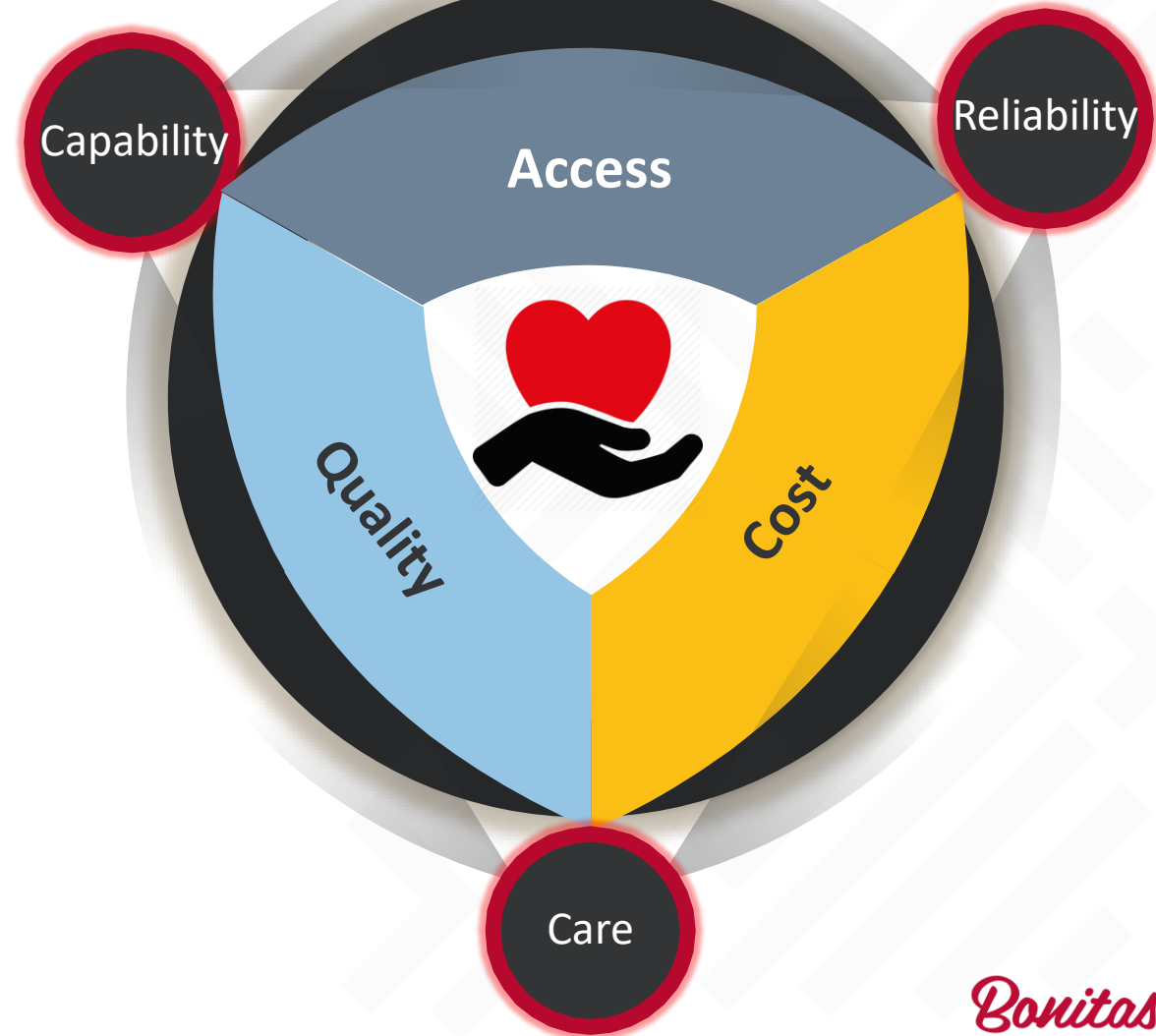


To **ensure the sustainability** of the Scheme while **meeting the needs of our members and employer groups**

To **make quality healthcare more affordable and more accessible** to South Africans



OUR APPROACH



OUR VALUE PROPOSITION

As the medical aid for South Africa, we:

Care about our members so we always act in their best interest

Partner with the best services providers so our members have access to quality care at affordable rates

Keep people healthy assist when they are ill and help create maximum value for them. We also make corporates healthier so they are more productive and engaged

Are financially stable so we always act in our members best interests

Find innovative ways to connect with our members including our helplines, service centres, website, app, WhatsApp and social media

Offer a wide range of plans that are easy to use and understand to suit a broad variety of healthcare needs

Excellence in governance, regulation and compliance





We are the
**only medical
scheme**
with a presence
across
South Africa
in all
market sectors

Bonitas

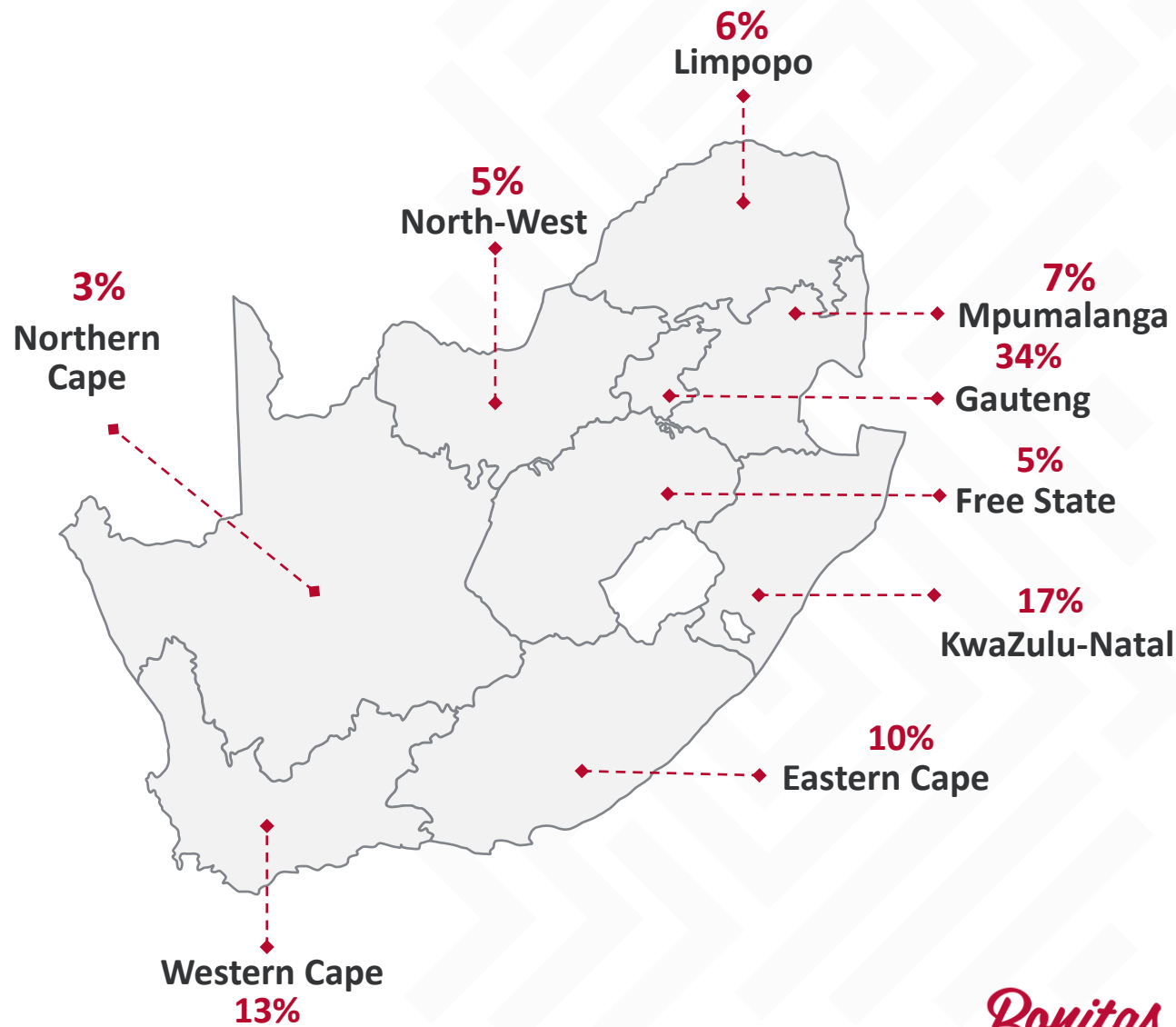
Medical Aid for South Africa





OUR FOOTPRINT

Bonitas has a **15% market share** of the open medical scheme market



MEMBERSHIP OVERVIEW 2022



353 673

Principal
members



727 041

Lives
covered



35.5

Average
age



18.7%

Chronic
profile

NEW MEMBERSHIP ANALYSIS

62 031

new principal members added in 2022



Over

28 000

new principal members added YTD 2023

Member acquisition

Membership split



76%

of new members joined Bonitas through corporate groups and paypoints while

24%

of joined as individual members

Average age

38

years old

Average family size

2.1

Mainly based in

Gauteng (40%)

