

Bonitas

Bonitas



AGENDA

Chairperson's report to members

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Board of Trustees' report

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2024 Audited Financial Statements

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Independent Auditor's report

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Resolution 1: Appointment of Auditor for 2025

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**Resolutions 2.1 and 2.2: Trustee
Remuneration Policy**

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Q&A

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Closing

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Bonitas

BOARD OF TRUSTEES



MR OJ KOMANE

Chairperson (Elected Trustee)



MR J BAGG

(Appointed Trustee)



ADV RT MONENE

(Elected Trustee)



MR MG NETSHISAULU

(Elected Trustee)



MR R COWLIN

Vice-Chairperson (Appointed Trustee)



MR A EDWARDS

(Elected Trustee)



MR PJ RIBBENS

(Elected Trustee)



MR JR VENTER

(Elected Trustee)

TRUSTEE MOVEMENTS



MR JD NGWANE

(Elected Trustee)

Trustee tenure ended 30 June 2024



MS V RIKHOTSO | CA(SA)

(Elected Trustee)

*Resigned as Trustee with effect 1
December 2024*



MR PS SOTSHANGANE

(Elected Trustee)

*Trustee term ended due to his untimely passing
on 19 August 2024*

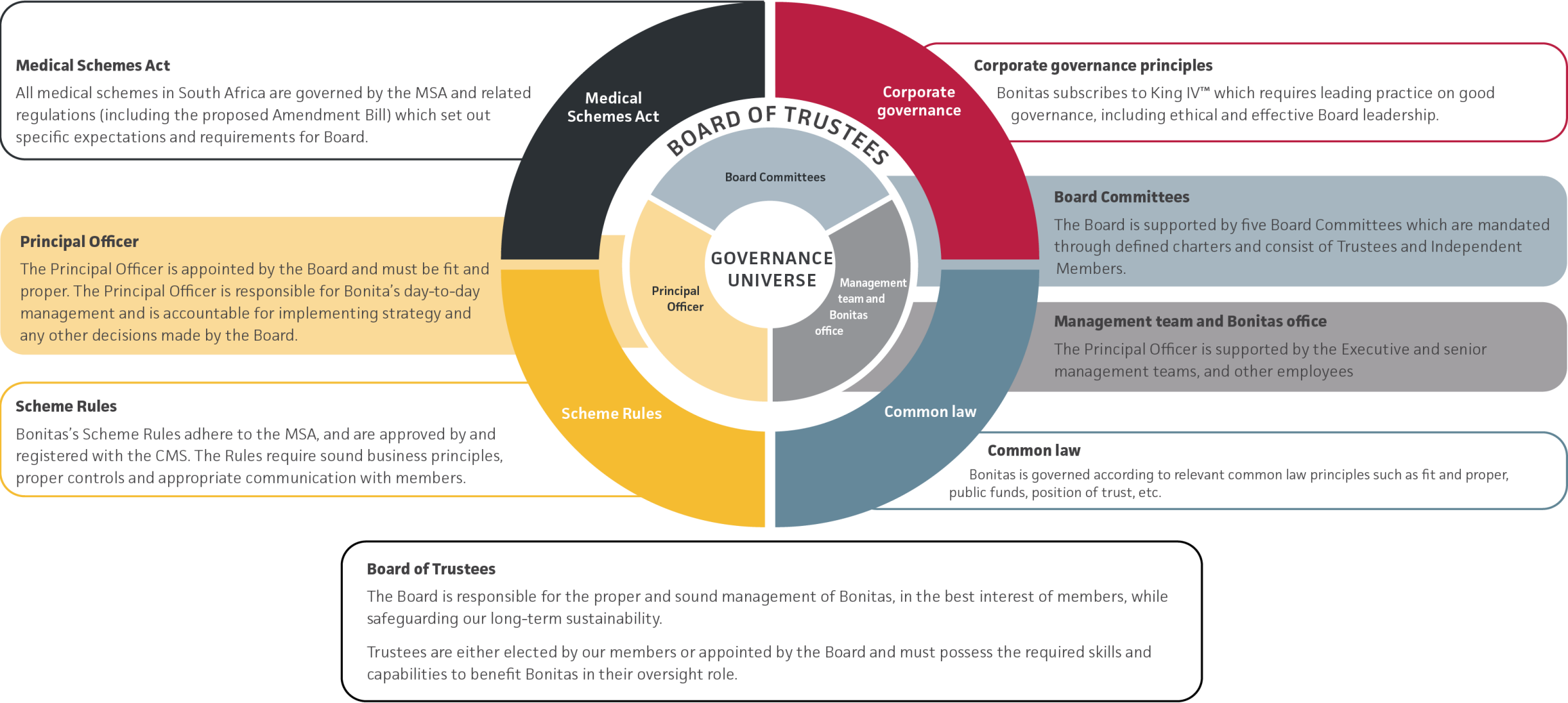
DUTIES OF THE BOARD OF TRUSTEES



Section 57(6) of the Medical Schemes Act (MSA) 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



BOARD OF TRUSTEES' RESPONSIBILITIES

FINANCIAL

- Evaluates and tracks financial performance, approves the Annual Financial Statements, including financial forecasts
- Approves the Investment Strategy, Policy and remuneration increases
- Appoints the external auditor and approves the audit fee

STRATEGY, PEOPLE AND PERFORMANCE

- Tracks the Organisational Performance Matrix and approves the Principal Officer's performance rating
- Approves employee salary increases and incentives
- Reviews the strategy and action plans
- Monitors resignations, recruitment and selection of key staff

RISK AND COMPLIANCE

- Provide oversight of the key risks facing Bonitas, and review and monitor the effectiveness of the risk management process
- Review and monitor the effectiveness of the compliance management process
- Consider updates on legal proceedings

OPERATIONAL

- Approves pricing and benefit options
- Tracks membership trends

STAKEHOLDERS

- Annual General Meeting reporting
- Monitors key service providers and contracts

GOVERNANCE

- Approves the Board and Committee work plans, charters and revised policies
- Provides oversight for Board and Committee changes

STRATEGIC INTENT



APPLY BEST PRACTICE GOVERNANCE



Be a strategic
purchaser



Boost business
development



Optimise
investment
returns



Connect with
the customer



Integrate the
value chain



CREATE VALUE THROUGH INNOVATION

VISION AND MISSION



Vision

To become the preferred healthcare provider, ensure consistent, sustainable access to quality healthcare through innovative and efficient practices



Mission

To deliver universal, person-centric care through innovative technology, managed healthcare, diverse network offerings, and prudent governance, embodying simplicity and authenticity

Core Values



Accountability - our acceptance and responsibility for honest and ethical conduct and decisions



Collaboration - collective strength to achieve the Scheme's goals with excellence



Innovation - developing new ways and forming new ideas through continuous improvement and success



Commitment - making a difference by being mindful and responsible in how we deliver and maintain a standard of excellence



Mutual trust and respect - caring and respect, enabling better values-based health care



Ethics - acting with integrity, respecting the dignity, diversity, and rights of our members



Making a difference - "we want to DMAIC (define, measure, analyse, improve & control) a difference"

VALUE PROPOSITION

We support creating healthier members and enhancing productivity

Medical schemes are not-for profit

Corporate group business is essential as it provides cross-subsidisation of risk profiles

We have extensive experience across various market sectors

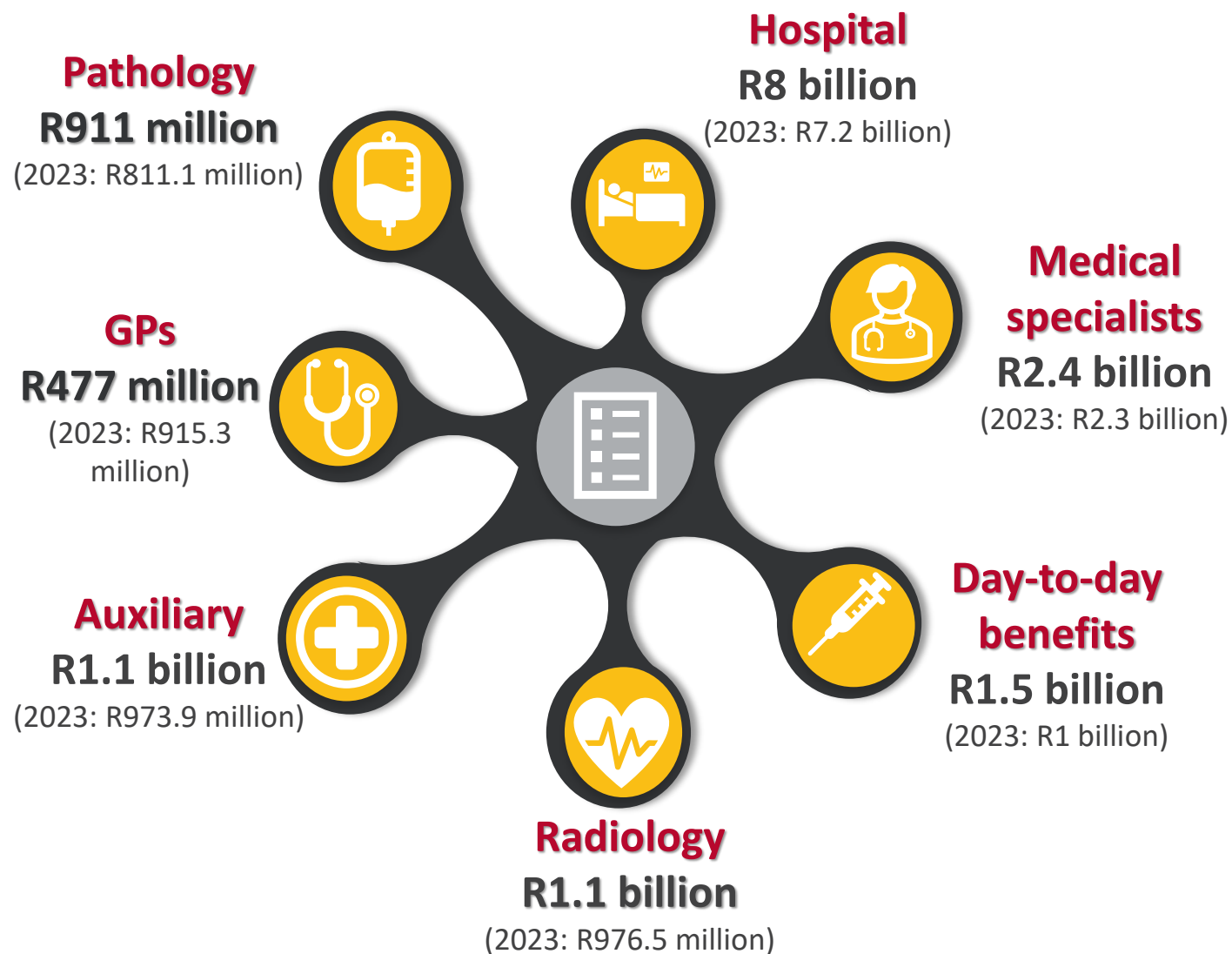
Our product range is diversified to appeal to different income levels

