

# OUR STRATEGY, PROGRESS AND AIMS

## OUR OBJECTIVE/GOAL

To provide superior clinical outcomes in a safe clinical environment, while continuously improving the general service experience for patients, in order to help maintain Mediclinic's leading positions in the markets in which it operates.

STRATEGIC PRIORITIES	DESCRIPTION
<p><b>IMPROVE SAFE, QUALITY CLINICAL CARE AND PATIENT EXPERIENCE</b></p> <p>Focus on providing consistently high-quality care and an optimal patient experience across the Group</p> <p>More information on this priority is included in the <b>Sustainable Development Report</b> (material issue 1) available on the Company's website.</p> 	<p>We provide a wide range of hospital-related clinical services throughout our operating platforms, and strive to ensure that the clinical services we provide are efficient, effective, appropriate, evidence-based and in line with modern technological advances. We will continue to focus on various initiatives across all three platforms (as adopted by the Mediclinic Group) with the aim of further improving the patient experience and to deliver integrated and co-ordinated patient-centred care in all facilities.</p>
<p><b>INVEST IN EMPLOYEES</b></p> <p>Invest in Mediclinic's employee base to continue to develop clinical competencies and address scarce skills</p> <p>More information on this priority is included in the <b>Sustainable Development Report</b> (material issue 2) available on the Company's website.</p> 	<p>We continue to focus on identifying, attracting and retaining leading specialists and talented healthcare professionals at our facilities as the market competition for talent increases. We also deploy integrated talent strategies to ensure the proactive attraction of scarce skills in the areas of need as well as the retention of scarce skills in areas that have been identified as higher risk.</p>
<p><b>LEVERAGE INTERNATIONAL GROUP BENEFITS</b></p> <p>Continue to seek opportunities to leverage benefits of an international group</p> <p>More information on this priority is included in the Chief Executive Officer's Report.</p> 	<p>We continuously look for opportunities to leverage our combined international capacity and resources to unlock synergies: namely procurement benefits from greater scale, the creation of a shared operations team in the Middle East and the combination of certain corporate functions. We promote collaboration, shared intellectual capital and resources between our platforms.</p>

PROGRESS 2016

IMPROVE SAFE, QUALITY CLINICAL CARE

- Adopted a centrally integrated clinical management structure thereby improving teamwork, implemented a clinical key performance indicator dashboard to enable improvement and appointed nursing specialists in *Southern Africa*
- Reaffirmed the utilisation of the critical incident reporting system and adherence to policies and progressed with changing the approach from functional nursing to patient-centred nursing in *Switzerland*
- Appointed a group patient safety officer, established a quality department, updated the patient safety strategy and implemented new clinical indicators and created a central repository in *Middle East*

IMPROVE PATIENT EXPERIENCE

- Introduced a standardised Patient Experience Index successfully in *Southern Africa* and *Middle East* and commenced a pilot phase in *Switzerland*

AIMS 2017

IMPROVE SAFE, QUALITY CLINICAL CARE

- Continue to focus on various patient safety and clinical quality initiatives across the *Group*
- Implement standardised clinical performance reports against targets and benchmarks across the *Group*

IMPROVE PATIENT EXPERIENCE

- Implement targeted improvement plans based on the Patient Experience Index in *Southern Africa* and *Middle East*
- Implement the standardised Patient Experience Index in *Switzerland*

- Established a Global Reward Centre of Excellence to optimise reward practices across the *Group*
- Introduced a standardised Employee Engagement Index successfully across the *Group*
- Commenced with doubling training capacity by changing the nurse training funding model and expanding training capacity in *Southern Africa*
- Increased training expenditure, in particular relating to specialist nurses, with approximately 980 apprenticeships and students, 85% of whom work in healthcare professions in *Switzerland*
- Progressed with extensive Continuing Medical Education programme for clinical staff and established a new relationship with Mohamed Bin Rashid University of Medicine and Health Sciences, which will give direct access to a new pool of medical students and newly-qualified doctors in *Middle East*

- Implement targeted improvement plans based on the Employee Engagement Index across the *Group*
- Integrate results of Patient Experience and Employee Engagement surveys to evaluate the impact of employee engagement improvement plans on patient experience across the *Group*

- Shared clinical skills across the *Group*
- Commenced with harmonisation of systems through the introduction of SAP ERP across the *Group*
- Generated savings on the procurement of major capital items and surgical and consumable products across the *Group*
- Implemented initial master data management and international data warehouse projects across the *Group*
- Continued collaboration between *Switzerland* and *Middle East* on centres of excellence such as Oncology and Obesity and with the inter-platform transfer of senior staff members to *Middle East*