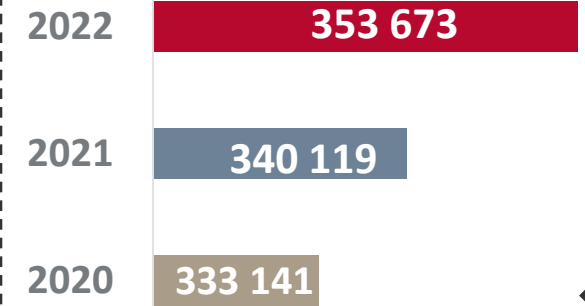
Demographics

Industry comparison



Outperforming the industry with net growth for consecutive years

Membership comparison





MULTIPLE TOUCHPOINTS FOR MEMBERS

Call centre support available in all 11 official languages

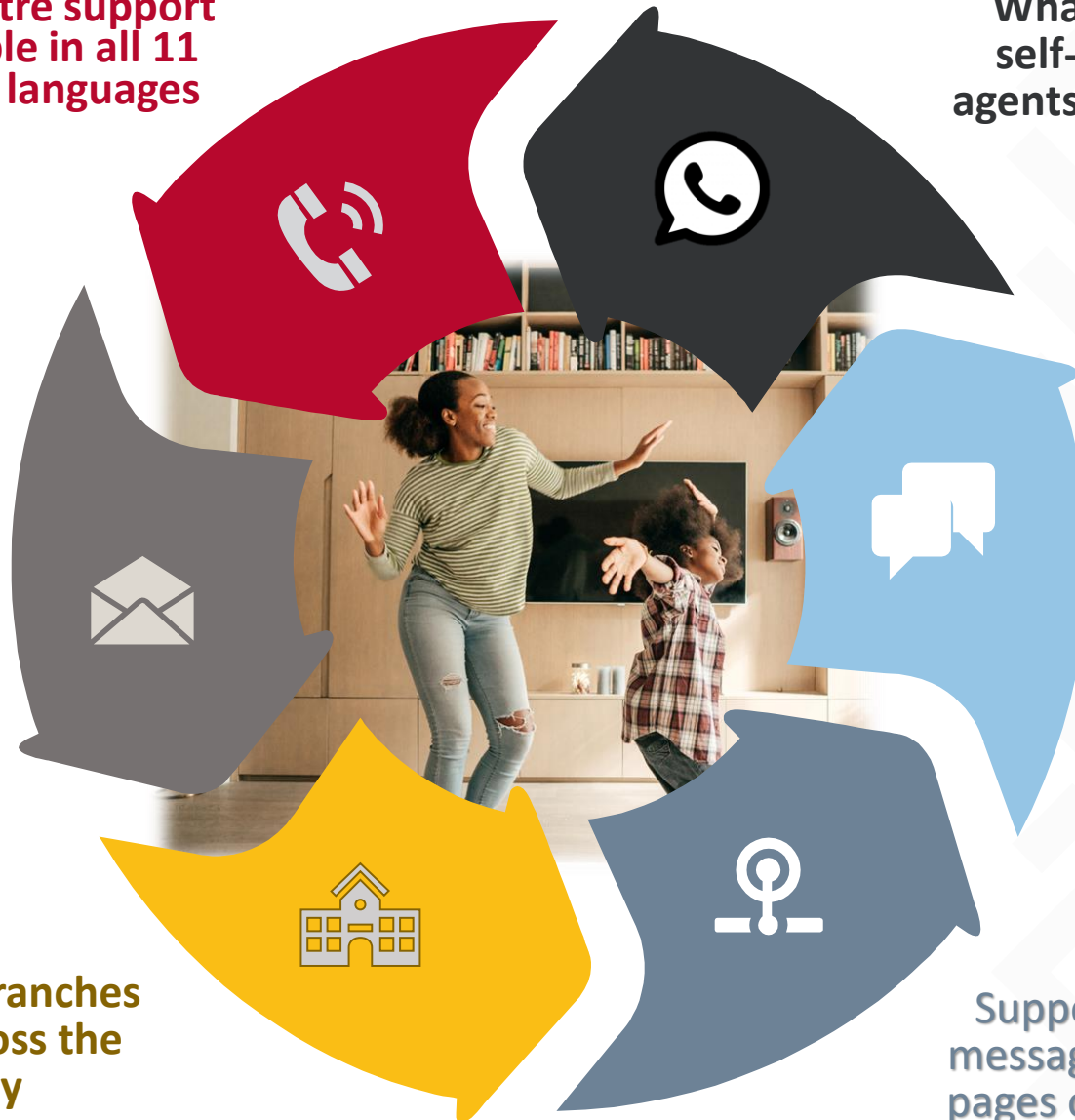
WhatsApp channel with self-service options and agents for real-time support

A range of dedicated email channels

Live chat through the Bonitas app and Member Zone

17 walk-in branches located across the country

Support through direct messages on social media pages on Facebook, X and Instagram



CARING FOR OUR MEMBERS



Extended emergency medical services to a greater pool of providers with a dedicated line through Bonitas SOS



Leveraging technology to extend care through initiatives such as virtual care and online wellness assessments

Quality care in and out of hospital through innovations such as Hospital at Home



Broader access to preventative care benefits paid from risk, to proactively support members at all life stages (incl. childhood vaccines and vaccines for the elderly)

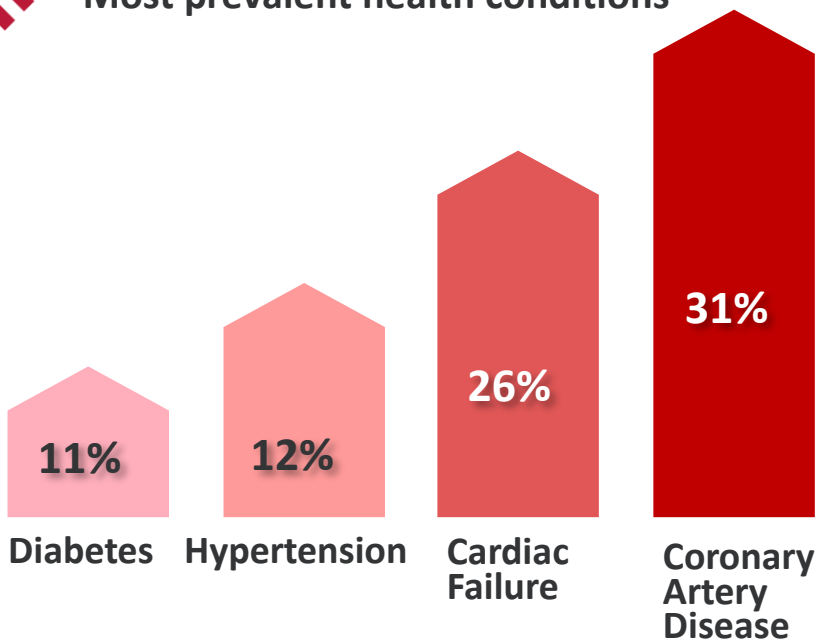




SCREENING

A renewed focus on preventing disease & keeping members healthy

Most prevalent health conditions



Health risk assessments

- Blood pressure
- Glucose
- Cholesterol
- Body Mass Index
- Waist-to-hip ratio
- HIV tests
- Pap smear
- Flu vaccines



Early intervention is key



Diabetes symptoms may not present for a long-time

Complications are far worse if individuals do not get diagnosed and treated properly. These include premature heart disease and stroke, blindness, limb amputations and kidney failure.



Hypertension triggers more heart attacks and strokes

High blood pressure triggers more heart attacks and strokes in South Africa than any other cause; it kills more people worldwide than smoking, diabetes or obesity.

Complications in childbirth

For women with diabetes
36% of deliveries
resulted in newborn
complications
and admissions



Women with hypertension had the
highest number of newborn
complications with
33% of deliveries
from hypertensive women resulting
in newborn complications and
admissions

SCREENING : MEMBER PERCEPTION OF THEIR OWN HEALTH

A renewed focus on preventing disease & keeping members healthy



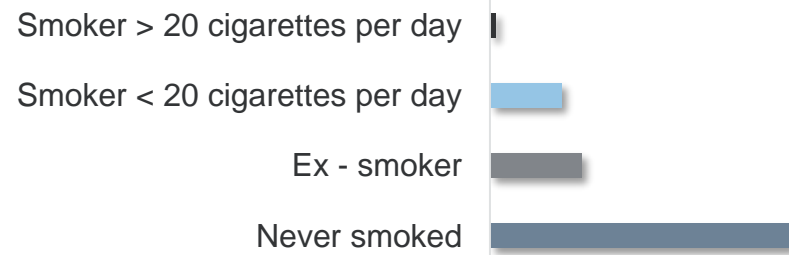
Alcohol use

Avg. no. alcoholic drinks per week **1.42**

%age > 10 drinks per week **3%**



Smoker status



Healthy habits



> 30mins physical activity at least 5 days a week **62%**



Eat fruit and vegetables daily **81%**



Perception of health

3.4%	34.7%	61.9%
Poor	Fair	Good



Motivation to improve overall health

Not interested	1.3%
Somewhat interested	21.4%
Very interested	77.3%



Family history

Diabetes **46%**

Cardiovascular disease **17%**



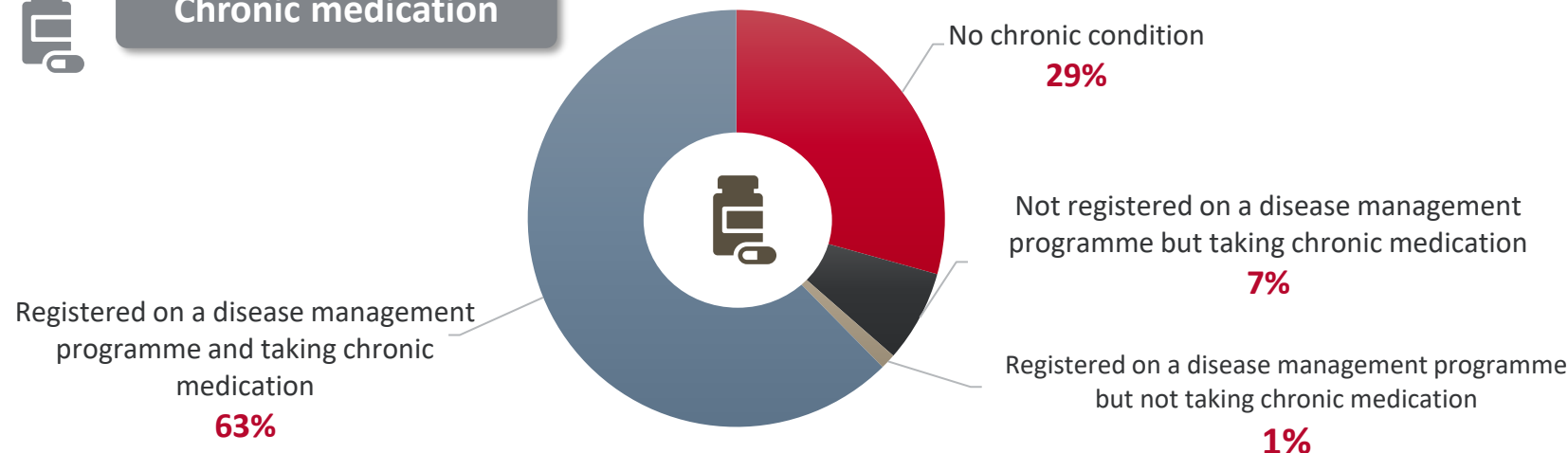
Anxiety and depression

Risk stratification done using the Patient Health Questionnaire for Depression and Anxiety (the PHQ-4)

73%	18%	5%	4%
Normal	Mild	Moderate	Severe



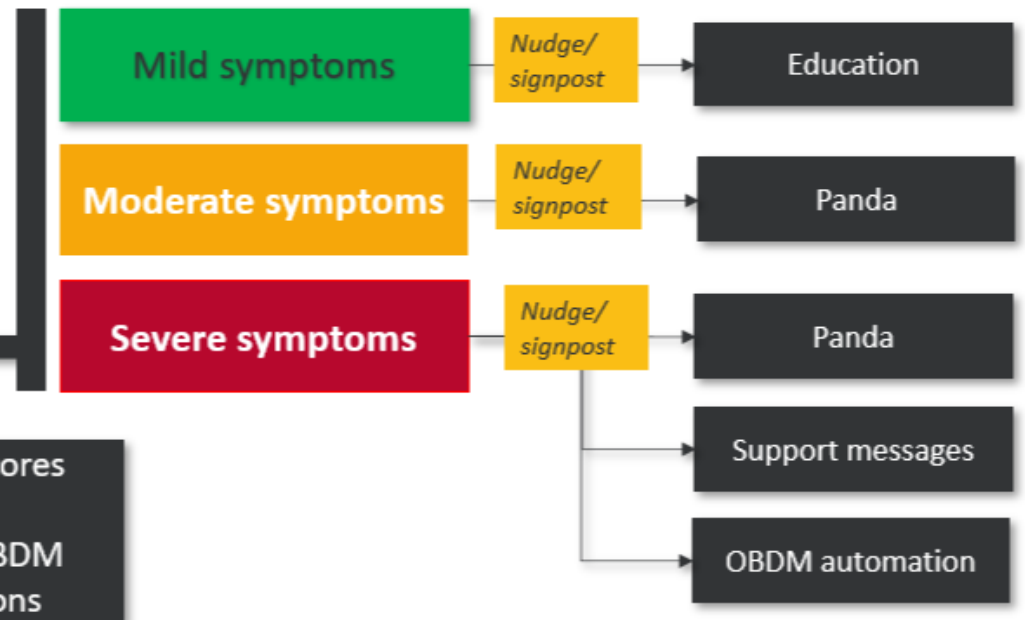
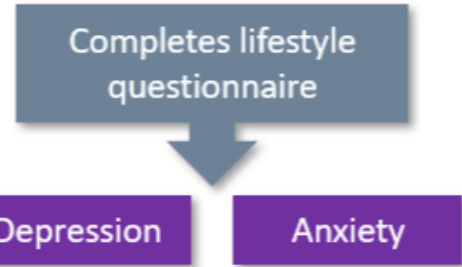
Chronic medication