Our operations are nationally supported to drive engagement at all levels



2024 CLAIMS EXPERIENCE

Top claims categories



Top 10 individual claims

Cost of event (Rands)	Length of stay (days)
R12 373 208	317
R8 690 513	136
R6 855 764	158
R6 726 356	242
R5 848 665	171
R5 842 427	169
R5 584 549	152
R5 244 605	121
R5 078 180	105
R5 009 834	150

Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

MULTIPLE CONTACT POINTS FOR MEMBERS



• Call centre support available in all 11 official languages

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

• Live chat through the Bonitas app

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

• 20 walk-in centres located across the country

• A range of dedicated email channels

• Access to a comprehensive website including easy-to-use how to guides, articles and processes

COMMUNICATION AND SUPPORT

Bonitas
Medical Aid for South Africa



- How to guides
- Infographics
- Videos
- Collateral & posters



- Articles
- Newsletters
- Statements
- Quarterly *Advisor Advantage*



Contact points

- Call centres
- WhatsApp
- Bonitas App
- Walk-in centres

Educational



Member communication

- Articles
- Emails
- SMS
- Quarterly *B-Living*

Broker communication



Additional support

- Media features
- Social media
- Campaigns
- Website education

FUTURE BOARD PRIORITIES

Evaluating our service provider outcomes, review and revise agreements in line with our Procurement and Contract Management Policy

Increase our footprint in the corporate sector through implementing our enhanced corporate service delivery model

Strengthening our capabilities to analyse data particularly health risk assessment results

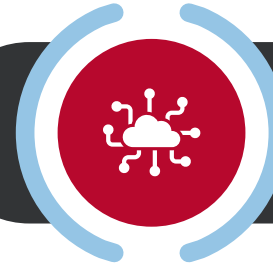
Continually monitor instances of non-communicable diseases among our members and the public and adjust our approach where necessary



MATERIAL MATTERS



Successful and efficient health reform eg NHI



Leveraging our bargaining power, footprint and networks

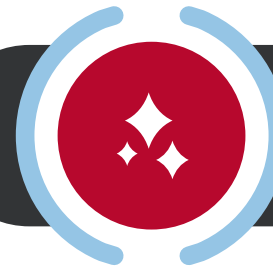
Trust and confidence in our ability to protect stakeholders' interests



Protecting our financial sustainability



Thought leadership in functional, clinical and specialist areas



Preventing fraud, waste and abuse

Making it easy for members to look after their health



Cyber and information resilience



2024 MEMBERSHIP TRENDS

PRINCIPAL MEMBERS

358 717 ↑
(2023: 350 505)



TOTAL BENEFICIARIES

731 576 ↑
(2023: 715 856)



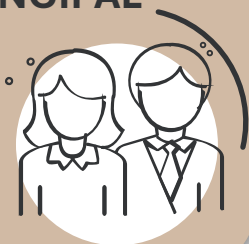
AVERAGE BENEFICIARY AGE

35.9 →
(2023: 35.9)



DEPENDANTS PER PRINCIPAL MEMBER

1.04 →
(2023: 1.04)



PENSIONER RATIO

11.5% ↑
(2023: 11.4%)



CHRONIC PROFILE

18.8% ↓
(2023: 19.1%)



Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

RECOGNISED AS

LEADER

IN THE INDUSTRY



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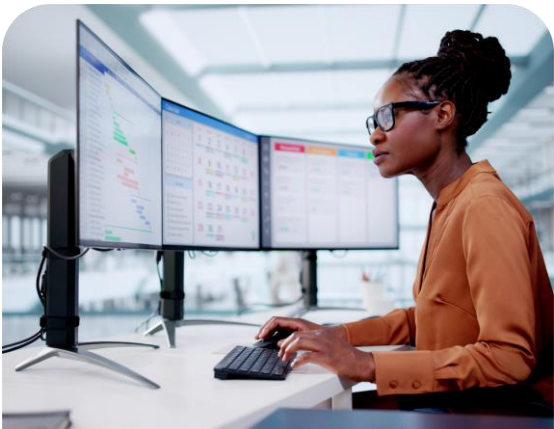
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Bonitas

Bonitas





Supports
healthcare to
enhance productivity



Access to comprehensive
care in emergencies for
speedier recoveries



Comprehensive support for
mental health
and maternity

WHY MEDICAL AID MATTERS



Supports the management of growing
disease burden through managed care
initiatives



Easy access to primary care
improved convenience to lower
absenteeism

**As the
Medical Aid
for South Africa,
We:**

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



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



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



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



**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.



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

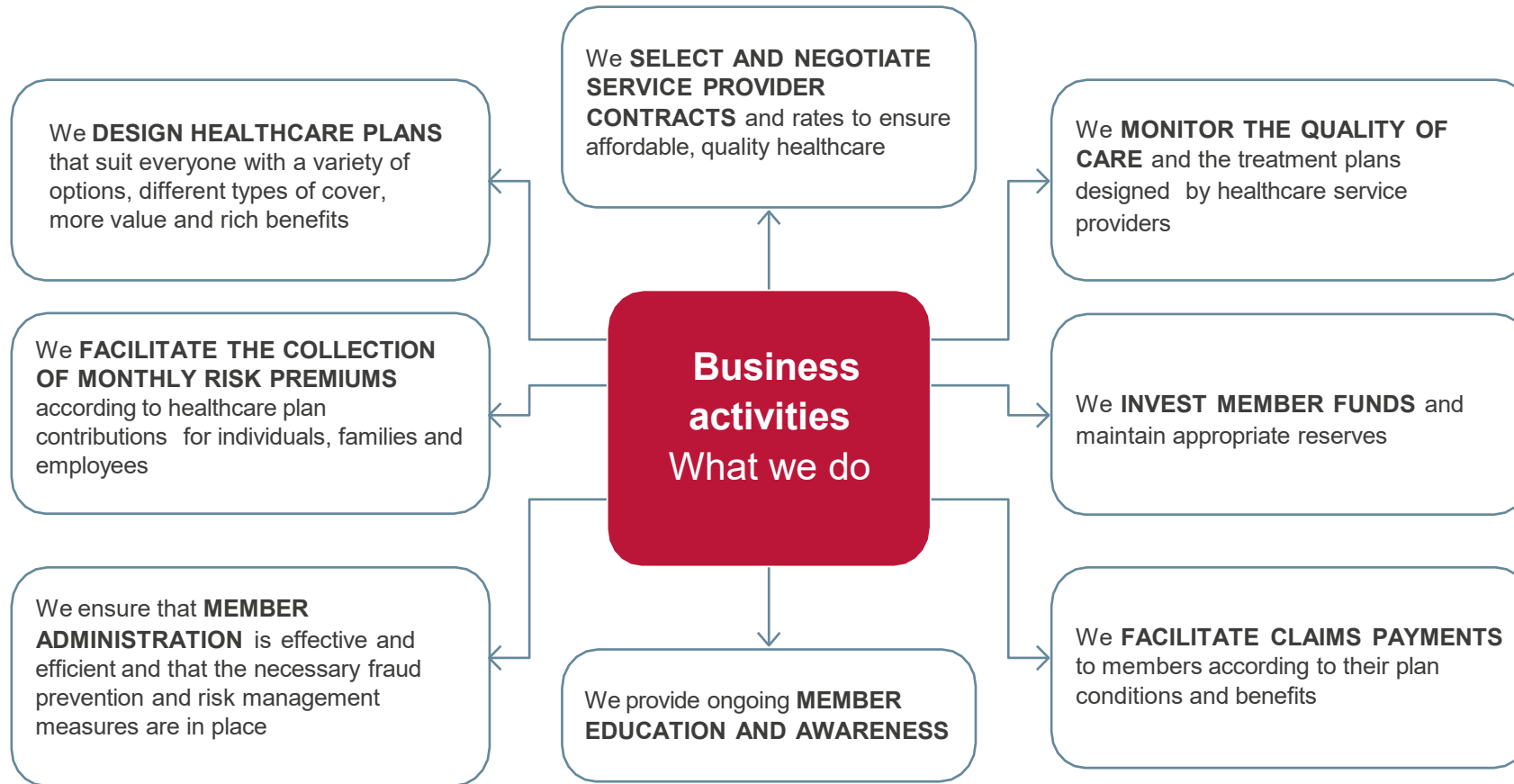


VALUE CREATION MODEL

Inputs

WHAT WE USE TO CREATE VALUE

Financial capital
Manufactured capital
Human capital
Intellectual capital
Social and
relationship capital
Natural capital



