



May 2023

Proposed Trustee remuneration for 2023/2024

Recommendation of the Trustee Remuneration Committee to the Transmed Medical Fund Annual General Meeting

The remuneration of the Trustees is determined and recommended by the Trustee Remuneration Committee. The members of the Trustee Remuneration Committee who determined the Trustee remuneration for 2023/2024 are Mr Khulekani Buthelezi (Chairperson), Mr Frank Mackenzie and Mr Ben Jonker.

The Trustee Remuneration Committee's recommendations for the remuneration of the Trustees took cognisance of the guidelines issued by the Council for Medical Schemes and those stipulated in the Transmed Trustee Remuneration Policy, as well as information obtained from Stats SA and the Reserve Bank of South Africa (SARB).

The Trustee Remuneration Committee considered all the relevant factors from the various sources named above in terms of the 2023 inflation projection, which, in accordance with the South African Reserve Bank, is skewed to the upside. Upside risks, such as higher food and fuel prices, have materialised.

Consumer inflation hit its highest level in 13 years during 2022. The average inflation rate for the year (6.9%) hides the differences in timing and extent of price increases for different product groups. Headline inflation started the year at 5.7% in January and February, reaching a high of 7.38% in July before subsiding to 7.2% in December 2022; in March 2023 the inflation rate hit 7.1%.

The SARB forecasted target range is still within the 3% to 6% range for the remainder of 2023, with salary increases expected to remain within the target range.

Continued overleaf

Recommendation to the Annual General Meeting

For 2023/2024, the Trustee Remuneration Committee, after taking into account the above inflationary statistics and forecasts, proposes to the Annual General Meeting a 5.0% increase in Trustee fees. The total fees after the proposed increase in comparison to the current fees are:

Trustee fees

| Annual retainer (paid quarterly) | 2022/2023 | 2023/2024 |
|-------------------------------------|-----------|------------------|
| | | 5.0% proposed |
| Trustees | R29 893 | R31 388 |
| Chairperson of the Board | R44 647 | R46 879 |
| Board meeting attendance | | |
| All Trustees | R 6 229 | R6 540 |
| Committee meeting attendance | | |
| Trustees | R3 737 | R3 924 |
| Chairperson of the Committee | R5 604 | R5 884 |



Mr K Buthelezi
Chairperson: Trustee Remuneration Committee