MENTAL HEALTH

Significantly improving access to mental healthcare

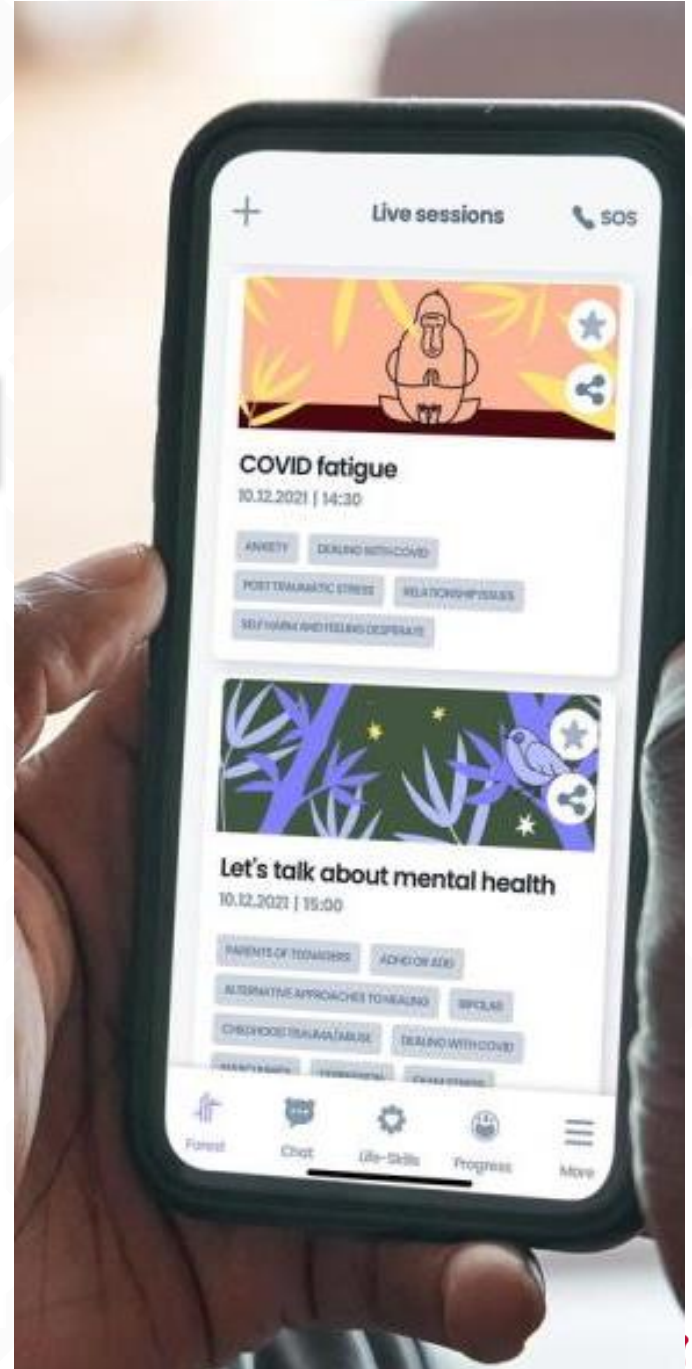


Symptom scores stored
Supports OBDM interventions



Seeks support

Nudge/signpost



INCREASED PREVALENCE OF MENTAL HEALTH



25-27% increase

in anxiety and depression across the world since the pandemic

South Africa has a 12-month prevalence estimate of **16.5% for common mental disorders**

(anxiety, mood and substance use disorders)

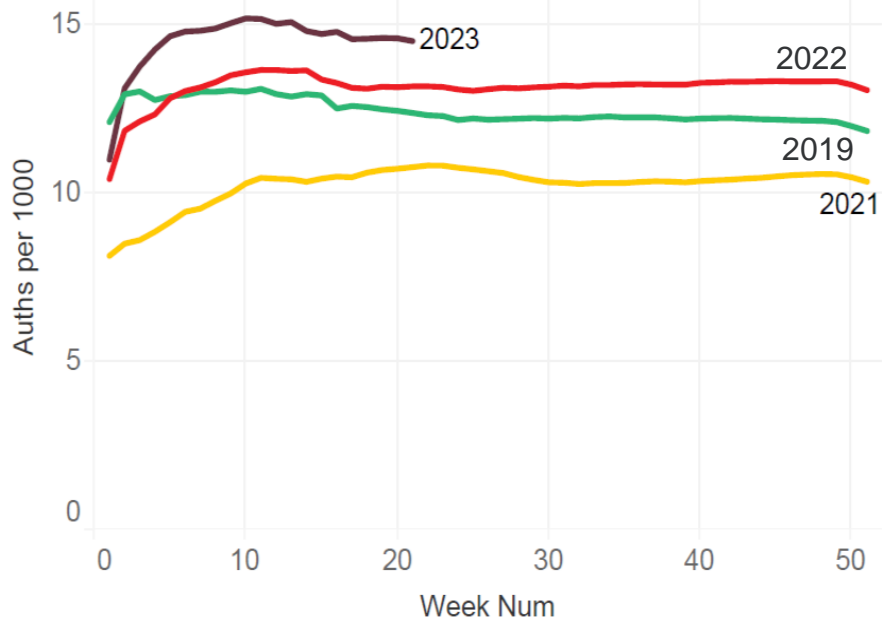


36.4% increase in prevalence of anxiety disorders in South Africa



38% increase in the prevalence of major depressive disorders

Mental Health admissions for Bonitas



25%

Increase in the admission rate for mental health from 2021 to 2022

7 965

Hospital admissions in 2022

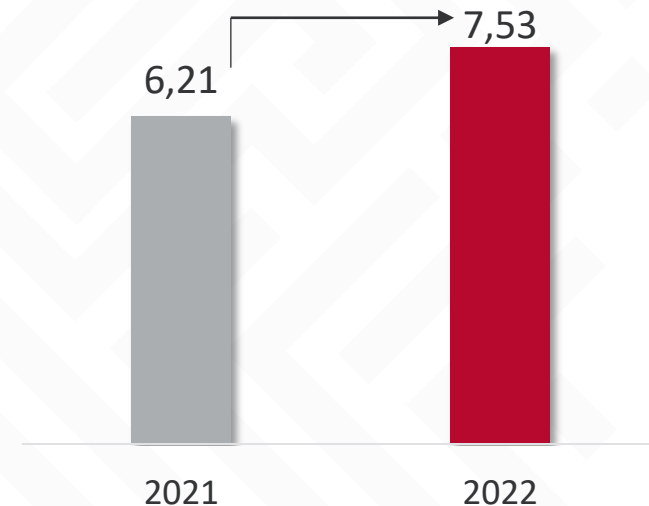
11.18

Average number of days spent in hospital

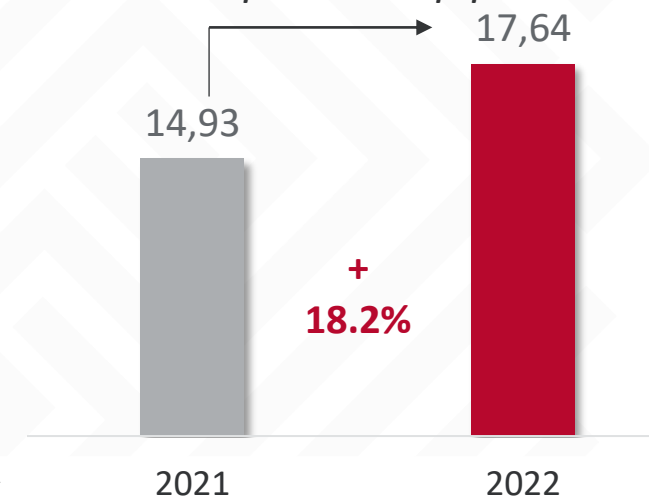
95 020

Total days spent in hospital

Major depression and other affective disorders
Admission Rate per 1000 Lives



Hospital Cost plpm



MANAGED CARE PROGRAMME ENROLMENT



202 611

Beneficiaries registered for chronic medicine

↑ 4.3%

(2021 : 194 199)



40 311

Beneficiaries on the HIV/AIDS programme

↓ 4%

(2021 : 41 977)

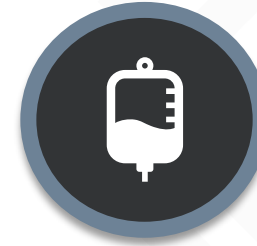


12 724

Beneficiaries on the cancer programme

↓ 6.2%

(2021 : 13 562)



67 641

Beneficiaries on the diabetes programme

↑ 6.1%

(2021 : 63 780)



7 144

Beneficiaries identified for the back & neck programme

↑ 42.3%

(2021 : 5 022)

RECOGNISED AS A LEADER IN THE INDUSTRY

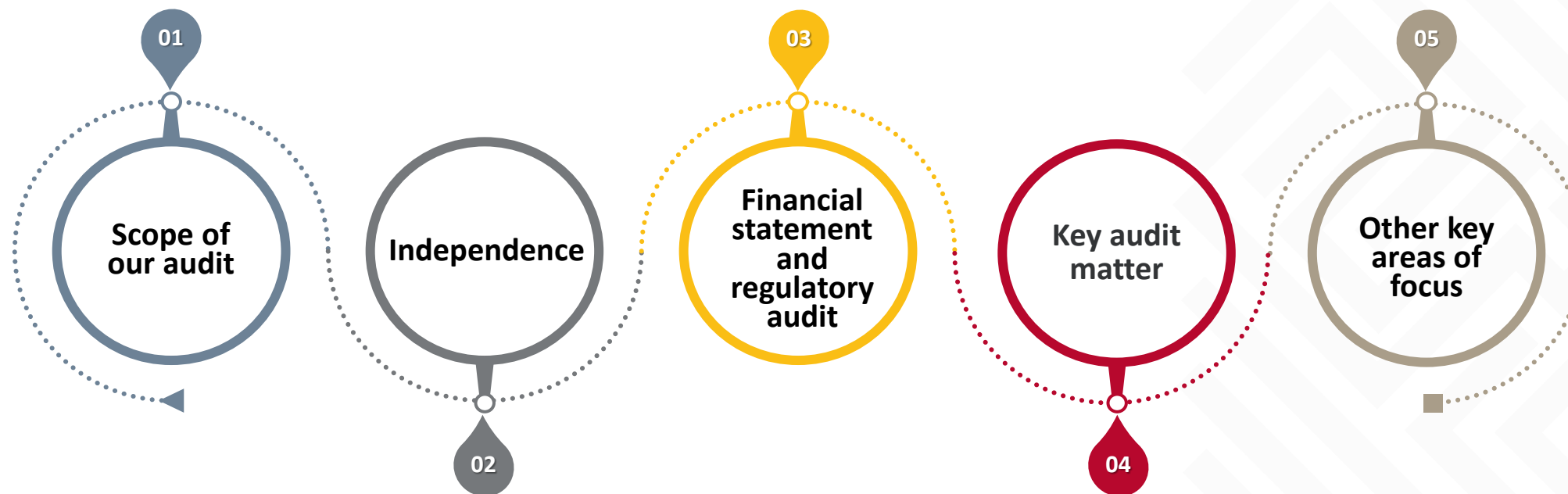


Product offering, benefits, brand positioning and reputation are key strengths for Bonitas

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INDEPENDENT AUDITORS REPORT



TO THE MEMBERS OF BONITAS MEDICAL FUND: REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Bonitas Medical Fund (the Scheme) set out on pages 97 to 160, which comprise the statements of financial position as at 31 December 2022, and the statements of comprehensive income, the statements of changes in members' funds and reserves and the statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Scheme as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Medical Schemes Act of South Africa.