Outcomes

IMPACT OF OUR BUSINESS ACTIVITIES AND OUTPUTS

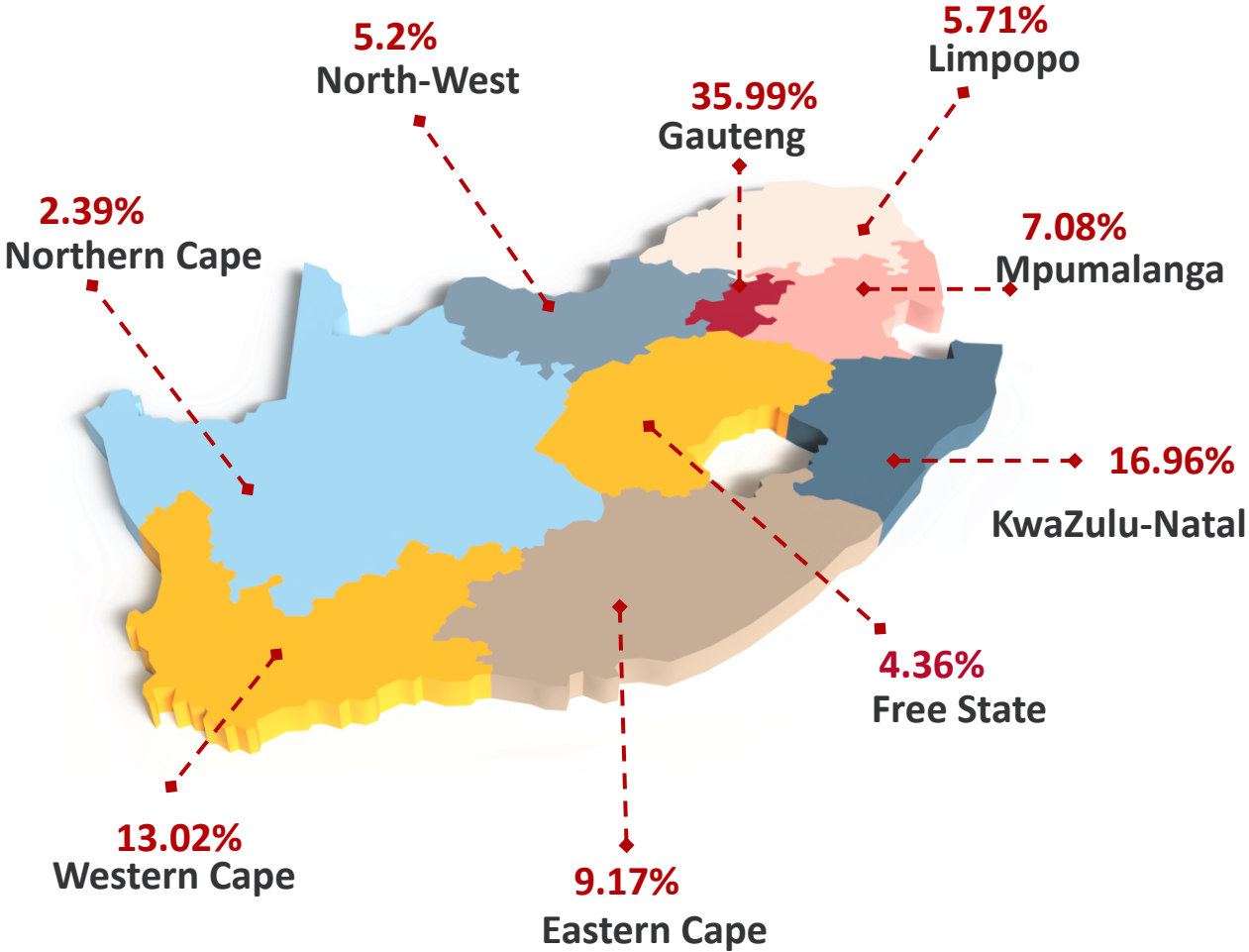
Financial capital
Manufactured capital
Human capital
Intellectual capital
Social and
relationship capital
Natural capital

FOOTPRINT

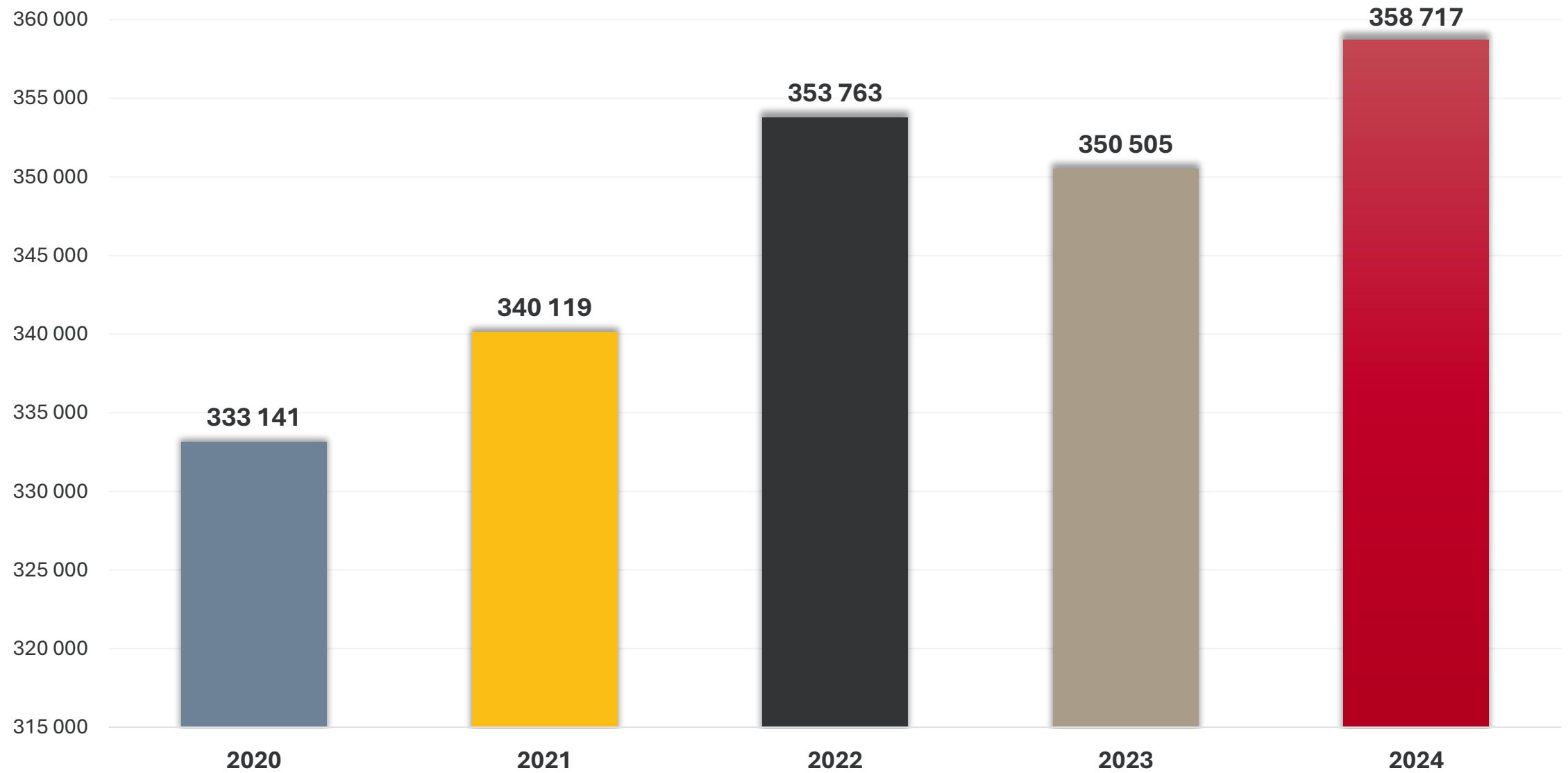
SECTORS WE OPERATE IN



GEOGRAPHIC FOOTPRINT



MEMBERSHIP GROWTH 5-YEAR TREND



PERFORMANCE

Member acquisition

61 290

new principal
members added in 2024

Over

41 000

new principal members
added for 2025



Demographics

Average age

38

years old

Average family size

1.8

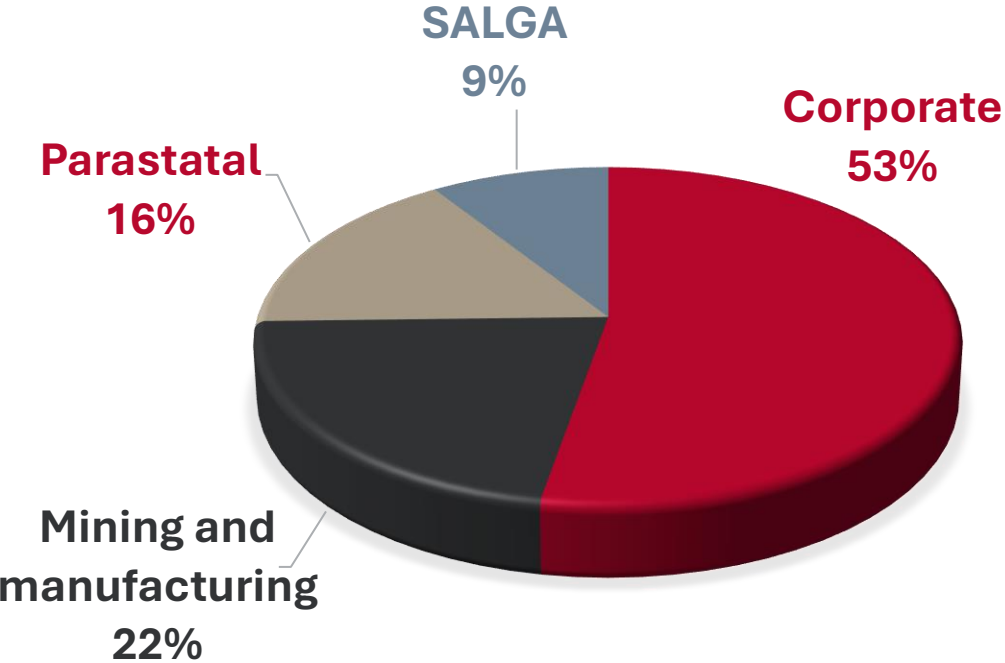
MAINLY BASED IN
GAUTENG

Data as at 31 July 2025

NEW MEMBERS ADDED VIA EMPLOYER GROUPS

Members added through paypoints

(1 January 2024 to 31 December 2024)



Plans with over 5000 principal member enrolments in 2024

1	BonCap	Over 14 000
2	BonFit Select	Over 10 000
3	Primary	Over 7 000
4	BonStart	Over 6 500
5	Primary Select	Over 5 800
6	BonSave	Over 5 800