- Continue to generate savings on the procurement of major capital items and surgical and consumable products where possible across the *Group*
- Continue to standardise and centralise selective support processes across the *Group*
- Continue with "Hirslanden 2020" project to improve operational efficiency in *Switzerland*

# OUR STRATEGY, PROGRESS AND AIMS (continued)

STRATEGIC PRIORITIES	DESCRIPTION
<p><b>CONTINUE TO GROW</b></p> <p>Grow via capacity and footprint expansion across the portfolio at attractive returns</p> <p>More information on this priority is included in the <b>Sustainable Development Report</b> (material issue 3) available on the Company's website.</p> 	<p>We will continue to evaluate investment opportunities to grow our footprint beyond the existing operating platforms and regions that will add long-term value to shareholders; and will continue to make significant investments to grow capacity at each of the operating platforms. We are also pursuing opportunities and initiatives to improve occupancies of existing premises, expand existing facilities and acquire or create new facilities.</p>
<p><b>IMPROVE EFFICIENCIES</b></p> <p>Improve efficiencies through standardisation, utilisation of group scale and use of data analytics</p> <p>More information on this priority is included in the <b>Sustainable Development Report</b> (material issue 3) available on the Company's website.</p> 	<p>Due to the geographic spread of our operations, the potential of possible cost savings, less administration and improved efficiency, we have initiated international procurement initiatives with the aim of unlocking synergies and implementing standardisation for the greater benefit of the <i>Group</i>.</p>
<p><b>DELIVER INTEGRATED AND CO-ORDINATED CARE</b></p> <p>Further develop structures to encourage integrated and co-ordinated care across the Group</p> <p>More information on this priority is included in the <b>Clinical Services Report</b> available on the Company's website.</p> 	<p>With the aim of ensuring that we deliver consistent cost-effective care and superior clinical outcomes at every facility, we have embarked on a number of projects to gradually move towards a better integrated clinical healthcare delivery model. The key focus area is to put the patient first through improved collaboration and co-ordination between the various clinical care providers in the clinical care process.</p>



PROGRESS 2016

- Acquired a 29.9% interest in UK-based Spire Healthcare in August 2015 – growing the *Group*
- Combined Al Noor Hospitals Group plc and Mediclinic International Limited in February 2016 – growing the *Group*
- Commissioned two new day clinics, obtained six new day clinic licenses, commissioned 132 new beds (including the new day clinics) and acquired a controlling share in three hospitals with 256 beds in Klerksdorp (subject to conditions precedent) in *Southern Africa*
- Commissioned an outpatient clinic with an integrated radiology institute in Düringen in *Switzerland*
- Acquired land to build a 188-bed hospital in Dubai, opened Mediclinic Al Hili in Al Ain and secured additional capacity at Mediclinic City Hospital in Dubai in *Middle East*

- Achieved significant savings on several surgical supplies and capital equipment following implementation of central procurement
- Introduced direct importing and distribution of more cost-effective surgical and consumable products

- Focused on closer collaboration with doctors, transparent sharing of information with funders and doctors and the appointment of Hospital Clinical Managers at a number of larger hospitals as well as collaborative pilot ventures with small groups of orthopaedic surgeons and obstetricians in *Southern Africa*
- Published the conceptual model of a system provider in the national journal of doctors, and received positive feedback in *Switzerland*
- Further developed the Breast and Metabolic Centres at Mediclinic City Hospital to streamline clinical processes and concluded clinical services planning for the new comprehensive Cancer Centre in *Middle East*

AIMS 2017

- Continue with expansion projects which should add 97 additional beds during 2016/17 in *Southern Africa*
- Continue with several expansion projects, including more operating theatre capacity for both Hirslanden Klinik Stephanshorn and Hirslanden Klinik St. Anna, and an expanded emergency department for Hirslanden Klinik Im Park in *Switzerland*
- Continue with several projects, including the opening of the Al Jowhara Hospital, the North Wing extension of Mediclinic City Hospital, plus the opening of the Khalifa A, Al Yaher, Ghayathi and Look Wow clinics in *Middle East*

- Enable growth with select key partners to strengthen our negotiating power
- Identify further saving opportunities with international consolidated data comparisons and spend pattern analysis
- Further integrate services where appropriate in local markets
- Develop a wider range of clinical performance indicators

- Continue to develop structures to encourage integrated, collaborative and co-ordinated care across the *Group*
- Continue with operational initiatives to integrate, collaborate and co-ordinate where possible and continue to pursue a multi-disciplinary approach to treatment across the *Group*

