



Medshield is Committed to Building a Sustainable Healthcare Future

Are you curious about what makes businesses stand out in our current environment? It's certainly not about the bottom line and the financials anymore. It's about how they impact the world – the environment, the societies in which they operate, and their governance structures. Environmental, Social, and Governance (ESG) principles have become indispensable in a world grappling with climate change, social inequalities, and corporate accountability. While sectors like mining, energy, and manufacturing have typically been under the ESG spotlight, healthcare is now stepping into focus.

Integrating ESG principles is crucial for medical schemes to ensure the future sustainability of healthcare. Factors such as escalating costs, the rise of lifestyle-related diseases, and the environmental impact of medical waste make ESG adoption necessary. Medshield Medical Scheme aligns sustainability with healthcare excellence by developing an ESG roadmap featuring clear corporate sustainability goals. This effort sets the benchmark for responsible healthcare funding in South Africa, paving the way for a more resilient healthcare system.

LEARNING FROM SOUTH AFRICAN ESG LEADERS

Medshield acknowledges the importance of gaining insights from industry leaders who have effectively integrated ESG principles into their business models. Locally, Life Healthcare is actively driving sustainable healthcare by incorporating energy efficiency and water-saving measures across its hospital network. Aspen Pharmacare, one of South Africa's largest pharmaceutical companies, has embedded ESG principles into its global operations – most notably with sustainable manufacturing practices and community health support initiatives.

Sanlam has demonstrated leadership in sustainable investment practices, governance transparency, and transformation targets in the insurance sector, aligning financial strength with social progress. Novartis South Africa also contributes to local ESG progress through public-private partnerships to expand access to healthcare and drive inclusive health equity.

By benchmarking against these homegrown leaders and learning from their practical examples, Medshield aims to refine and strengthen its ESG roadmap. Although still in its preliminary stages, Medshield is laying the foundation for meaningful impact.

1. ENVIRONMENTAL IMPACT: POLLUTION AND WASTE MANAGEMENT

Environmental sustainability is a fundamental ESG pillar, and healthcare providers must tackle pollution and waste management. The healthcare sector produces substantial medical, pharmaceutical, and electronic waste, which can result in severe environmental consequences if not meticulously managed.

Life Healthcare has taken a proactive role in managing medical waste and improving energy usage within hospital environments. Aspen Pharmacare has also been recognised for its commitment to reducing environmental impact through improved production technologies and waste reduction systems. Inspired by these local initiatives, Medshield is exploring energy-efficient infrastructure and renewable energy solutions to reduce its environmental footprint and contribute to sustainable healthcare.

2. SOCIAL IMPACT: CLIMATE CHANGE AND HUMAN HEALTH

Climate change poses an escalating threat to public health. Rising temperatures and pollution levels contribute to lifestyle ailments such as hypertension, diabetes, and respiratory conditions. Medshield recognises its responsibility to mitigate these health risks through preventive healthcare programmes, chronic disease management, and promoting wellness benefits to its members.



In parallel, Novartis South Africa continues to lead in raising awareness and improving access to treatment for chronic diseases, with a focus on underserved communities. Medshield similarly integrates ESG principles across its internal operations to ensure alignment with corporate sustainability goals and regulatory compliance while supporting climate resilience through health.

3. CORPORATE RESPONSIBILITY: SOCIAL INITIATIVES AND MEMBER ENGAGEMENT

ESG leaders in South Africa prioritise healthcare access and equity. Medshield is committed to extending its corporate responsibility beyond its members. The Scheme supports community health initiatives, wellness programmes, and financial literacy education. Additionally, Medshield embeds ESG principles into its corporate culture – ensuring staff engagement and promoting awareness about lifestyle changes that contribute to improved health outcomes.

Aspen Pharmacare, for instance, has significantly contributed to healthcare equity through community-based partnerships and access to essential medicines. Sanlam has also implemented financial literacy initiatives nationwide to drive socioeconomic upliftment. Medshield is actively learning from and contributing to this ecosystem of shared value creation.

4. GOVERNANCE: THE PILLAR OF CORPORATE SUSTAINABILITY

Strong governance ensures transparency, accountability, and long-term sustainability. Medshield prides itself on having a robust governance structure and is adopting best practices to strengthen its corporate governance. The Scheme is exploring partnerships with ESG-focused healthcare networks for ongoing improvement and intends to integrate ESG reporting into its annual trustee and Annual General Meeting (AGM) reports to strengthen transparency and accountability.

Sanlam's comprehensive sustainability disclosures and Life Healthcare's transparent ESG frameworks offer useful templates for Medshield's ongoing governance enhancement. By drawing from these examples, Medshield aims to ensure that ESG isn't a side initiative but a core part of the Scheme's operation.

MEDSHIELD IS A RESPONSIBLE CORPORATE CITIZEN

Medshield's ESG journey signifies its dedication to being a responsible corporate citizen. By embedding ESG principles into its business model, Medshield enhances its reputation and safeguards its operations against emerging global challenges.

As one of the pioneers among South African medical schemes in undertaking a structured ESG journey, Medshield is setting a noteworthy precedent. Its approach emphasises long-term resilience, sustainability, and member-centric healthcare solutions.

As Medshield refines its ESG initiatives, the greater healthcare sector benefits from a model prioritising people, the planet, and strong governance. ESG is not merely a trend – it is the future of responsible healthcare, and Medshield is at the forefront of this transformation in South Africa. We invite all members, brokers, and stakeholders to join us in shaping a more sustainable and inclusive healthcare future.