CARE PROGRAMMES

Emerging risk detection



**Emerging risk
programme**



**Smoking
cessation
programme**



**Pre-diabetic
programme**



**Female health care
programme**



**Back pain
management
programme**



**Weight
management
programme**

Rehabilitative support



**Back and neck
programme**



**Hearing loss
management**



**Hospital
at home**



**Active disease risk
management
programme**



**Hip and knee
replacement
programme**



**Mental health
programme**

Chronic management



**Chronic medicine
management**



**Diabetes
management**



**Disease
management**



**HIV/AIDS
programme**



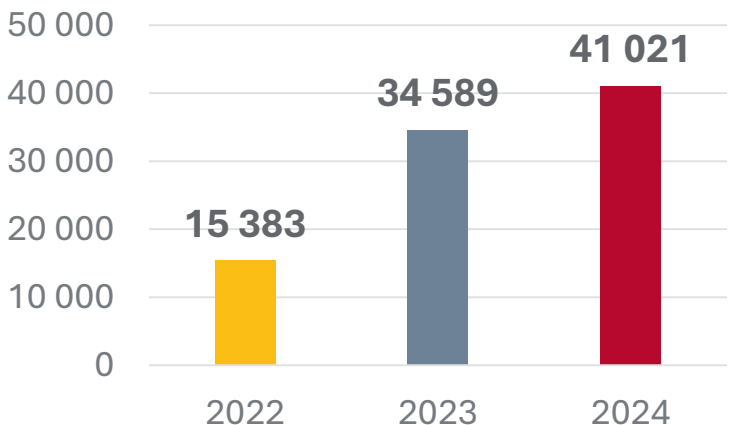
**Oncology
management
programme**



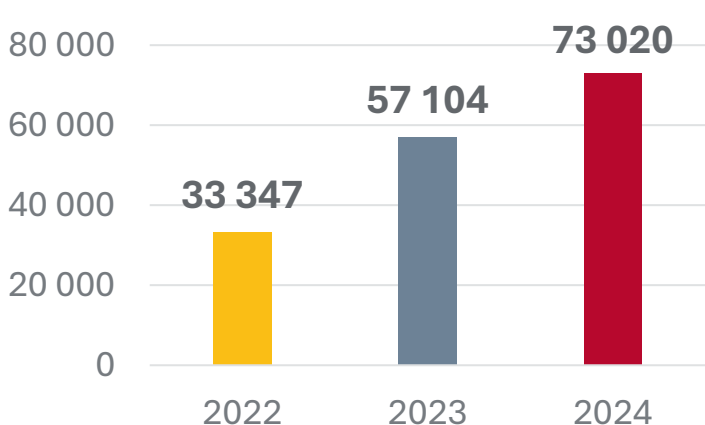
Palliative care

SCREENING AND PREVENTATIVE CARE

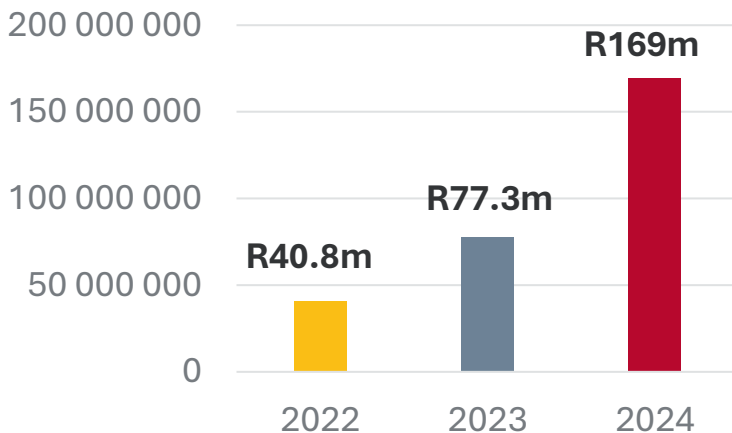
Wellness questionnaires completed



Benefit Booster Activations



Benefit Booster Claims



Chronic medicine management



200 378 (27.8%)
beneficiaries

Diabetes management programme



59 829 (8.3%)
beneficiaries

Emerging risk programme



10 991 (26.2%)
beneficiaries

High risk programme



26 381 (3.7%)
of beneficiaries

HIV/AIDS



5.2%
of beneficiaries

TOP CHRONIC CONDITIONS IN BONITAS MEMBERSHIP



Hypertension

(55.8% or 53 768 members)

1

Diabetes

(30.9% or 29 767 members)

2

Hyperlipidaemia

(25.3% or 24 377 members)

3

Venous embolism and thrombosis

(17.5% or 16 915 members)

4

Depression

(9.8% or 9 420 members)

5

6

Hypothyroidism

(9.1% or 8 795 members)

7

Asthma

(8.4% or 8 080 members)

8

GORD

(5.9% or 5 681 members)

9

Cardiomyopathy

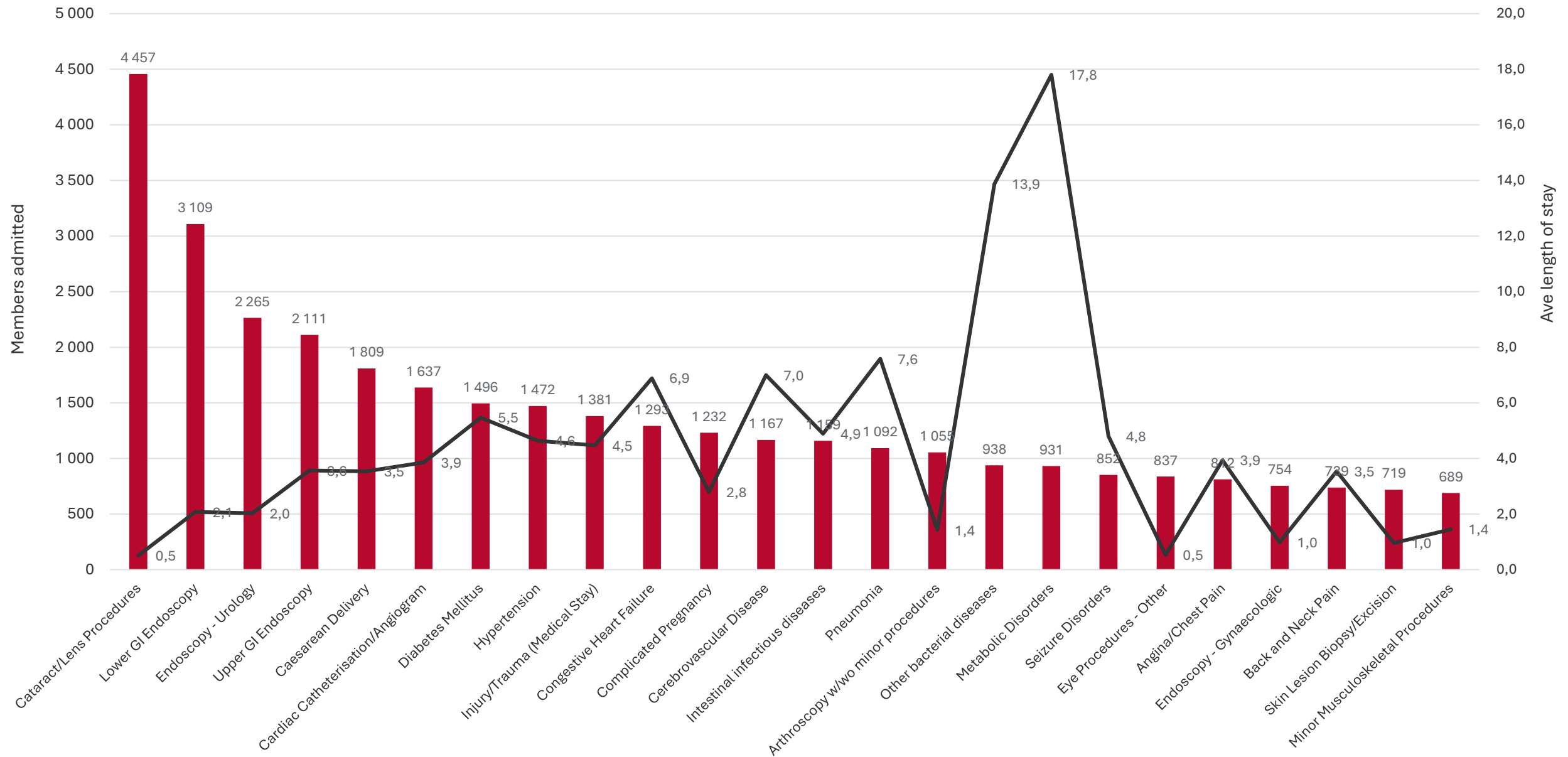
(5.6% or 5 413 members)

10

Ischaemic heart disease

(5.4% or 5 163 members)

TOP HOSPITAL ADMISSIONS IN BY FREQUENCY



OUR PREVENTATIVE CARE BENEFITS

Essential screening and preventative care benefits to detect early signs of disease or serious illness