Independence

We confirm that we provided the trustees with a statement that we complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



INDEPENDENT AUDITORS REPORT

Deloitte.

KEY AUDIT MATTER

Outstanding claims provision:

As disclosed in Note 10, the carrying amount of the Outstanding Claims Provision (“IBNR”) at year end was R960.5 million (2021: R904.4 million).

The determination of the IBNR requires the Scheme’s Trustees to make assumptions in the valuation thereof, which is determined with reference to an estimation of the ultimate cost of settling all claims incurred but not yet reported at the Statement of Financial Position date. The IBNR calculation is based on several factors which include:

- Previous experience in claims patterns;
- Claims settlement patterns;
- Changes in the nature and number of members according to gender and age;
- Trends in claims frequency;
- Changes in the claims processing cycle;
- Variations in the nature and average cost per claim, and
- Other factors such as expectations of future events that are believed to be reasonable to be considered in the valuation of the IBNR at year end.

Certain of the above-mentioned factors require judgement and assumptions to be made by the Scheme’s Trustees and therefore accordingly, for the purposes of our audit, we identified the valuation of the IBNR as representing a key audit matter.



INDEPENDENT AUDITORS REPORT

Deloitte.

KEY AUDIT MATTER

Outstanding claims provision:

How the matter was addressed in our audit

In evaluating the valuation of the IBNR, we audited the calculations approved by the Board of Trustees and performed various procedures which included:

- Considering the design and implementation of the Scheme's controls relating to the preparation of the IBNR calculation;
- Testing the integrity of the information used in the calculation of the IBNR by performing substantive procedures to test the accuracy and completeness of data used in the valuation of IBNR;
- With the assistance of our internal actuarial specialists, performed an independent calculation of the estimate of the provision using historical claims data and trends, and using this estimate as a basis of assessing the reasonableness of the Board of Trustees' estimate of the provision;
- Testing a sample of claims paid in the current year against the related IBNR reserve held to assess the reasonability of assumptions used to calculate the IBNR estimate;
- Performing tests of detail on the current year IBNR including testing actual claims paid subsequent to year end to determine if these have been appropriately reserved for at balance sheet date;
- Assessing the presentation and disclosure in respect of the IBNR and considered the adequacy of these disclosures; and
- Considering the validity and completeness of any out of model adjustments made to adjust the IBNR for matters not included in the historical data set and therefore not incorporated in the actuarially determined reserve.

The assumptions applied in the IBNR calculation are appropriate and we are satisfied that the movement of the IBNR in the Statement of Comprehensive Income and the related disclosure of the IBNR balance and assumptions are appropriate.

AGENDA

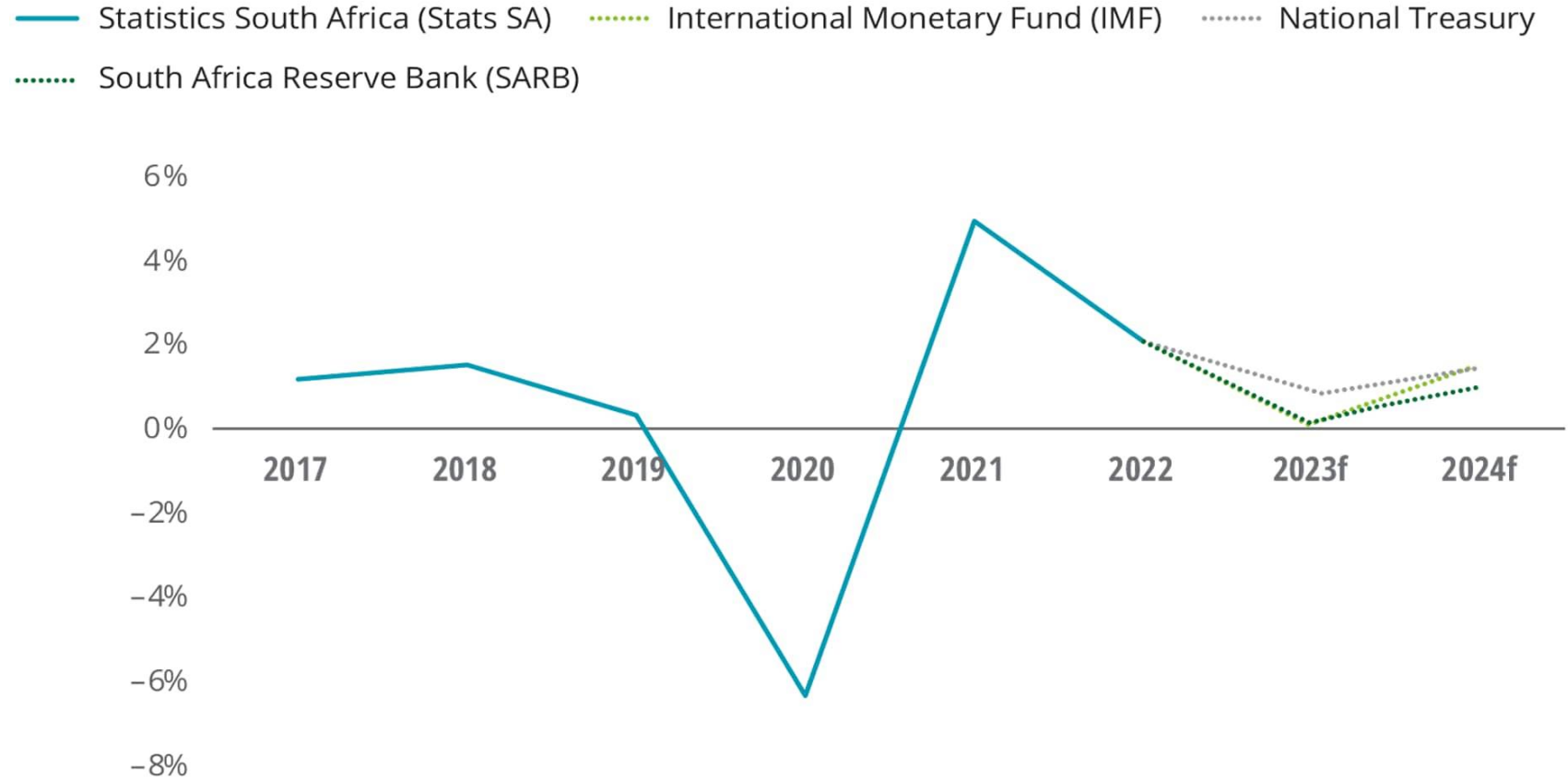
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PROJECTED GDP GROWTH

“Low to no real GDP growth in 2023 is on the cards”

Deloitte.
Insights

South Africa GDP growth (% , constant prices), 2017-2024 (forecast)



MACRO-ECONOMICS FORECAST

“The latest GDP data shows that South Africa is not in a recession. However, economic growth is meagre at present, registering only 0.2% q-o-q in 2023Q1. As such, it is not surprising that the unemployment rate increased from 32.7% in 2022Q4 to 32.9% in 2023Q1.”

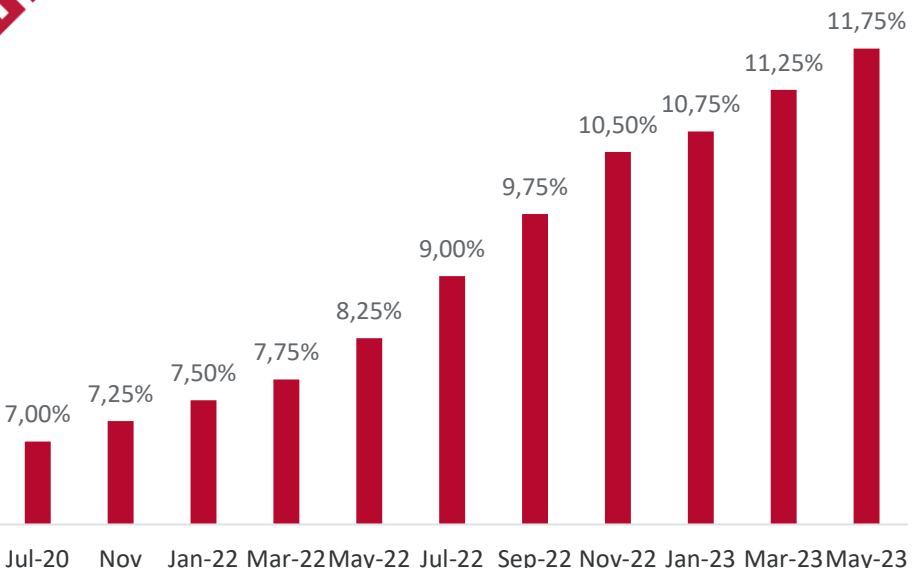


Macroeconomic forecast (June 2023)				
Baseline scenario	2021	2022	2023f	2024f
ZAR/USD	14.78	16.37	18.20	18.70
Consumer price inflation (%)	4.6	6.9	6.1	5.5
Repo rate (end-of-period)	3.75	7.00	8.25	7.50
Real GDP growth (%)	4.7	1.9	0.3	0.9
Unemployment rate (%)	35.3	33.0	33.6	34.1

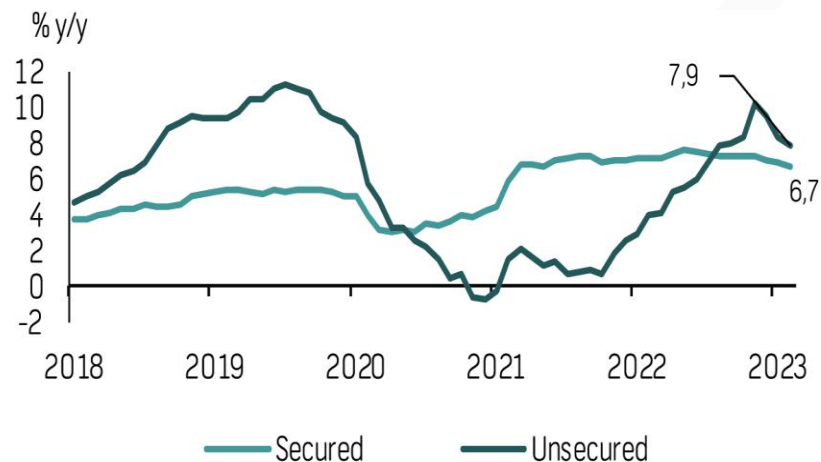


INCREASING INTEREST RATES

SA Prime lending rate trend

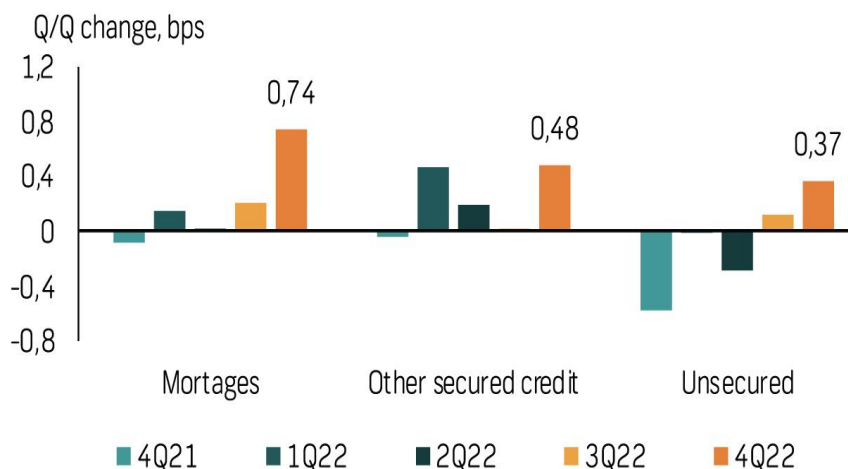


Secured v unsecured credit




Consumers are still **accumulating consumption credit** at a relatively faster pace. The switch from asset-backed to consumption credit has been **driven by distressed borrowing, amid higher living costs.**

Defaults by credit type





Credit defaults are rising across all credit types, both in the bank and non-bank sectors.

