

2025 MEMORANDUM ON THE TRUSTEE REMUNERATION POLICY OF BONITAS MEDICAL FUND



In terms of clause 8.3 of the Trustee Remuneration Policy ("Policy"), the Policy shall be approved by Members at the Annual General Meeting ("AGM") if there are fundamental changes to the Policy or if increases for such remuneration are above the CPI rate.

Reference to clause 8.3 of 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 market review process of the Policy with oversight from the Remuneration Committee, which is an independent Board Committee, to benchmark market pay parity there are two matters which require the consideration and approval of Members, being:

Resolution 2.1 - Trustee Remuneration Policy: To approve an increase in the fees of the Chair of the Board above the CPI rate.

Resolution 2.2 - Trustee Remuneration Policy: To approve an increase in the fees of the Trustee members of the Managed Healthcare Committee above the CPI rate.

Note: Headline CPI as published by Stats SA as at April 2025 = 2.8%. Therefore 2.8% was utilised as the applicable CPI for the recommendations illustrated below.

RESOLUTION 2.1

The Scheme participated in a Medical Scheme specific Trustee Remuneration benchmarking research for a second year running. Bonitas was one of four Schemes who participated in the Willis Tower Watson benchmark research recently conducted on the remuneration guidelines for the Board of Trustees and Board Committees of Medical Schemes on 2024/2025 data. Another four Schemes were included as part of the benchmarking exercise by utilising annual report information.

As an outcome, when benchmarking against the Peer Group, it is evident that despite the adjustment in the Chairperson remuneration in 2023 that there is still a lag when compared to the Peer Group.

The Remuneration Committee considered the benchmarking and is therefore recommending continuing with a staggered approach to align the Chairperson's remuneration over a period of time, in line with the Scheme's prudent financial management position to maintain non-healthcare cost in line with its Peer Group. Therefore, the recommendation regarding the increase in the Chairperson's remuneration is as set out below:

FEES	AVERAGE PEER GROUP	CURRENT	PROPOSED	CURRENT PER MONTH	PROPOSED PER MONTH
RETAINER FEE	458 759	426 060	451 624	35 505	37 635
PER MEETING FEE	32 585	26 838	28 448	N/A	N/A

Based on the above, Members of the Scheme are required to consider **approving the proposed above CPI increase on the Retainer Fee and on the Per Meeting Fee for the Chairperson of the Board only**. It is to be noted that this adjustment does not affect any of the other office bearers or Trustees.

RESOLUTION 2.2

As part of the annual review process of the Policy, Scheme Management conducted benchmarking research with regards to the various Board Committee meeting structures, agendas, average duration of meetings, preparation time etc. for the 2023 / 2024 calendar period.

The Remuneration Committee considered the outcome presented by Scheme Management and based on the time duration and the volume of information for each of the Managed Healthcare Committee meetings, it is recommended that the Managed Healthcare Committee Per Meeting Fee increase is staggered over a three-year period to match the Per Meeting Fee provided for the Audit and Risk Committee.

The recommendation regarding the increase in the Managed Healthcare Committee Member remuneration is as set out below:

PER MEETING FEE	CURRENT	PROPOSED	VARIANCE
MANAGED HEALTHCARE COMMITTEE - MEMBER	10 617	12 528	1 911*

** Per Meeting Fee increase equates to R1,911 in the first year.*

Based on the above, Members of the Scheme are required to consider **approving the proposed above CPI increase of R1 911 on the Per Meeting Fee for the Managed Healthcare Committee Trustee Member only**. It is to be noted that this adjustment does not affect any of the other office bearers or other Board Committee Members.

**REFER TO THE TRUSTEE REMUNERATION POLICY OF THE SCHEME
WITH TRACKED CHANGES AS A SEPARATE DOCUMENT**