Women's Health

Mammogram
Pap smear
HPV vaccinations



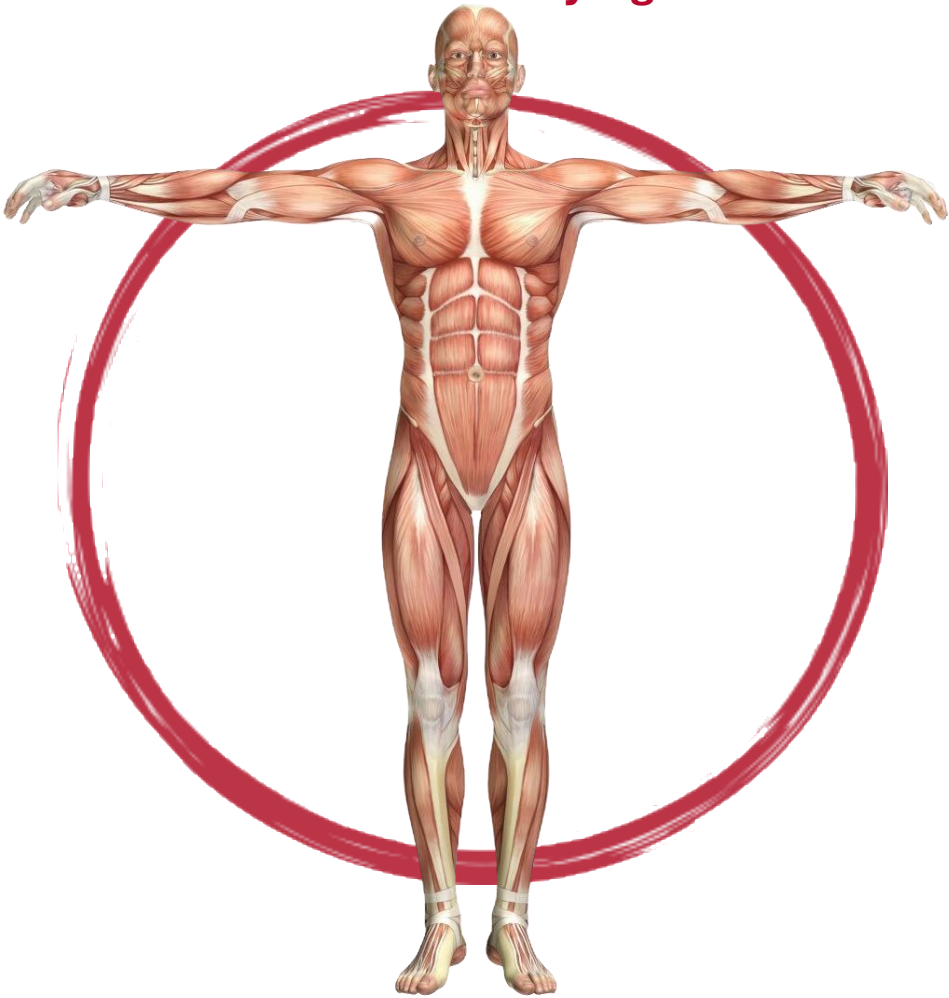
Men's Health

Prostate screening



Physical Health

Blood pressure
Glucose
Cholesterol
Body Mass Index
Waist-to-hip ratio



Funded from risk



Mental Health

Online mental health assessments



General Health

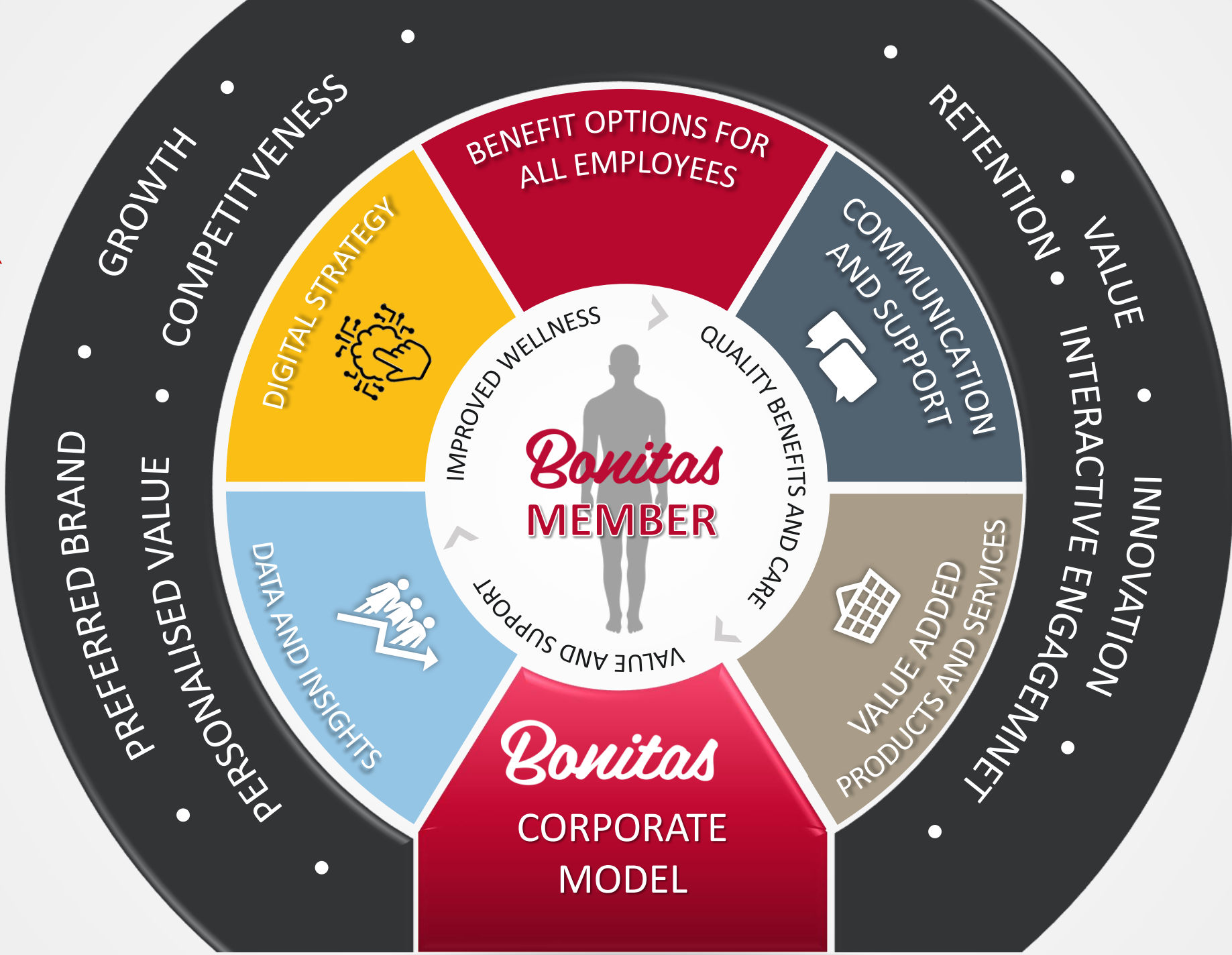
Flu vaccine
HIV test
Full lipogram
Pneumococcal vaccine
Bone density test
Whooping cough booster
Colorectal cancer screening
Dental fissure sealants
Eye check-up
COVID19 vaccinations



Children's Health

Hearing screening
Congenital hypothyroidism
Paediatrician or GP consultations
Child Immunisation *

OUTCOMES



OUTCOMES

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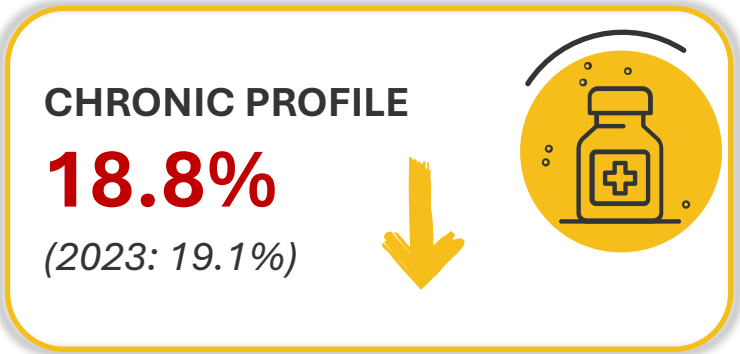
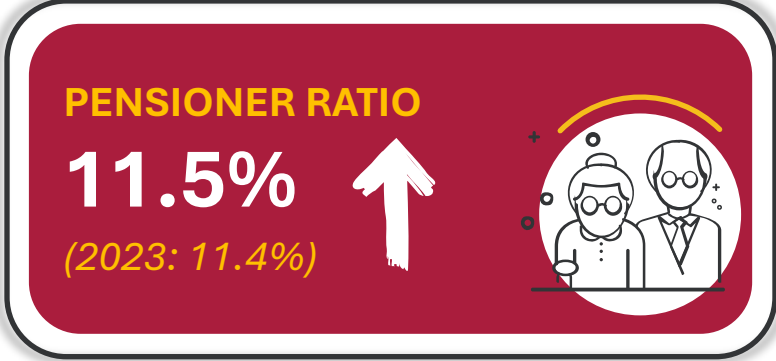
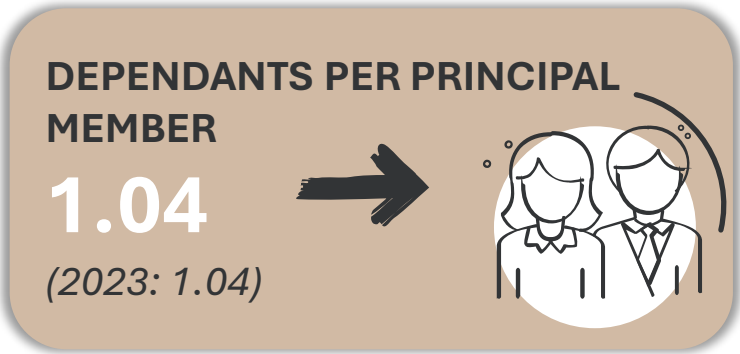
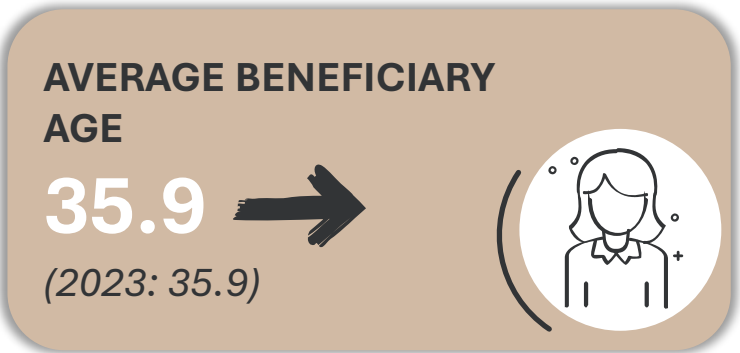
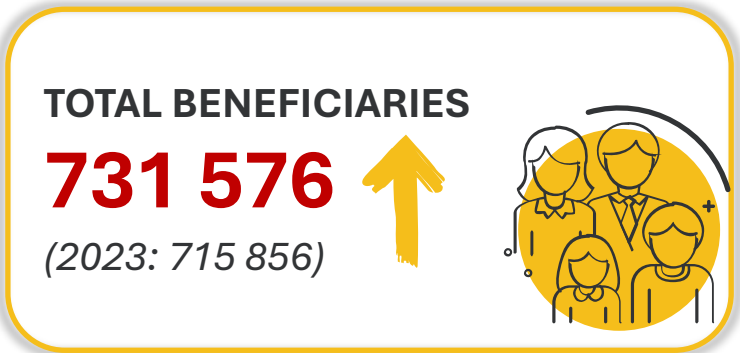
Bonitas

Disclaimer:

The 2024 Annual Financial Statements (AFS) are subject to change as may be directed by the Council for Medical Schemes (CMS) after it has considered the AFS. If any material changes are required to the AFS by the CMS, the Scheme will inform you accordingly.