Mortgages saw the largest increase in defaults, of about 74bps, while unsecured credit saw the least increase of 37bps



R7 753
 R1 million

38.9% increase


R10 837
 R1 million


R5 346
 R300 000

11.7% increase

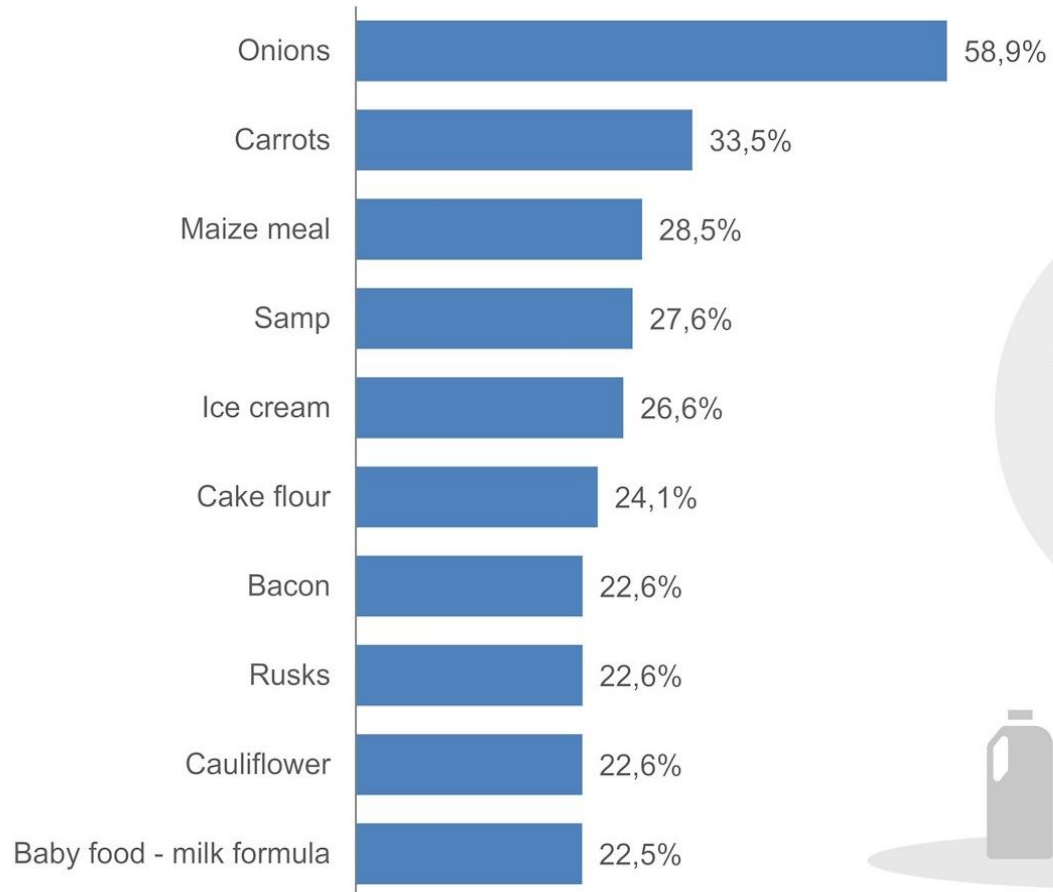

R5 972
 R300 000



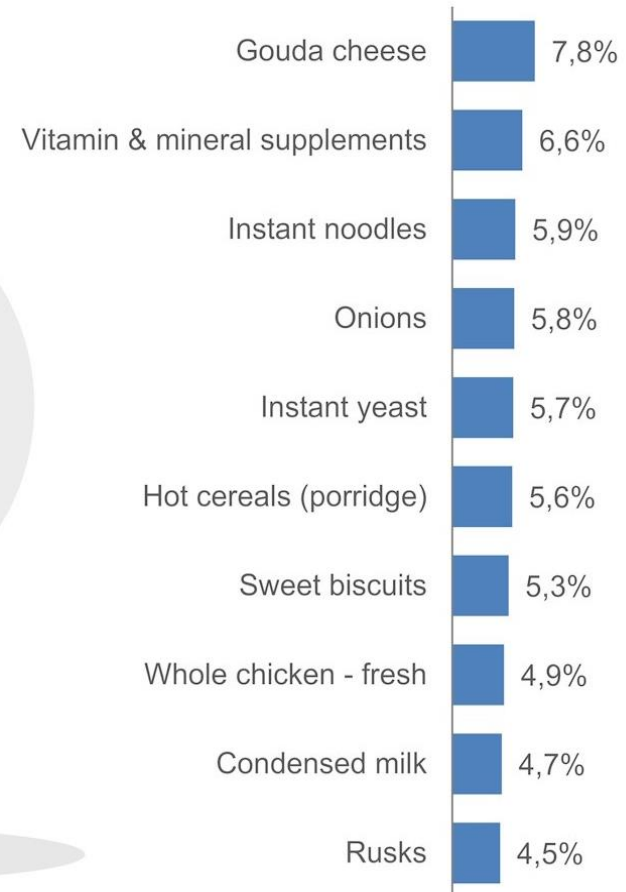
HIGHER COST OF LIVING

Changes in prices May 2022 v May 2023

Products that have become more expensive over the last year
Percentage change in price indices, May 2023 compared with May 2022



The largest price changes between April and May
Percentage change in price indices, May 2023 compared with April 2023



Consumer price increases in May 2023



stats sa
Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA



FINANCIAL PERFORMANCE

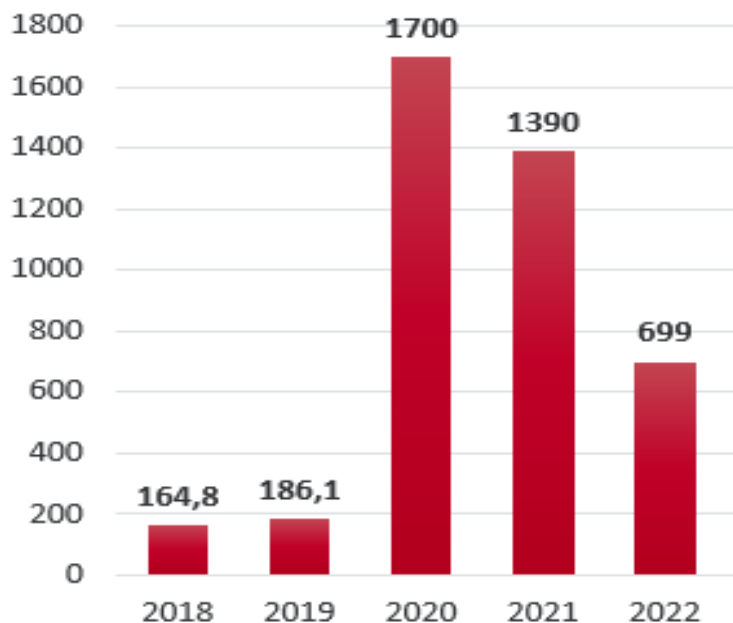


R699m

surplus achieved

(2021: R1.39 billion)

5-year trend of surpluses achieved



R1.7bn

Gross healthcare result

(2021: R1.8 bn)



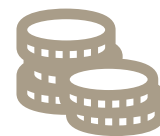
AA+

credit rating

41.3%

Solvency ratio

(2021: 36.5%)



R19.18 bn

in risk contribution income

(2021: R18.14 billion)

9.2%

non-healthcare
expenditure as % of
risk contribution

(2021:9.0%)

4%

Growth

353,763
principal members

Investment performance

R781m

in investment income

(2021: R1.2 billion)

7.2%

aggregate investment
return

(2021 16.15%)

89%+

Asset managers
outperformed their
benchmarks

Bonitas



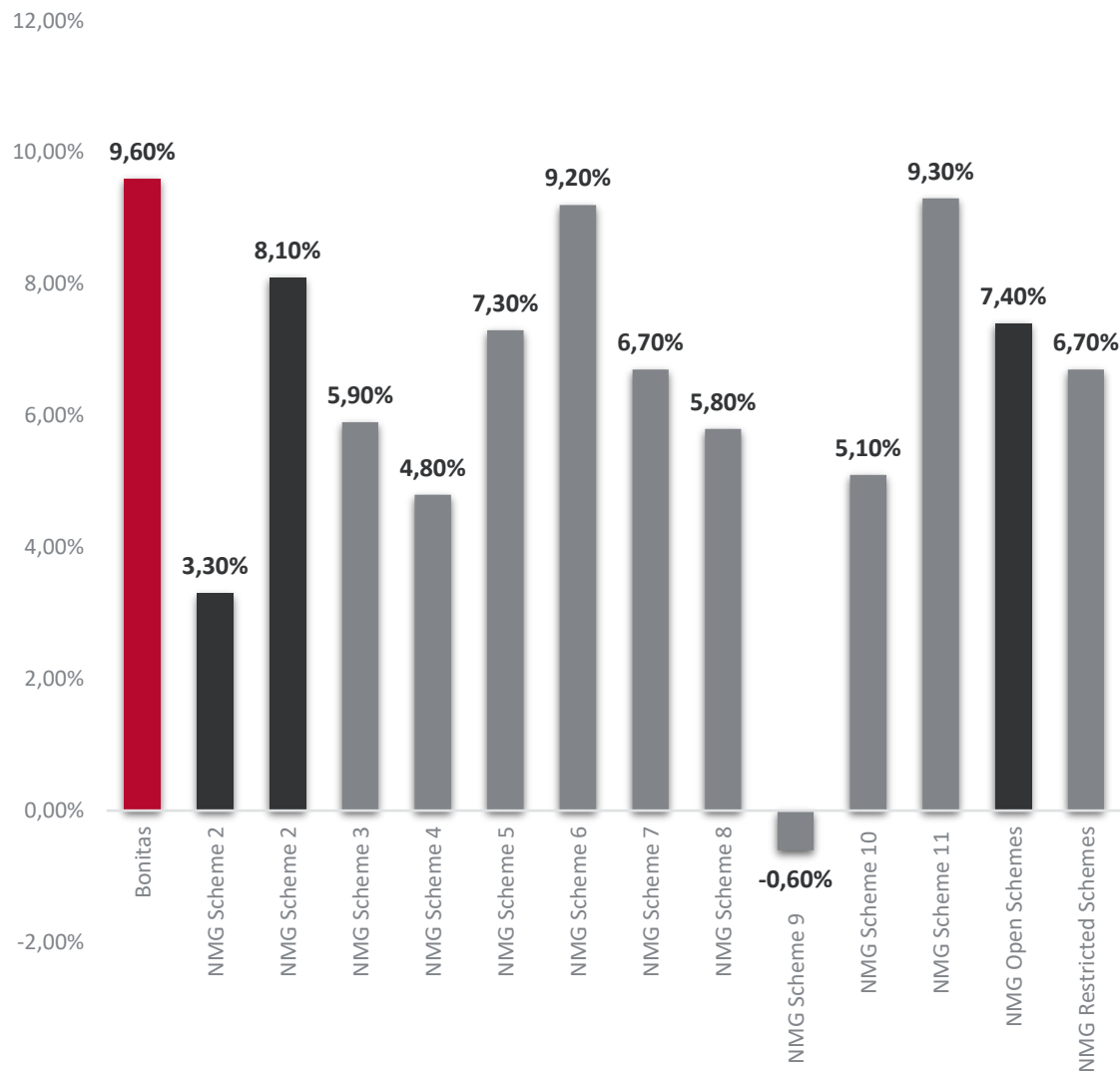
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	2022 R'000	2021 R'000
ASSETS		
<i>Non-current assets</i>	4 978 110	4 865 303
<i>Current assets</i>	6 355 490	4 934 780
Total assets	11 333 600	9 800 083
MEMBERS' FUNDS AND LIABILITIES		
<i>Members funds</i>	8 759 140	7 447 331
<i>Non-current liabilities</i>	7 791	-
<i>Current liabilities</i>	2 566 669	2 352 752
Total Members' funds and liabilities	11 333 600	9 800 083