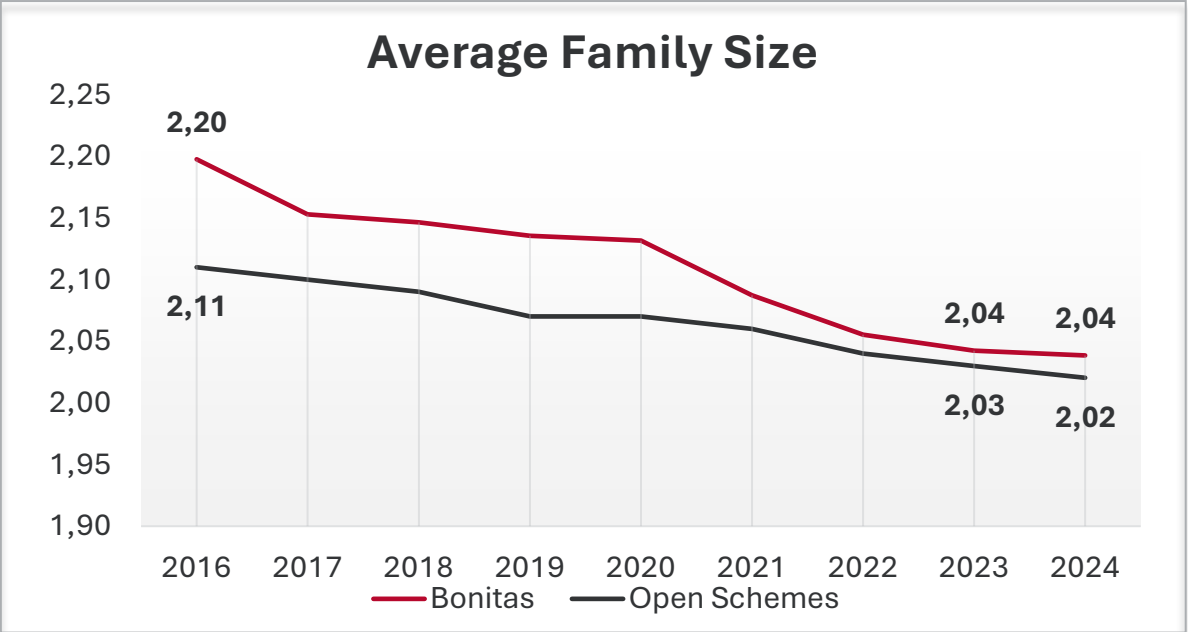
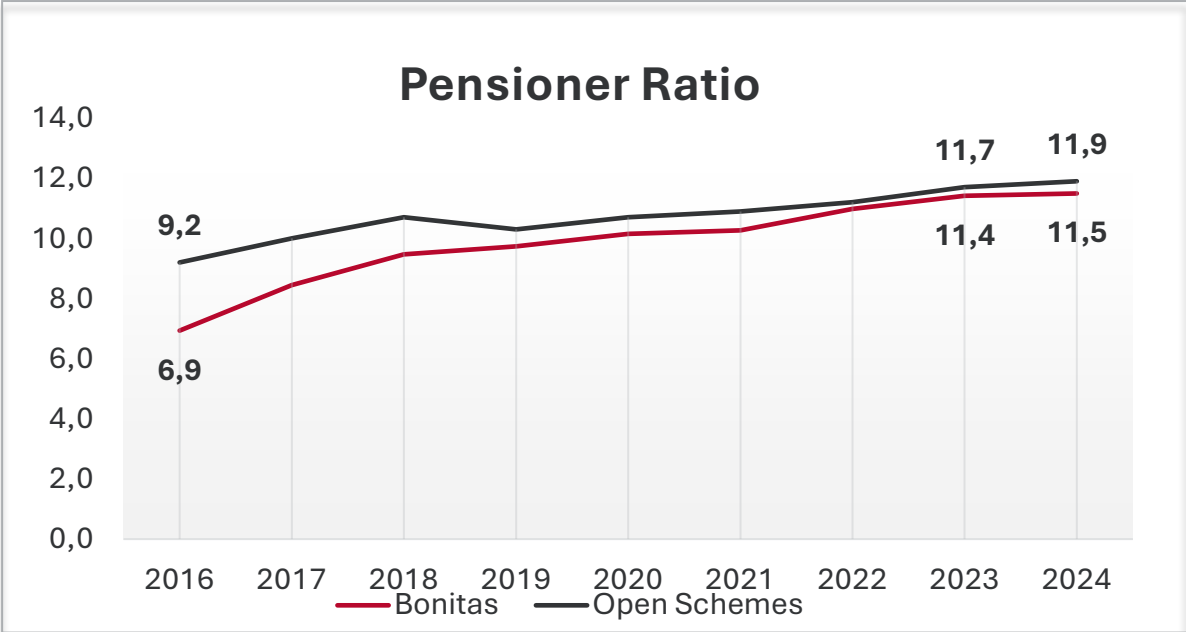
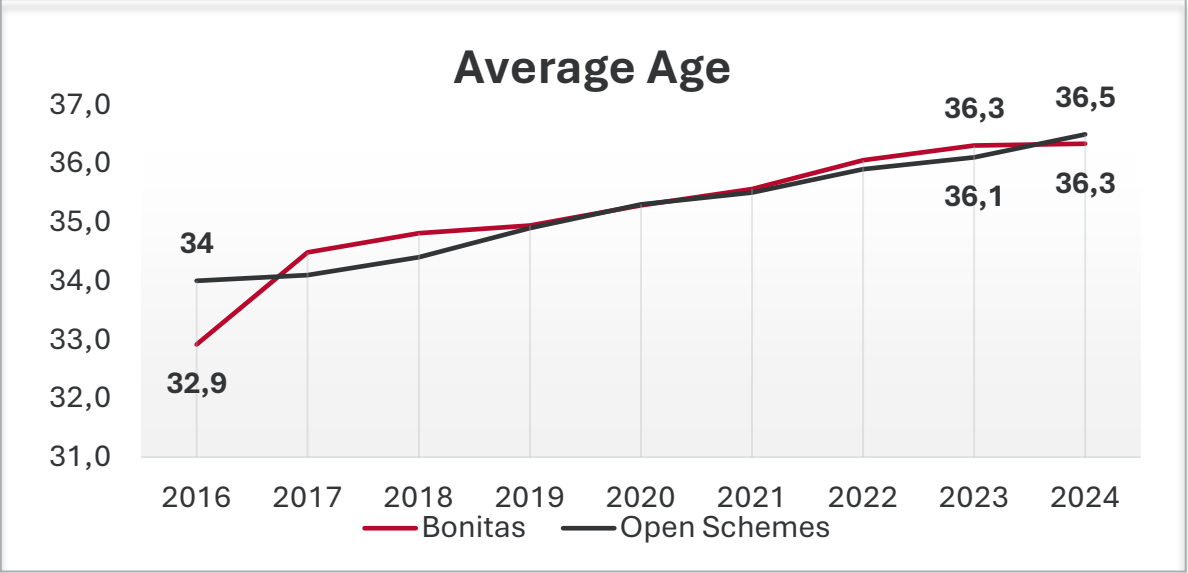
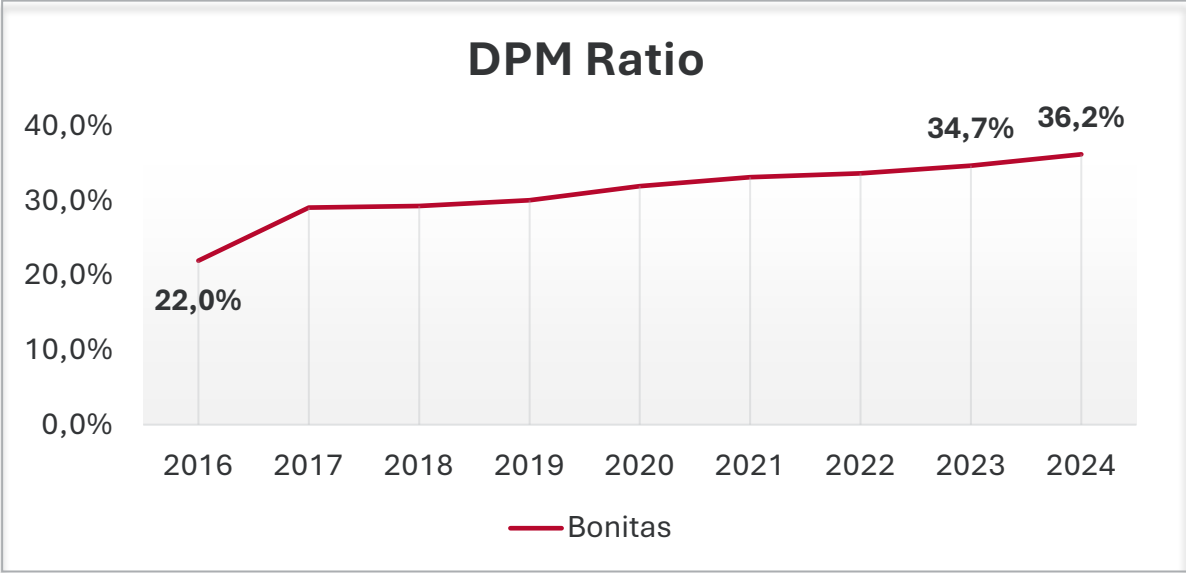


2024 MEMBERSHIP TRENDS



Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

BONITAS DEMOGRAPHIC VS INDUSTRY



ENSURING SCHEME STABILITY

Insurance liability for future members (reserves)

R9.0 billion

(2023: R8.9 billion)



Amounts attributable to future members (surplus)

R133.9 million

(2023: R265.3 million)



Insurance service result

R966 million deficit

(2023: R451 million deficit)



Investment income

R1.4 billion

(2023: R830 million)



Total investment portfolio value excluding cash

R10.69 billion

(2023: R10.21 billion)



Return on investment

13.4%

(2023: 7.7%)



Solvency ratio

(Minimum legislative requirement is 25%)

38.6%

(2023: 41.5%)



AA+ credit rating

(2023: AA+)



Gross recoveries from fraud, waste and abuse (FWA)

R46.2 million

2023: R52.3 million)



Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

STATEMENT OF COMPREHENSIVE INCOME

AS AT 31 DECEMBER 2024

Description	2024 R'000	2023 R'000
INSURANCE REVENUE	20 888 306	19 461 328
INSURANCE SERVICE EXPENSE	(22 287 304)	(20 227 945)
NET INCOME FROM RISK TRANSFER ARRANGEMENTS/REINSURANCE	433 320	315 574
INSURANCE SERVICE RESULT	(965 678)	(451 043)
OTHER INCOME	1 416 216	865 915
NET INSURANCE FINANCE EXPENSES	(84 852)	(70 838)
OTHER EXPENDITURE	(365 686)	(343 224)
NET SURPLUS/DEFICIT FOR THE YEAR	—	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	—	—

Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

Description	2024 R'000	2023 R'000
ASSETS		
Non-current assets	5 936 005	4 762 213
Current assets	5 712 064	6 314 753
Total assets	11 648 069	11 076 966
LIABILITIES		
Non-current liabilities	9 032 020	8 897 204
Current liabilities	2 616 049	2 179 762
Total liabilities	11 648 069	11 076 966

Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2024

Description	2024 R'000	2023 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from members and providers	22 112 157	20 569 353
Cash paid to providers, employees and members	(22 800 082)	(20 934 559)
Cash utilised in operating activities	(687 925)	(365 206)
Interest paid	(84 852)	(70 838)
Interest received	19 942	11 508
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(752 835)	(424 536)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(696)	(589)
Proceeds on disposal of investment property	61 500	–
Proceeds on disposal of property and equipment	–	12
Acquisition of financial assets held at fair value through profit or loss	(2 414 357)	(702 280)
Disposal of financial assets held at fair value through profit or loss	2 733 252	820 038
Interest received	290 231	195 328
Dividends received	192 703	195 628
Asset management fees paid	(35 359)	(30 437)
Rentals received	9 324	10 364
NET CASH INFLOW FROM INVESTING ACTIVITIES	836 598	548 243
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease payments	(2 649)	(2 121)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(2 469)	(2 121)
NET INCREASE IN CASH AND CASH EQUIVALENTS	81 114	121 568
Cash and cash equivalents at beginning of the year	767 601	646 015
CASH AND CASH EQUIVALENTS FOR THE YEAR	848 715	767 601
Analysed as follows:		
Cash and cash equivalents	848 715	767 601

Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

DRIVERS FOR FINANCIAL HEALTH

Membership growth and contributions

Bonitas enrolled **61 290 new members** against a target of 52 667

Bonitas increased estimated savings through strategic purchasing and managed care initiatives to R901.1 million

Cost-saving initiatives

Investment performance

Return on investment of **13.4%** which is well above the strategic target of CPI+3.5%

FWA recoveries started slowing, amounting to **R46.2 million** in reversals, recoveries and claim interventions