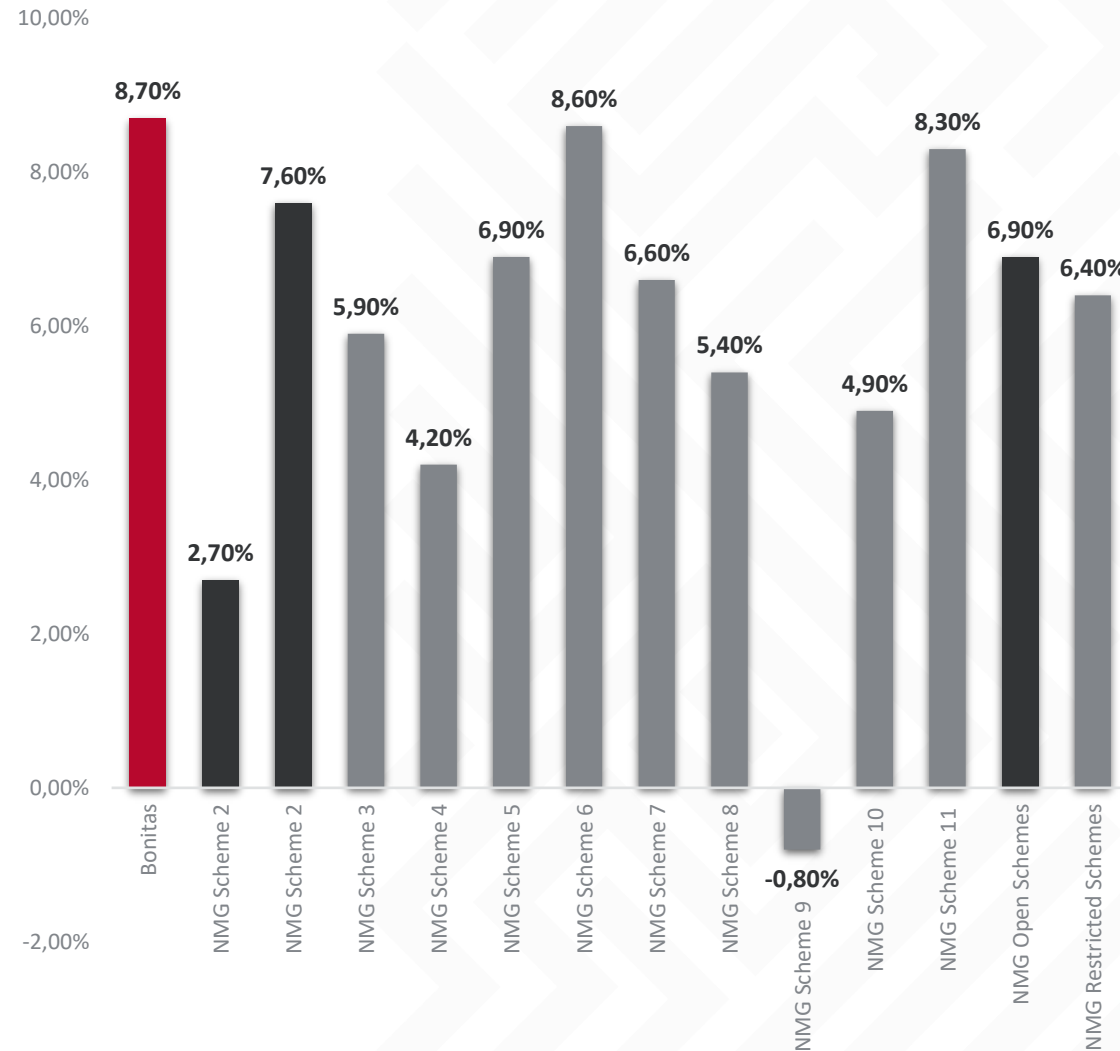


INVESTMENT PERFORMANCE

Investment returns before investment expenses per scheme (2022)



Investment returns net of investment expenses per scheme (2022)

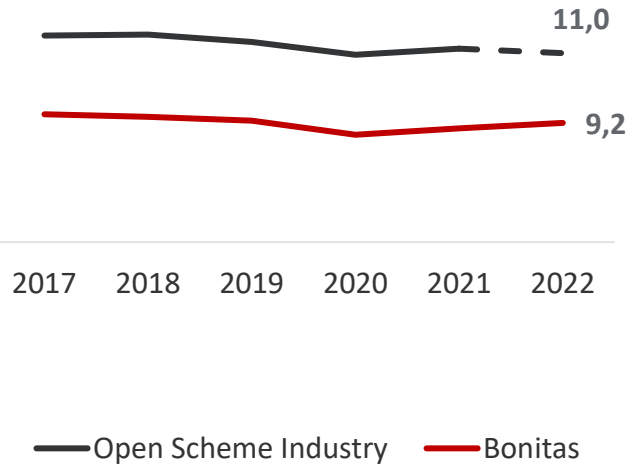




PRUDENT FINANCIAL MANAGEMENT OF THE SCHEME

Non-healthcare costs

Non-healthcare costs as a percentage of risk contribution income remain significantly below the industry



Value realisation

R447 mil

Total estimated value realisation through managed care initiatives

Health Risk Management

Focussing on quality and cost through interventions geared towards **improving the value of affordable healthcare**

Value creation

Value for money industry proxy: **R1,55**

Bonitas value for money: **R1,78**

Deloitte.

Strategic purchasing

Significant savings impact following successful collective bargaining and negotiation with hospital groups

+ R260 mil

Reduction in hospital costs in 2022 (2021: R198 million) following another successful collective bargaining process with hospitals



COVID-19 EXPERIENCE

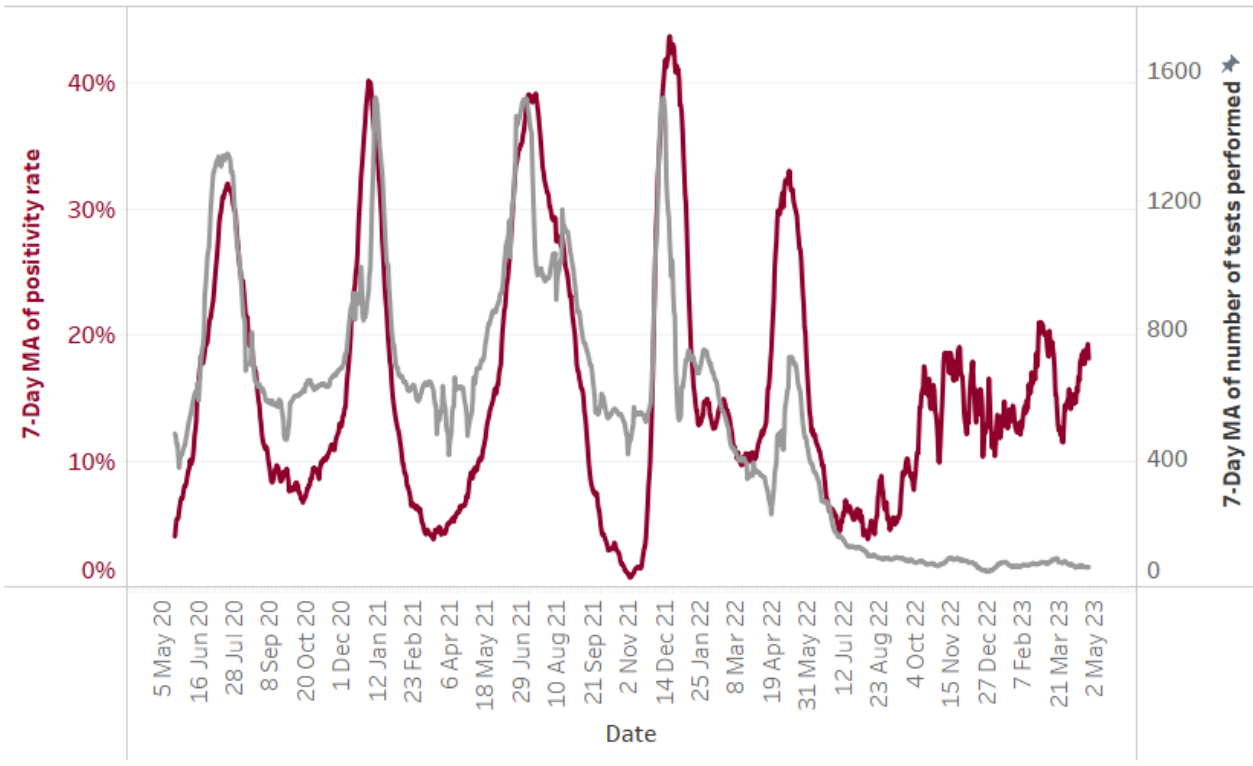
Bonitas COVID-19 Dashboard

Total Tests Performed: 594 909

Reported in 2022: 102 495

Reported in 2023 YTD: 8 068

7-Day MA of the positivity rate and 7-Day MA of number of tests performed



All figures are based on data received up to 2 May 2023

Total COVID-19 Hospital Admissions:

25 927

Reported in 2022: 3 509

Reported in 2023 YTD: 426

Bonitas Lives Currently in Hospital:

▼ **62**

(-1.6%)

2023 Admission Rate

34%

2023 ICU Admission Rate

12%

Total COVID-19 Deaths:

3 939

Reported in 2022: 194

Reported in 2023 YTD: 16



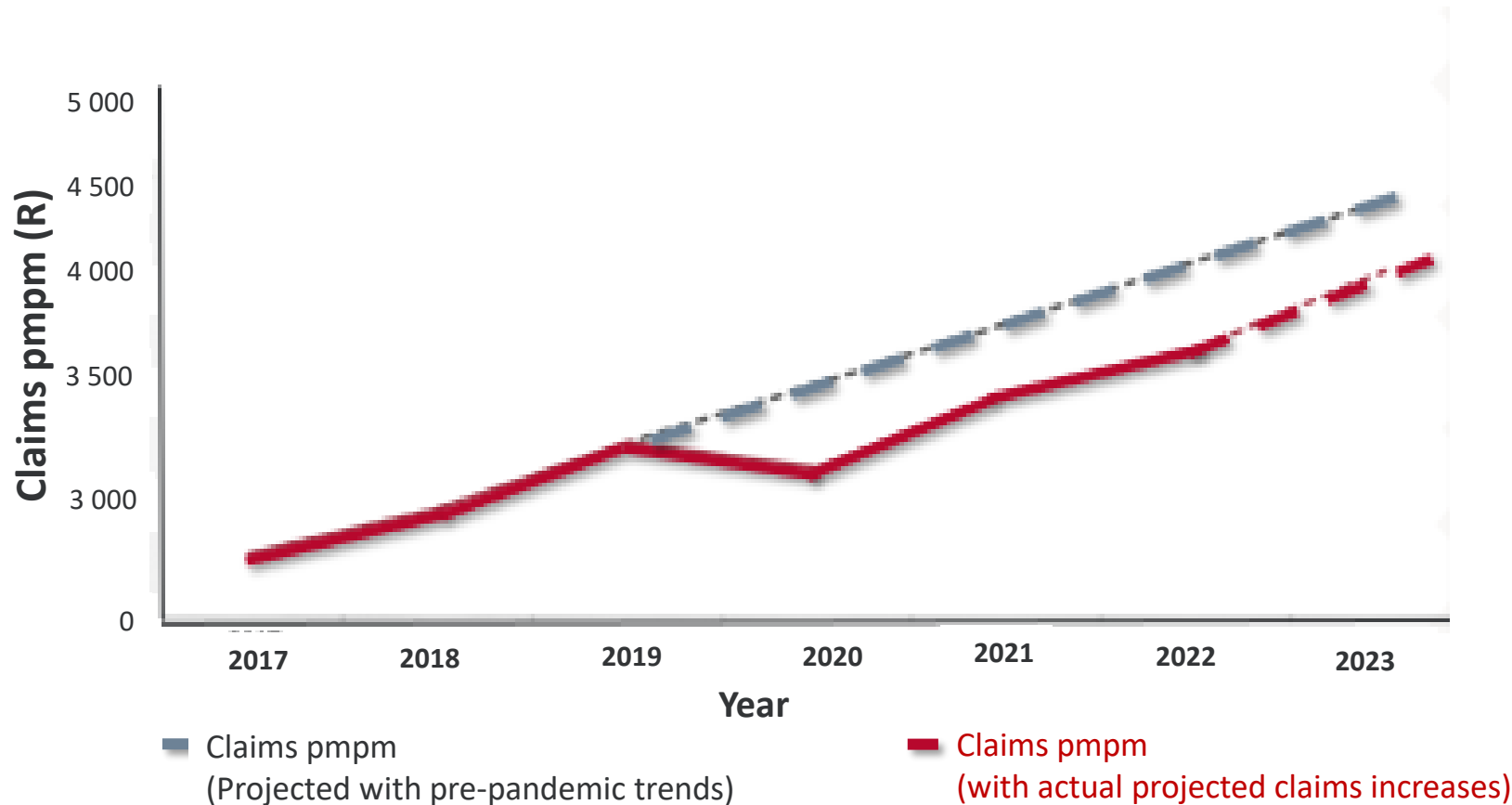
COVID-19 costs in 2022

R425.9 mil

2021: R2.6 billion ▼

HEALTHCARE UTILISATION TRENDS

Claims per member per month by benefit year



The historical healthcare claims increases experienced by the Fund have been increasing annually by more than 3% above CPI

Claim increase trends were interrupted by the lower claims utilisation in 2020

Projected increases in claims for 2023 are projected to be 7.4% below the levels projected prior to the pandemic (if past trends continued).

This gap would likely narrow in future years

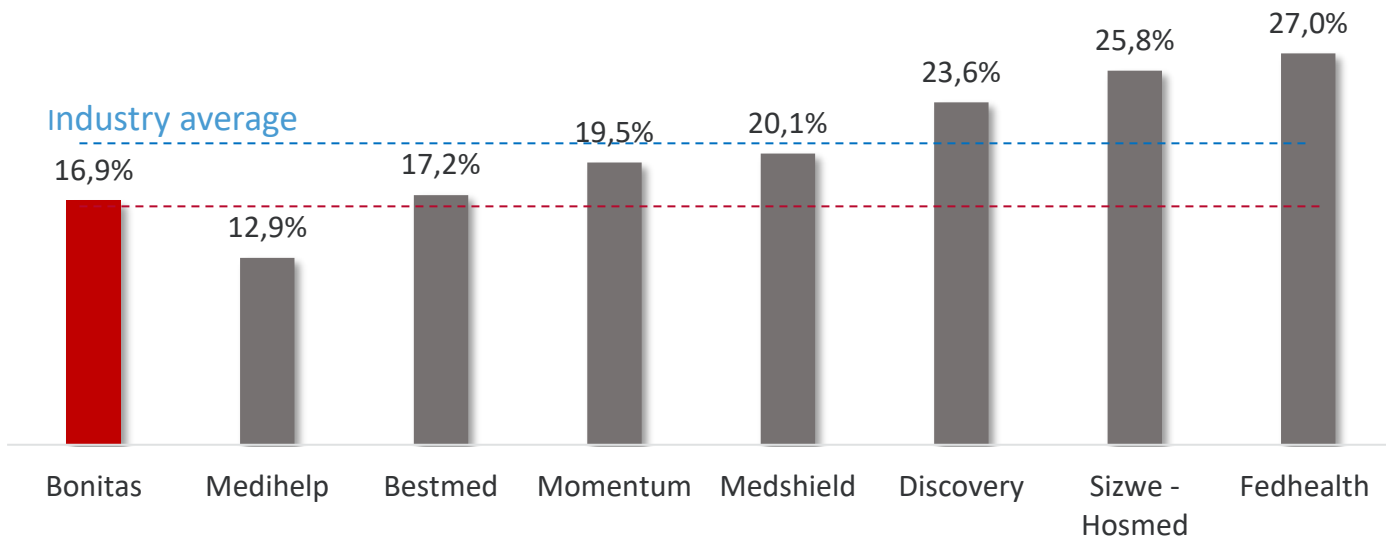
While utilisation has increased claims since 2020, utilisation trends remain uncertain for 2023 and will be influenced by:

- Elective (discretionary) procedure claims catch-up
- Additional COVID-19 treatment costs not in claims base
- Long COVID impacts
- Health-seeking behaviour changes during possible future COVID-19 waves
- Burden of disease changes



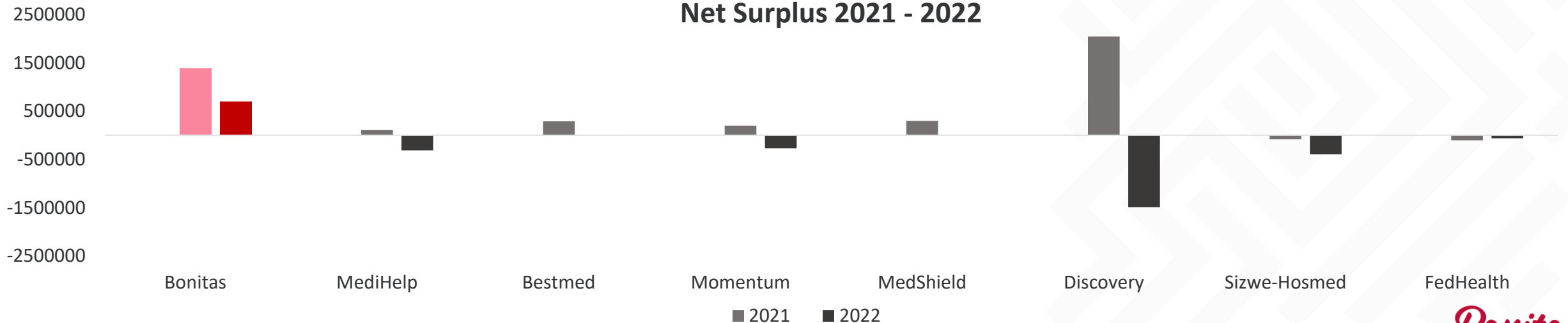
MAINTAINING MEMBER AFFORDABILITY

Compounded annual contribution increases 2021-2023



Scheme	2020	2022	2023
Bonitas	9.9%	4.8%	6.6%
Medihelp	10.5%	-0.5%	7.5%
Bestmed	8.2%	3.9%	8.5%
Momentum	7.4%	6.0%	8.5%
Medshield	11.1%	6.3%	6.7%
Discovery	9.5%	7.9%	8.2%
Sizwe-Hosmed	10.6%	7.6%	11.9%
Fedhealth	11.0%	7.4%	8.8%

Net Surplus 2021 - 2022





FINANCIAL RELIEF FOR MEMBERS

CONTRIBUTION INCREASES

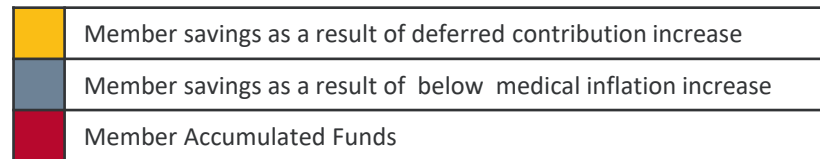
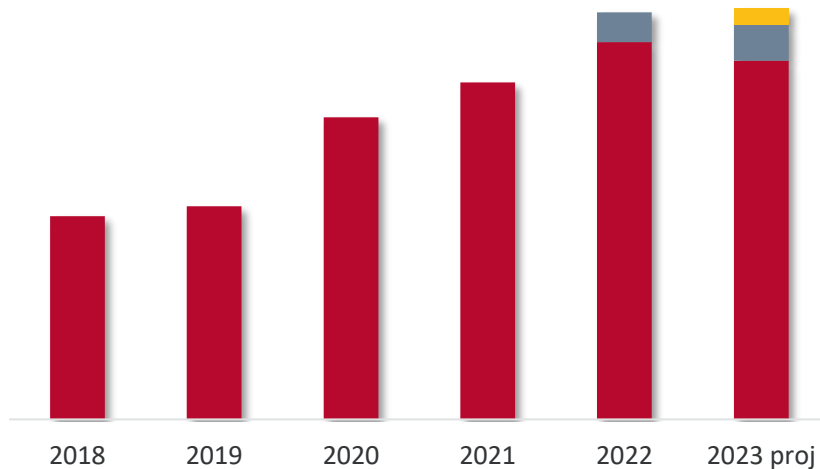
4.6% 2021

4.8% 2022

5.9%
excl. contribution freeze
2023

4.4%
incl. contribution freeze

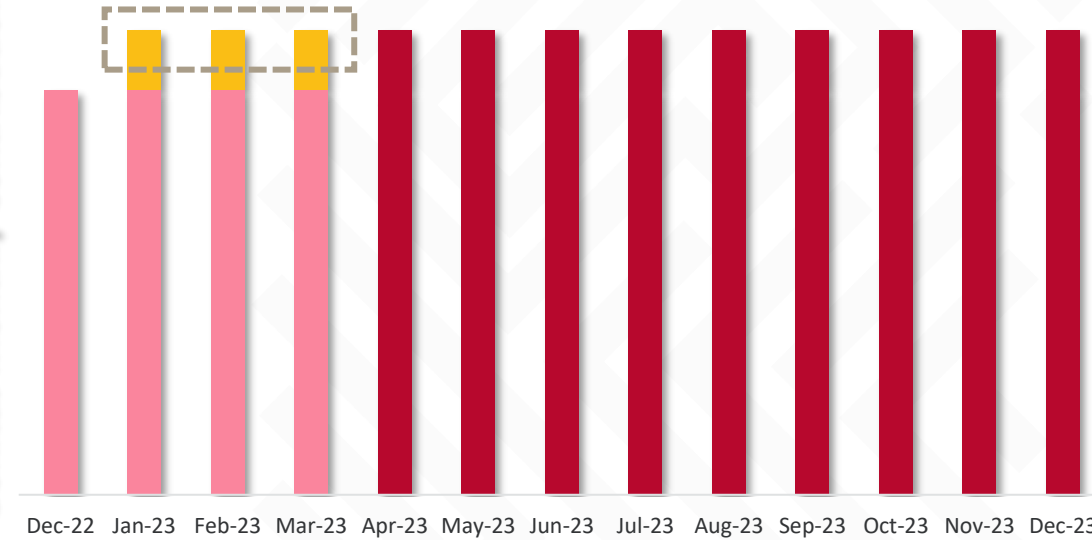
Projected Scheme reserves as pricing for 2023



R300 mil

of reduced contributions for Bonitas members

Bonitas Monthly Contributions



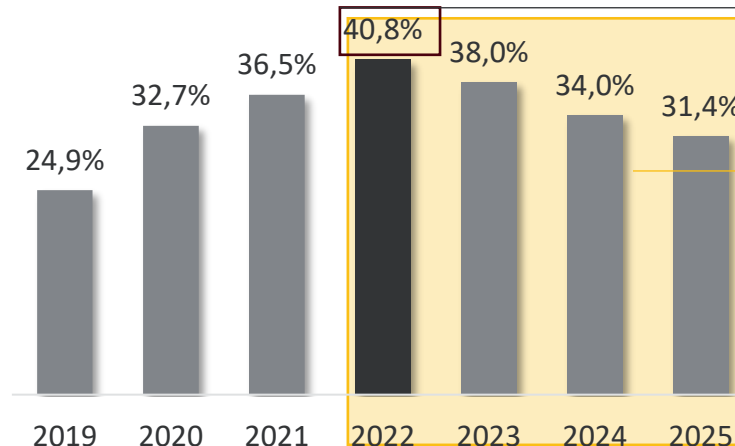
RELIEF TO MEMBERS

By applying very low contribution increases since 2021

R1.4 Bn

has been passed back to members in 2022 and 2023

Projected Solvency Trend - Based on 2023 Budget / Pricing



Assumed a time of setting Budget; AFS ended on **41.3%**

Strategy adopted to continue utilising solvency to protect members from high contribution increases

AGENDA

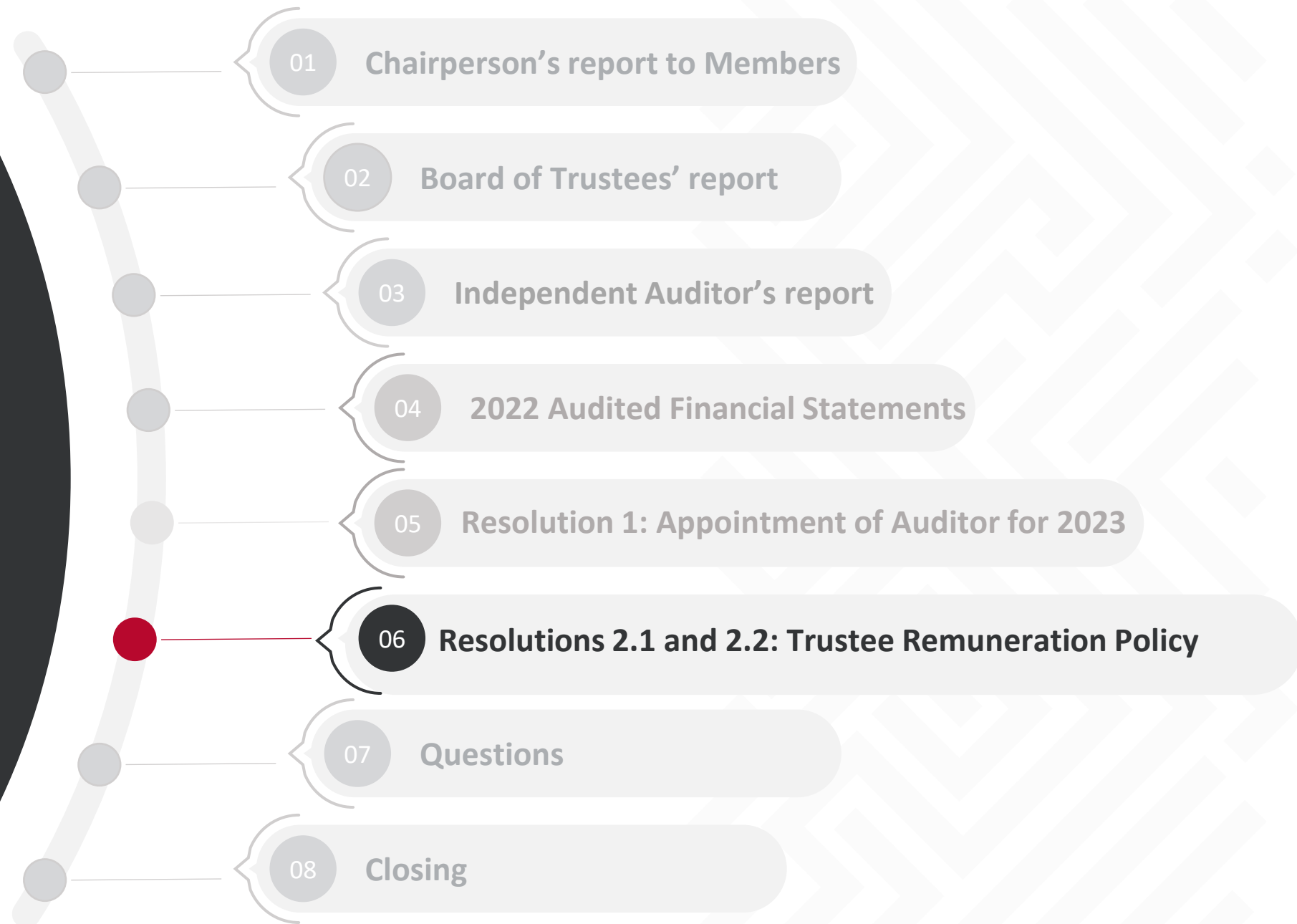
- 01 Chairperson's report to Members
- 02 Board of Trustees' report
- 03 Independent Auditor's report
- 04 2022 Audited Financial Statements
- 05 Resolution 1: Appointment of Auditor for 2023**
- 06 Resolutions 2.1 and 2.2: Trustee Remuneration Policy
- 07 Questions
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Resolution 1: Appointment of Deloitte as the Auditor for 2023

Deloitte.

AGENDA




OVERVIEW

- The Trustee Remuneration Policy was approved by the Members at the Annual General Meeting (“AGM”) held on 19 August 2019 (“the Policy”).
- No amendments have been made to this Policy since this date, and therefore the Policy remains in force, and Trustee Remuneration increases for the years 2020, 2021 and 2022 were only CPI related, as contemplated by the Policy.
- In terms of **section 8.3 of the Policy**, the Policy shall be approved by Members at the AGM and shall only require approval by Members at the AGM for subsequent years if there are fundamental changes to the Policy or if increases for such remuneration are above the CPI rate.
- **Reference to clause 8.3 in the Policy:** *“This Policy will be approved by members at the AGM and will only require approval by members at the AGM for subsequent years if there are fundamental changes to the Policy or if increases for such remuneration are above inflation rates.”*

As an outcome of the current review process of the Policy there are two issues which require the approval of Members, being:

Resolution 2.1 - Trustee Remuneration Policy: To approve the amendment of the definition of “CPI”.

Resolution 2.2 - Trustee Remuneration Policy: To approve an increase in the fees of the Chair of the Board above the CPI rate.



**Resolution 2.1 – Trustee
Remuneration Policy: To
approve the amendment of
the definition of “CPI”.**

Members are requested to vote on whether the following amendment is approved:

Current CPI definition:

“CPI - Refers to the Consumer Price Index. For purposes of this Policy this shall refer to the calendar year average of the preceding year.”

Amended CPI definition:

“CPI - The consumer price index (CPI) is the official measure of inflation in South Africa. For the purposes of CPI, the Scheme recognises CPI as the annual headline consumer price inflation published by StatsSA as at April of the current year.”


The rationale for the proposed CPI definition amendment is to ensure:

- Alignment with other Scheme Remuneration related policies and to ensure better alignment with regards to timelines in terms of the application of CPI for Trustee Remuneration as increases are only effective on 1 September each year.
- Applying previous year calendar averages of CPI for increases would result in a significant time lapse, and potentially skewing the market-related increase to be considered for calculating the trustee remuneration increase.

Based on the proposed amended CPI definition the following increases shall apply to Board Members and Board Members represented on other Committees which is in line with CPI as published by StatsSA as at April 2023:

- ✓ Board Members – CPI of 6.8% increase on both the Retainer Fee and the Meeting Fee.
- ✓ Board Members represented on other Committees - CPI of 6.8% increase on the Meeting Fee.

Based on the above, **Members are required to consider approving the proposed amended definition of CPI in the Policy as set out above.**



**Resolution 2.2 – Trustee
Remuneration Policy: To
approve an increase in the
fees of the Chair of the Board
above the CPI rate.**

Scheme Management endeavours to participate in Medical Scheme specific Trustee Remuneration benchmarking at least every second year. Willis Towers Watson conducted benchmark research on the remuneration guidelines for the Board of Trustees and Board Committees of Medical Schemes. The Peer Group utilised for the Trustee Remuneration benchmarking included eight medical schemes of which four participated (including Bonitas).

As an outcome, when benchmarking against the Peer Group it is evident that the Fees for the Chairperson of the Board is not aligned to the average paid by the Peer Group, taking into account that all the medical schemes that formed part of the Peer Group are smaller in size (membership and reserves) compared to Bonitas.

The Remuneration Committee, which is an independent body, considered the benchmarking and is therefore recommending a staggered approach to align the Fee per meeting over a period of time as opposed to a once-off increase. **Therefore, the recommendation regarding the increase in the Chairperson’s remuneration is as set out below:**

Fees	Ave Peer Group	Proposed		Current			Proposed Per Month
		Bonitas	% Variance	Bonitas	% Increase	Current Per Month	
Retainer	385,939	405,000	4.9%	337,452	20.0%	28,121	33,750
Fee per meeting	41,690	25,511	-38.8%	21,259	20.0%	21,259	25,511

Based on the above, **Members are required to consider approving a 20% increase on the Retainer Fee and a 20% increase on the Meeting Fee for the Chairperson of the Board which reflects an increase above CPI.** It is to be noted that this extraordinary adjustment does not affect any of the other office bearers or trustees.

AGENDA

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QUESTIONS

2023



Bonitas
Medical Aid for South Africa

Bonitas

Siyabonga

Enkosi

Thank you

Ke a Leboga

Dankie