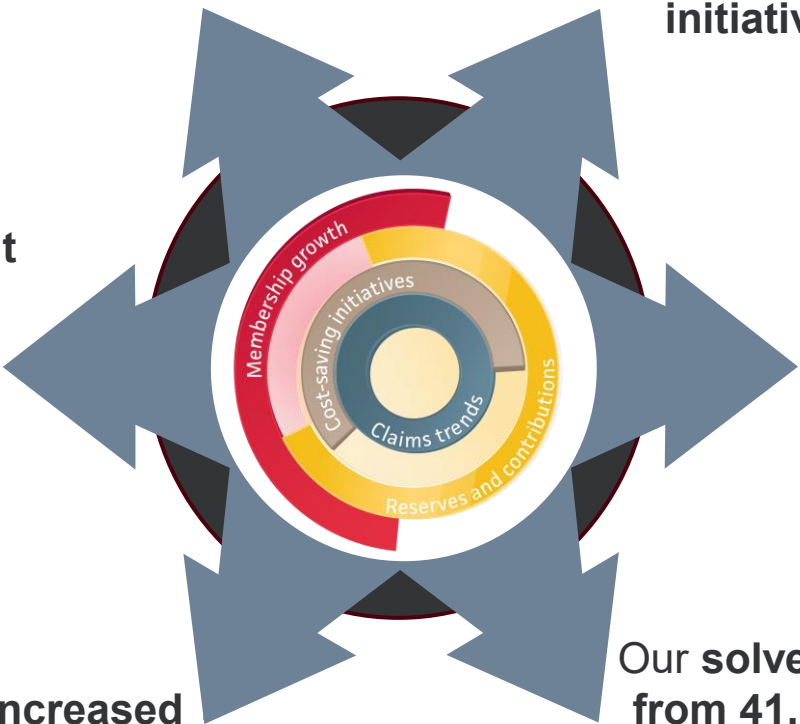
Fraud, waste and abuse

Claims trends

Net claims incurred increased by a steep **11.2%** compared to 4.1% in 2023, with much higher hospital admissions

Our solvency level decreased from **41.5%** in 2023 to **38.6%**, enabling Bonitas to limit contribution increases

Reserves and contributions



Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

VALUE CREATED FOR MEMBERS AND STAKEHOLDERS

VALUE-ADDED STATEMENT

Description	2024 R'000	%	2023 R'000	%
VALUE CREATED				
Insurance revenue	20 888 306	92.0%	19 461 328	94.4%
Investment Income & Other Revenue	1 380 546	6.1%	836 892	4.1%
Total Value Created	22 702 172	100.0%	20 613 794	100.0%
VALUE DISTRIBUTED				
Claims and Benefits (to members & providers)	(20 078 903)	88.4%	(18 179 013.89)	88.2%
Insurance acquisition costs (Broker Commissions)	(420 406)	1.9%	(395 201)	1.9%
Administration and Managed Care Benefits	(1 791 159)	7.9%	(1 669 841)	8.1%
Benefits and Remuneration for Employees and Trustees	(39 765)	0.2%	(35 521)	0.2%
CSI Contributions	(4 960)	0.0%	(6 458)	0.0%
Government	(16 805)	0.1%	(16 405)	0.1%
Total Value Distributed	(22 702 172)	100.0%	(20 613 794)	100.0%

Percentage of hospital claims paid within 10 days

89.89% (2023: 95.31%)



Hospital claims processed per day

1 472 (2023: 1 163)



Hospital authorisations per day

1 491 (2023: 1 347)



Non-healthcare expenditure as a percentage of risk contributions

9.4% (2023: 9.3%)



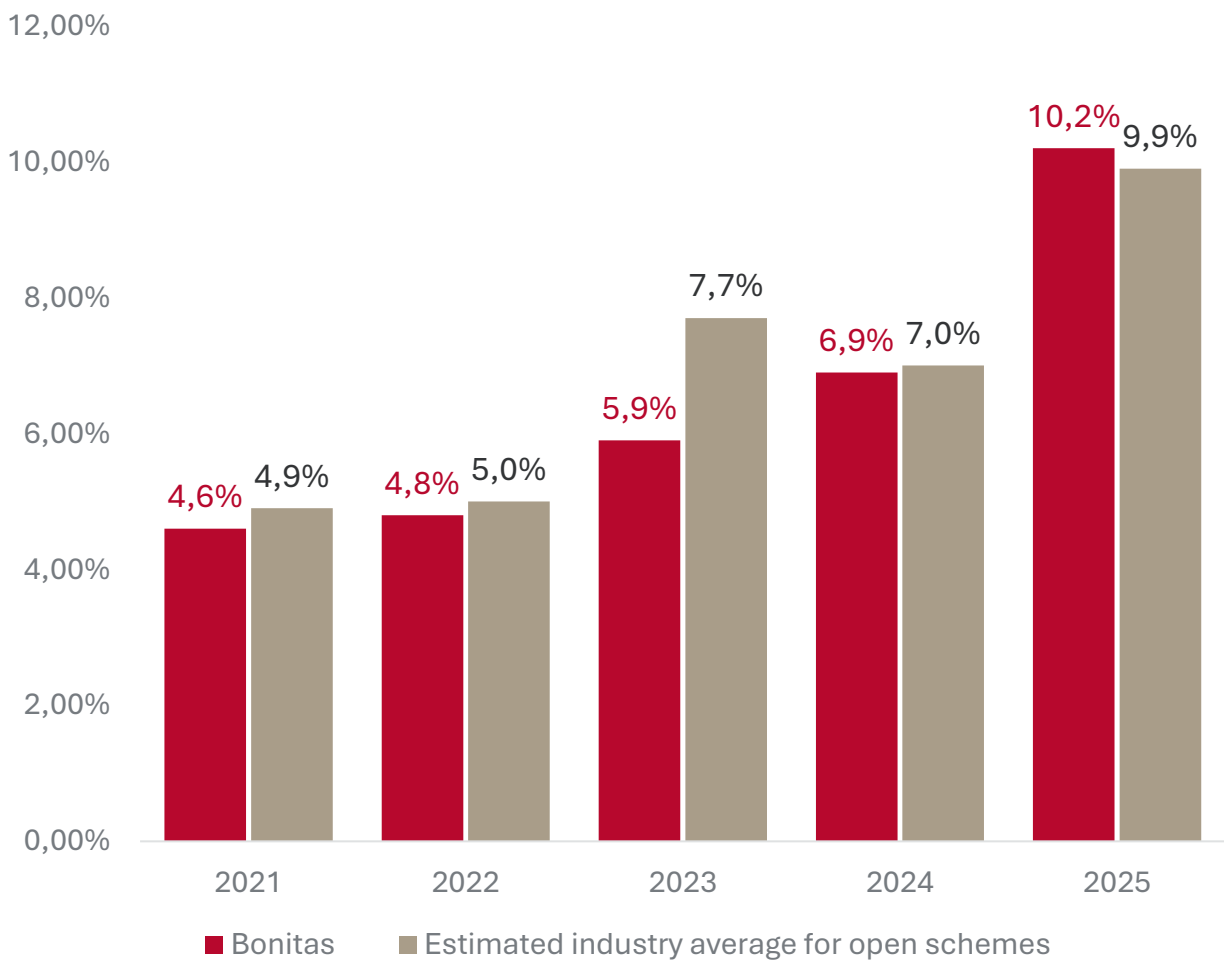
Hospital tariff savings

R532 million (2023: R475 million)



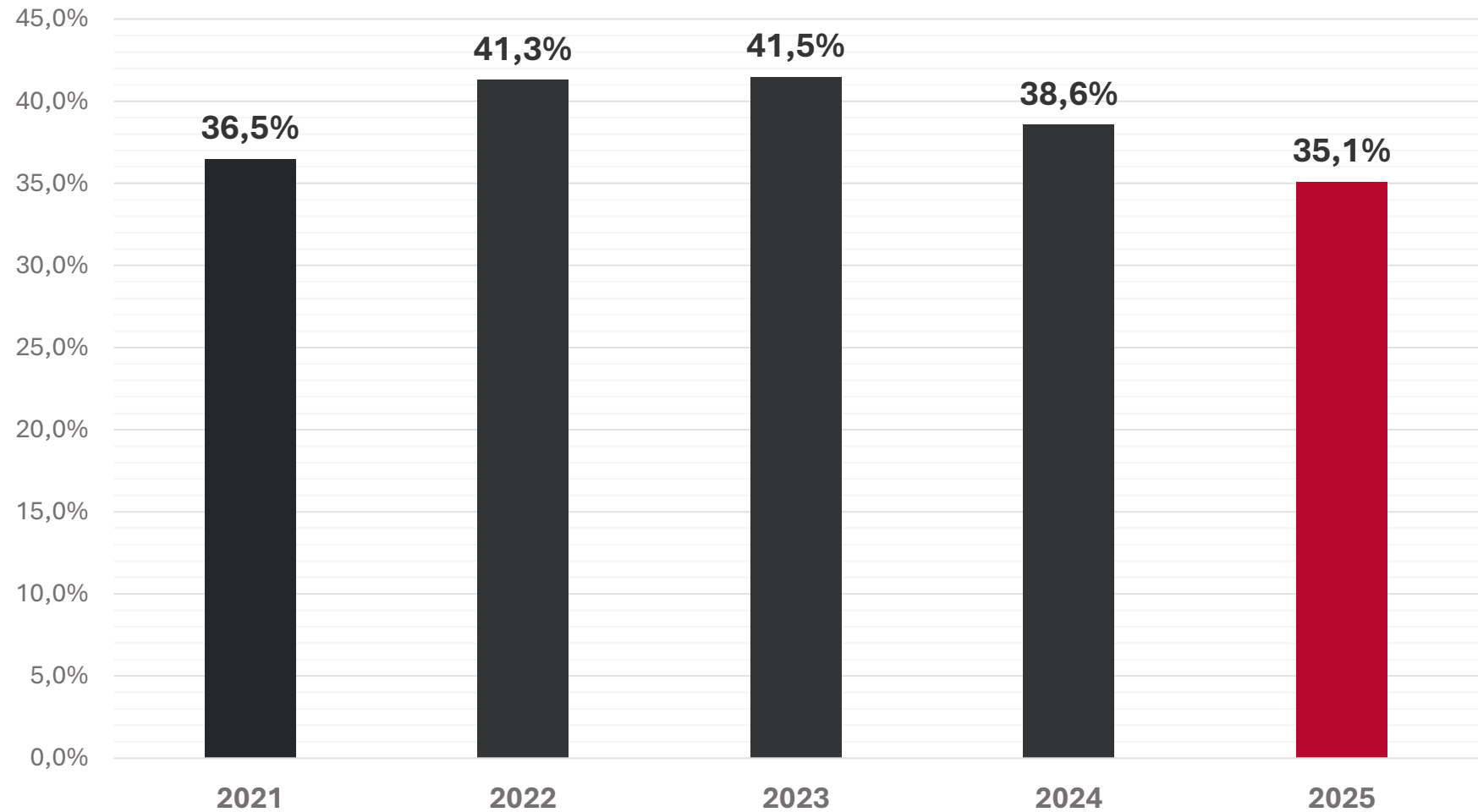
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COMPARISON OF WEIGHTED CONTRIBUTION INCREASES



Ensuring affordability through consistency in contribution adjustments						
Scheme	2021	2022	2023	2024	2025	Comp
Bonitas	4.6%	4.8%	6.6%	7 %	10,2%	37,8%
Medihelp	5.5%	-0.5%	7.5%	15.97%	10,8%	45,0%
Bestmed	4.0%	3.9%	8.5%	9.60%	12,75%	44,9%
Momentum	3.9%	6.0%	8.5%	9.60%	9,4%	43,3%
Medshield	5.9%	6.3%	6.7%	8.90%	9,65	43,4%
Discovery Health	5.9%	7.9%	8.2%	7.50%	9,3%	45.3%
Sizwe Hosmed	4.5%	7.6%	11.9%	10.02%	13,73%	57,4%
Fedhealth	8.7%	7.4%	8.8%	10.80%	12,4%	58,2%

PROJECTED SOLVENCY



Please note: Bonitas Annual Financial Statements awaiting endorsement from the Council for Medical Schemes

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OVERVIEW OF EXTERNAL AUDIT

Scope of audit



- Audit of the annual financial statements for the year ended 31 December 2024.
- Audit and review of certain parts of the annual statutory return.
- Limited assurance engagement on compliance with the Medical Schemes Act.
- Agreed-upon procedures on South African Local Government Association (SALGA) membership.

Independence



- We confirm that the engagement team and others within Deloitte and its network firm comply with all relevant ethical requirements regarding independence, including compliance with the following: The IESBA Code of Ethics for Professional Accountants; The Independent Regulatory Board for Auditors (IRBA) Code of Professional Conduct for Registered Auditors; The South African Institute of Chartered Accountants (SAICA) Code of Professional Conduct for Chartered Accountants; and the Medical Schemes Act 131 of 1998.

Key audit matter (KAM)



- Best Estimate Liability – Incurred But Not Reported (IBNR) and Risk Adjustment (RA) components of the Liability for Incurred Claims (LIC).

Audit opinions



- Annual financial statements: Unmodified audit opinion.
- Annual statutory return:
 - Audit: Unmodified audit opinion on Parts 4 to 6.1 and 6.3 to 10 of the return except for Part 9, which contains an industry standard qualification.
 - Review: Limited assurance review conclusion on Part 6.2 of the return.
- Limited assurance: No non-compliance matters noted in addition to those that were self-disclosed.
- SALGA membership: Procedures completed.

INDEPENDENT AUDITOR'S REPORT



TO THE MEMBERS OF BONITAS MEDICAL FUND

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.

Audit opinion

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 100 to 161, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, and the statement of cash flows, for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Bonitas Medical Fund as at 31 December 2024 and its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Medical Schemes Act of South Africa.

Key Audit Matter	How The Matter Was Addressed In The Audit
Incurred But Not Reported (IBNR) and Risk Adjustment (RA) components of the Liability for Incurred Claims (LIC) IBNR As disclosed in Note 12.1, the carrying amount of the best estimate liability – incurred but not reported claims at year end is R1 102 360 000 (2023: R932 689 000) of which R1 049 193 619 (2023: R855 638 542) relates to the Scheme’s computed IBNR, which is the focus of the key audit matter. 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 and related external claims handling expenses. The Basic Chain Ladder (BCL) method, in combination with the Bornhuetter-Ferguson (BF) method, has been used to determine the IBNR as at 31 December 2024. The IBNR calculation is based on several factors, which include: • The level of homogeneity of the data; • Changes in patterns of claims and claims processing; • Changes in the composition of the Scheme i.e. distribution of members and their beneficiaries across various options; • Changes in benefit limits; and • Changes in prescribed minimum benefits. RA As disclosed in Note 12.1, the carrying amount of the risk adjustment relating to insurance contract claims at year end is R150 500 000 (2023: R145 351 000) of which R146 288 171 (2023: R140 901 995) relates to the Scheme’s computed RA, which is the focus of the key audit matter. In terms of IFRS 17: Insurance Contracts (IFRS 17), the risk adjustment reflects the compensation that the entity requires for bearing the uncertainty related to the amount and the timing of the cash flows that arise from non-financial risk. The risk adjustment was determined by applying the deterministic sensitivity approach. This methodology is referred to as a ‘Provision for Adverse Deviation’. The confidence level has been set at the 90th percentile reflecting the Scheme’s risk attitude towards the level of conservatism considered in its liability reserving, solvency management and pricing practices. We considered the LIC as a key audit matter due to: • The materiality of the liability; and • Significant judgement and estimation uncertainties in determining the future cash flow projections and the risk adjustment.	In evaluating the valuation of the IBNR and RA components of the LIC, we evaluated the calculations approved by the board of trustees and performed procedures which included: • Considered the design and implementation of the Scheme’s controls relating to the preparation of the IBNR and RA calculation though gaining an understanding of the end-to-end claims and LIC calculation business process; • Obtained the report of the Scheme’s actuary relating to the LIC at year end and tested the appropriateness of the estimate as follows: ◦ Evaluated the competence, capabilities and objectivity of the Scheme’s actuary; ◦ Obtained an understanding of the methodology and assumptions used in estimating the LIC. With the assistance of our actuarial specialists, assessed the appropriateness of the methodology and assumptions used in determining the IBNR and RA components of the LIC in terms of acceptable methodologies, industry standards, and the measurement objectives of IFRS 17. ◦ Evaluated the integrity of the information used in the calculation of the LIC by performing substantive procedures to test the accuracy and completeness of data used in the valuation of the IBNR and RA components of the LIC; ◦ Our actuarial specialists performed an independent calculation of the estimated LIC by utilising historical claims data and trends. We used this estimate as a basis of assessing the reasonableness of the board of trustees’ estimate of the LIC. • Assessed the presentation and disclosure in respect of the LIC and considered the adequacy of these disclosures against the requirements of IFRS17 and relevant industry guidance. Based on the procedures performed, we are satisfied that the valuation of the IBNR and RA components of the LIC is appropriate.

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Resolution 1:
*Appointment of Deloitte as the
Auditor for 2025*

Deloitte.

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OVERVIEW



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 section 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 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 CPI as part of the recommendations illustrated below.*

Resolution 2.1: Trustee Remuneration Policy

***To approve an increase in the fees of
the Chair of the Board above the
CPI rate***

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.

Refer to the Trustee Remuneration Policy of the Scheme with tracked changes as included in the meeting pack.

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***

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 included in the meeting pack.

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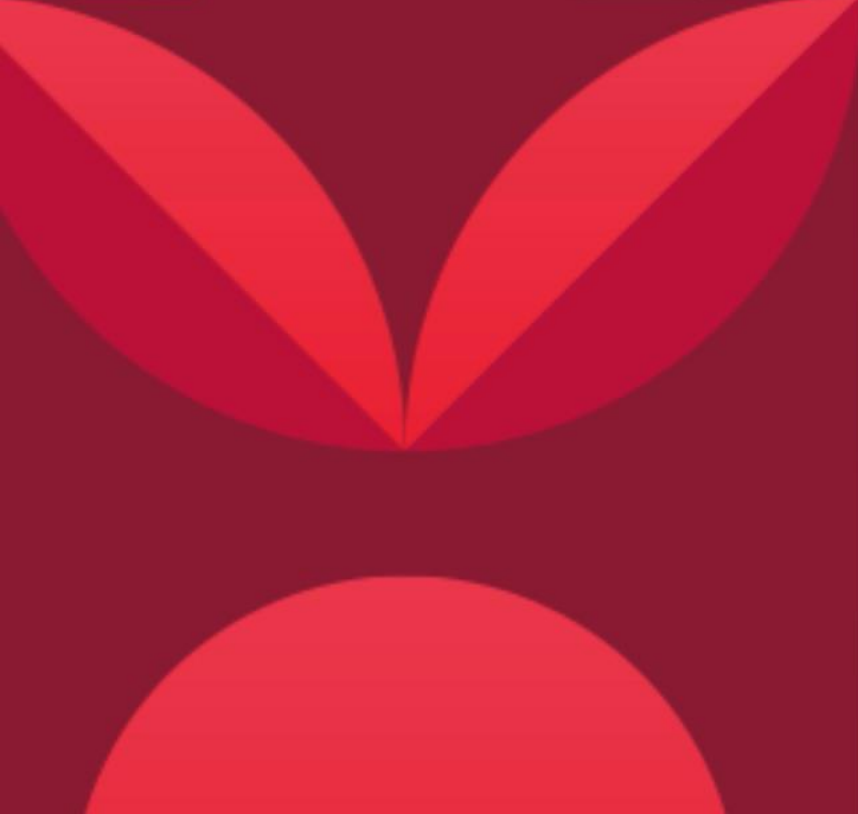
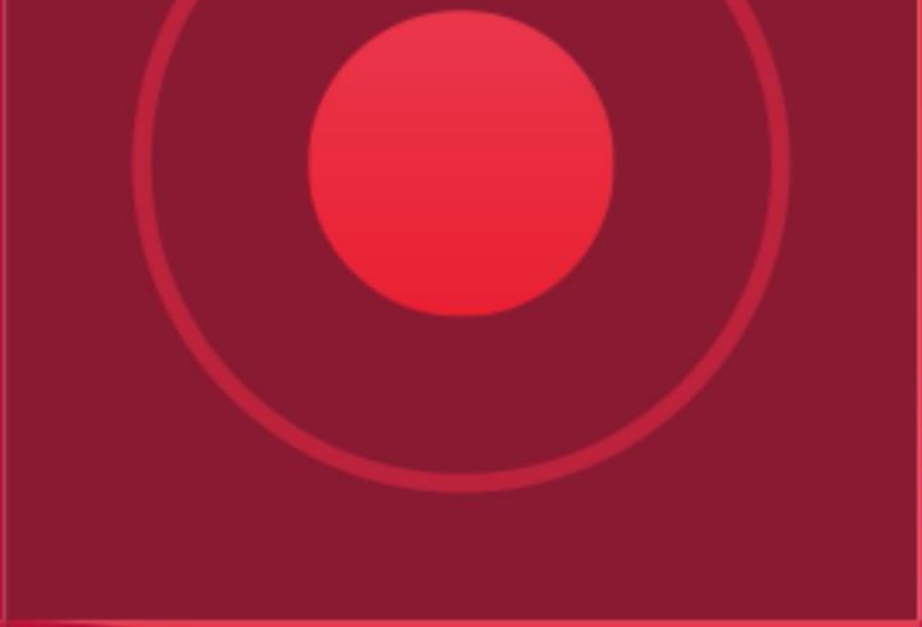
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